



## **OPEN MEETING**

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

**Tuesday, April 13, 2021- 9:30 a.m.**

#### **VIRTUAL MEETING**

**Laguna Woods Village Community Center, 24351 El Toro Road,  
Laguna Woods, California**

### **NOTICE OF MEETING AND AGENDA**

The purpose of this meeting is to conduct the regular United Mutual Board Meeting in accordance with *Civil Code §4930* and was hereby noticed in accordance with *Civil Code §4920*

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- 1. Call to Order / Establish Quorum – Sue Margolis, President**
- 2. Acknowledge Media**
- 3. Approval of Agenda**
- 4. Approval of the Meeting Minutes**
  - a. March 9, 2021 – Regular Open Meeting
- 5. Report of Chair**
- 6. 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. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can join the Zoom meeting by clicking on the link <https://zoom.us/j/95563492734> or call (949) 268-2020 or email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) to request to speak.***
- 7. Responses to Open Forum Speakers**
  - a. Director Armendariz –to give an update to the Open Forum comments from the March 9, 2021 board meeting.
- 8. Update from VMS – Director Skillman**
  - a. VMS Recognition of Excellence Awards
  - b. Update on CAI Law Webinar

**9. CEO Report**

**10. Consent Calendar** – *All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the Board by one motion. In the event that an item is removed from the Consent Calendar by Members of the Board, such item(s) shall be the subject of further discussion and action by the Board.*

**a. Recommendation from the United Landscape Committee:**

- (1) Recommendation to approve landscape revision request: 577-A (Beduva)
- (2) Recommendation to approve tree removal request: Building 896 (MacKinnon) – one English holly tree

**b. Recommendation from the United Finance Committee:**

- (1) Approve a resolution for recording of lien against Member ID# 947-391-11

**c.** Accept the Review of the United Sub-Leasing and Transfer of Trust Documents Approved in March, 2021, and such review is hereby ratified.

**d.** Resolution to Update Committee Appointments

**11. Unfinished Business**

- a. 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 preliminary financials for the month of November 2020, December 2020, and February 2021; such review is hereby ratified.
- b. Conditionally accept the review and ratification of the United Laguna Woods Mutual preliminary financials for the month of January 2021, on the condition that the process described in the Finance Committee has started.

**12. New Business**

- a. Discuss and Consider Resale Process Efficiencies—Proposed Amendment to Financial Qualifications Policy and Other Efficiencies (**APRIL Initial Notification—Must postpone 28-day for Member review and comment to comply with Civil Code §4360**)
- b. Entertain a Motion to Approve Supplemental Allocation for Performance Improvements to Increasing Service Levels to Five Cycles
- c. Entertain a Motion to Amend United Mutual Investment Policy to include Equity Position up to 5% (will be delivered under separate cover)
- d. Entertain a Motion to Approve Temporary Borrowing from Operating and Reserve Fund Funds
- e. Appointment of Board Officers

### **13. Committee Reports**

- a. Report of the Finance Committee / Financial Report – Director Asgari. The Committee met on March 30, 2021; next meeting April 27, 2021, 1:30 p.m. as a virtual meeting.
  - (1) Treasurer's Report
  - (2) United Finance Committee Report
  - (3) Resales/Leasing Reports
- b. Report of the Architectural Control and Standards Committee – Director Gilmore. The Committee met on March 18, 2021; next meeting April 15, 2021 at 9:30 a.m. as a virtual meeting.
- c. Report of Member Hearings Committee – Director Addington. The Committee met on March 25, 2021; next meeting April 22, 2021 at 9:00 a.m. as a virtual meeting.
- d. Report of the Governing Documents Review Committee – Director Addington. The Committee met on March 18, 2021; next meeting April 15, 2021, 1:30 p.m. as a virtual meeting.
- e. Report of the Landscape Committee – Director Torng. The Committee met on March 11, 2021; next meeting April 8, 2021 at 9:30 a.m. as a virtual meeting.
- f. Report of the Maintenance & Construction Committee – Director Randazzo. The Committee met on February 24, 2021; next meeting April 28, 2021, 9:30 a.m. as a virtual meeting.
- g. Report of the Communication Committee – Director Ardani. The next committee meeting TBA.

### **14. GRF Committee Highlights**

- a. Report of the GRF Finance Committee – Director Asgari. The Committee met on February 17, 2021; next meeting April 21, 2021, 1:30 p.m. as a virtual meeting
- b. Report of the GRF Strategic Planning Committee—Director Torng. The Committee met on March 17, 2021; next meeting TBA.
- c. Report of the Community Activities Committee – Director Addington. The Committee met on March 11, 2021; next meeting April 8, 2021, 1:30 p.m. as a virtual meeting.
  - (1) Equestrian Center Ad Hoc Committee – The committee met on March 4, 2021; next meeting TBA.

- d. Report of the GRF Landscape Committee – Director Tornø. The Committee met on March 10, 2021; next meeting May 12, 2021 at 1:30 p.m.
- e. Report of the GRF Maintenance & Construction Committee – Director Randazzo. The Committee met on February 10, 2021; next meeting April 14, 2021, 9:30 a.m. as a virtual meeting.
  - (1) Clubhouse 1 Renovation Ad Hoc Committee—Director Randazzo. The Committee met on March 23, 2021; next meeting TBA.
- f. Report of the Media and Communication Committee – Director Ardani. The Committee met on February 22, 2021; next meeting April 19, 2021, 1:30 p.m. as a virtual meeting.
- g. Report of the Mobility and Vehicles Committee – Director Addington. The Committee met on April 7, 2021; next meeting June 2, 2021, 1:30 p.m. as a virtual meeting.
- h. Report of the Security and Community Access Committee – Director Armendariz. The Committee met on February 22, 2021; next meeting April 26, 2021 at 1:30 p.m. as a virtual meeting.
- i. Laguna Woods Village Traffic Hearings – Director Ardani. The Hearings were held on March 17, 2021; next hearings will be held April 21, 2021, at 9:00 a.m. as a virtual meeting.
- j. Report of the Disaster Preparedness Task Force – Director Casey. The Task Force met on March 30, 2021; next meeting May 25, 2021 at 9:30 a.m. as a virtual meeting.
- k. Report of the Insurance Ad Hoc Committee—Director Margolis. The Committee met on February 18, 2021; next meeting TBA.

**15. Future Agenda Items –** *All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting.*

- a. 360 Investigation

**16. Directors' Comments**

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

**CLOSED SESSION NOTICE AND AGENDA**

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) March 9, 2021—Regular Closed Session*

*Discuss and Consider Member Disciplinary Matters*

*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Legal and Litigation Matters*

**18. 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 9, 2021, 9:30 a.m.  
Open Session, Virtual Meeting  
24351 El Toro Road, Laguna Woods, California**

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Directors Present: Sue Margolis, Carl Randazzo, Cash Achrekar, Andre Torng, Elsie Addington, Manuel Armendariz, Reza Bastani, Brian Gilmore, Neda Ardani, Diane Casey, Azar Asgari

Directors Absent: None

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Robbi Doncost, Eileen Paulin, Grant Schultz and Cheryl Silva

Others Present: VMS: Juanita Skillman, Norman Kahn

**1. Call Meeting to Order/Establish Quorum**

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

**2. Acknowledge Media**

The Village Television Camera Crew, by way of remote cameras, was acknowledged as present. The virtual meeting was recorded.

**3. Approval of Agenda**

Hearing no changes, the agenda was approved without objection.

**4. Approval of Minutes**

a. February 9, 2021 – Regular Open Meeting

Hearing no changes, the minutes of February 9, 2021, was approved without objection.

**5. Report of the Chair**

President Margolis shared her experience on rewarding good behavior. It is important to be positive and raise the moral of our employees. Most of our resident have received their vaccines through the partnership with MemorialCare. Let's look forward to making this a good spring.

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## **6. Open Forum**

Eileen Paulin read the member comments received.

Members made comments regarding the following:

- A Member commented that the information on Next Door is not based on facts and supports the Social Media Policy.
- A Member commented she supports the Social Media Policy to keep information accurate.
- A Member asked that recycling bins for plastic bags be placed throughout the Village to make recycling easier for residents.
- A Member spoke about a letter she received from the Compliance Department about the number of potted plants she has in front of her manor.
- A Member would like to see more communication between the Board and Residents.
- A Members spoke against the Social Media Policy because Next Door is how residents communicate with each other.
- A Members asked why the Board drafted a Social Media Policy.
- A Member commented that more information needs to be given to the residents about how to use Zoom.

## **7. Responses to Open Forum Speakers**

Director Achrekar reviewed responses to member comments from the last board meeting. Residents should call resident services to have foliage droppings cleaned up in the carports. The Compliance Department is investigating the complaint about noise.

- President Margolis asked Jeff Parker-CEO to look into the potted plants and recycling bins request.
- Eileen Paulin commented that information on how to use Zoom is available on the Laguna Woods Village website under News/What's Up with the Village.
- Director Tornig commented about how residents receive information.
- Director Addington commented that resident in question from one of the member comments about a resident who was creating noise, has moved.
- Director Asgari commented about information in the Breeze Magazine.
- Director Bastani asked about Zoom controls.
- Director Randazzo commented that the information is available on the website.

## **8. Update from VMS – Norman Kahn**

VMS Director Kahn gave a report from the VMS Board. Village remains a challenge to fill positions. The board member training will continue. Over 8,000 residents have been vaccinated. The VMS Board is advocating opening more areas when the state and county guidelines allow us to operate safely. Great progress has been made to reduce the wait time in the Manor Alterations Department.

Director Kahn answered questions from the board.

## **9. CEO Report**

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

- According to the Orange County Health Care Agency (OCHCA), there has been



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a steady decline in COVID-19 cases. There are 247,372 confirmed COVID-19 cases in Orange County—232 cases reported today. The City of Laguna Woods reports 399 confirmed cases. The seven-day testing positivity rate in Orange County is 3.9%. The State of California has vaccinated 10,003,942 individuals so far.

- Doubles Play for Pickleball, Paddle Tennis will resume in early April.
- Residents have received their second dose of the COVID-19 vaccine. Second dose vaccination distributions will be administered by MemorialCare at Clubhouse 7 on the weekends. Residents that did not get the first vaccine can contact the County and RiteAid to register for the first vaccine. Residents scheduled to receive their second-dose vaccine will be notified of their appointment via the CodeRED notification system and MemorialCare's appointment alert system.
- Facilities will begin to reopen once the county moves into the orange category. Outdoor activities and meeting with staff on an appointment basis, can begin once the county moves to the red category.
- New Resident Orientation will be virtual to become familiar with the Village operating rules, must RSVP by emailing Rebecca Jackson. To attend a New Resident Orientation please RSVP via email to [becky.jackson@vmsinc.org](mailto:becky.jackson@vmsinc.org). United New Resident Orientation will take place on Wednesday, March 10, 2021 at 4:30 p.m. Third New Resident Orientation will take place on Friday, March 19, 2021 at 9 a.m.
- Arizona Pipeline is working with Southern California Edison to update equipment at five locations around the village.
- Pool 1 Boiler Replacement Underway.
- Spring carport cleaning begins on March 23<sup>rd</sup>.
- Village Trash, Recycling and Bulky-Item Pickup on the third Saturday of every month.

Jeff Parker-CEO and Siobhan Foster-COO answered questions from the board.

## 10. Consent Calendar

### 10a. RECOMMENDATION FROM THE UNITED ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE:

- (1) Approve Variance Request to Retain Stair Lift on Common Area Staircase (61Q, Cadiz, 6A, Gothard)

### **RESOLUTION 01-21-14** **VARIANCE REQUEST**

**WHEREAS**, Mrs. Patricia Gothard of 61-Q Calle Cadiz, a Cadiz style unit, is requesting Board approval of a variance to retain a stair lift on the entry staircase; and,

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected units on February 8, 2021, notifying them that an application to make an

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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 February 18, 2021.

**NOW THEREFORE BE IT RESOLVED**, on March 9, 2021, the Board of Directors hereby approves the request to retain a stair lift on the entry staircase;

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member Owner at 61-Q Calle Cadiz and all future Mutual members at 61-Q Calle Cadiz;

**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.

(2) Approve Variance Request for Loft Extension (188-B, Seville, 5, Torng)

**RESOLUTION 01-21-15**  
**VARIANCE REQUEST**

**WHEREAS**, Mr. Andre Torng of 188-B Avenida Majorca, a Seville style unit, is requesting Board approval of a variance to construct a loft extension; and,

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected units on February 8, 2021, 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 February 18, 2021.

**NOW THEREFORE BE IT RESOLVED**, on March 9, 2021, the Board of Directors hereby approves the request to construct a loft extension;

**RESOLVED FURTHER**, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member Owner at 188-B Avenida Majorca and all future Mutual members at 188-B Avenida Majorca;

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

**10b. RECOMMENDATION FROM THE UNITED LANDSCAPE COMMITTEE:**

- (1) Recommendation to Approve Tree Removal Request: 533-G Via Estrada (Kim)
  - One Hollywood Juniper tree

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**RESOLUTION 01-21-16**  
**APPROVE REMOVAL**  
**OF ONE HOLLYWOOD JUNIPER**  
**AT 533-G VIA ESTRADA**

**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 11, 2021, the Landscape Committee reviewed a request to remove one Hollywood Juniper tree from the Member at 533-G, who cited the reasons as structural damage, litter/debris, and overgrowth, and;

**WHEREAS**, the Committee determined that the tree meets the guidelines established in Resolution 01-13-17, and thereby recommends approving the request for the removal of one Hollywood Juniper tree located at 533-G Via Estrada.

**NOW THEREFORE BE IT RESOLVED**, March 9, 2021, the Board of Directors approves the request for the removal of one Hollywood Juniper tree;

**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 Approve Tree Removal Request: 2030-A Avenida Castilla (Grant) – One Weeping Fig tree

**RESOLUTION 01-21-17**  
**APPROVE REMOVAL**  
**OF ONE WEEPING FIG TREE**  
**AT 2030-A VIA MARIPOSA 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.

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- 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 11, 2021, the Landscape Committee reviewed a request to remove one Weeping Fig tree from the Member at 2030-A, who cited the reasons as structural damage and overgrowth, and;

**WHEREAS**, the Committee determined that the tree meets the guidelines established in Resolution 01-13-17, and thereby recommends approving the request for the removal of one Weeping Fig tree located at 2030-A Via Mariposa E.

**NOW THEREFORE BE IT RESOLVED**, March 9, 2021, the Board of Directors approves the request for the removal of one Weeping Fig tree;

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

**10c. RECOMMENDATION FROM THE UNITED FINANCE COMMITTEE:**

- (1) Approve a Resolution for Recording of Lien against Member ID# 947-436-29

**RESOLUTION 01-21-18**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-436-29; 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 9, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-436-29 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.

- (2) Approve a Resolution for Recording of Lien against Member ID# 947-375-12

**RESOLUTION 01-21-19**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-375-12; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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**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 9, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-375-12 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.

(3) Approve a Resolution for Recording of Lien against Member ID# 947-370-51

**RESOLUTION 01-21-20**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-370-51; 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 9, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-370-51 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.

(4) Approve a Resolution for Recording of Lien against Member ID# 947-424-56

**RESOLUTION 01-21-21**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-424-56; 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 9, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-424-56 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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(5) Approve a Resolution for Recording of Lien against Member ID# 947-380-59

**RESOLUTION 01-21-22**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-380-59; 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 9, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-380-59 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.

**10d.** Accept the Review of the United Sub-Leasing and Transfer of Trust Documents Approved in February, 2021 and such review is hereby ratified

Director Tornig made a motion to approve the Consent Calendar. Director Randazzo seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote and the Consent Calendar was approved without objection.

**11. Unfinished Business**

**11a.** 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 preliminary financials for the month of November 2020, December 2020, and January 2021; such review is hereby ratified.

Director Asgari commented that she reviewed the financials for the months of November 2020, December 2020 and these months could not be ratified. Director Asgari made a motion, seconded by Director Randazzo, to approve the review of the financials for the month of January 2021.

President Margolis called for the vote to ratify the review of the financial for the month of January 2021 and the motion passed by a vote of 10-1-0 (Director Armendariz opposed)

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**11b. Entertain a Motion to Approve a Village Permit-less Manor Alterations Pilot Run**

**RESOLUTION 01-21-13**  
**SIX-MONTH VARIANCE MORATORIUM**

**WHEREAS**, the Architectural Controls and Standard Committee recognizes Manor Alterations (a division of VMS, Inc. which represents the United Laguna Woods Mutual), is obligated to process variance requests to the United ACSC Committee for review and potential approval; and

**WHEREAS**, the purpose of the temporary Variance Moratorium is to allow sufficient relief to Manor Alterations to train new staff and better manage the current shareholder permit applications currently submitted to Manor Alterations; and

**WHEREAS**, this resolution would expire six (6) months after Board approval;

**NOW THEREFORE, BE IT RESOLVED**, on February 9, 2021, the Board of Directors hereby authorizes moratorium on all variance requests, effective April 9, 2021 and for a six (6) month time period;

**RESOLVED FURTHER**, that Manor Alterations will inform manor owners, as they inquire to the potential of a variance request, of the temporary hold on variances and the pending expiration date of this Moratorium.

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

Director Gilmore made a motion to delay the effective date to April 9, 2021. Director Randazzo seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote of the motion to change the effective date to April 9, 2021 passed by a vote of 7-1-3 (Director Armendariz opposed; Directors Achrekar, Ardani, Asgari abstained).

**12. New Business -- none**

**13. Committee Reports**

**13a.** Report of the Finance Committee / Financial Report – Director Asgari showed a presentation on the Treasurer’s Report and reviewed the resale and lease reports. The committee met on February 23, 2021; next meeting will be March 30, 2021, 1:30 p.m. as a virtual meeting.

**13b.** Report of the Architectural Control and Standards Committee – Director Gilmore. The committee met on February 18, 2021; next meeting March 18, 2021, at 9:30 a.m. as a virtual meeting.

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- 13c.** Report of Member Hearings Committee – Director Achrekar gave a report from Member Hearings. The committee met on February 25, 2021; next meeting March 25, 2021, at 9:00 a.m. as a virtual meeting.
- 13d.** Report of the Governing Documents Review Committee – Director Addington gave a report from the last Committee meeting. The committee met on February 18, 2021; next meeting will be March 18, 2021, 1:30 p.m. as a virtual meeting.
- 13e.** Report of the Landscape Committee – Director Torng gave a report from the last Committee meeting. The committee met on February 11, 2021; next meeting will be March 11, 2021, at 9:30 a.m. as a virtual meeting.
- 13f.** Report of the Maintenance & Construction Committee – Director Randazzo gave a report from the last committee meeting. The committee met on February 24, 2021; next meeting April 28, 2021, at 9:30 a.m. as a virtual meeting.
- 13g.** Report of the Communication Committee – Director Ardani. The next committee meeting TBA.

#### **14. GRF Committee Highlights**

- 14a.** Report of the GRF Finance Committee – Director Asgari gave highlights from the last committee meeting. The committee met in closed session on February 17, 2021; next meeting will be April 21, 2021, 1:30 p.m. as a virtual meeting.
- 14b.** Report of the GRF Strategic Planning Committee – Director Torng gave highlights from the last committee meeting. The committee met on December 30, 2020; the Customer Experience Subcommittee met on February 4, 2021; next meeting March 17, 2021 at 1:30 p.m. as a virtual meeting.
- 14c.** Report of the Community Activities Committee – Director Addington gave highlights from the last committee meeting. The committee met on February 11, 2021; next meeting March 11, 2021, 1:30 p.m. as a virtual meeting.
- 14d.** Report of the GRF Landscape Committee – Director Torng. The committee met on November 30, 2020; next meeting March 10, 2021, at 1:30 p.m. as a virtual meeting.
- 14e.** Report of the GRF Maintenance & Construction Committee – Director Randazzo gave highlights from the last committee meeting. The committee met on February 10, 2021; next meeting will be April 14, 2021, 9:30 a.m. as a virtual meeting.
- (1) Clubhouse 1 Renovation Ad Hoc Committee—Director Randazzo.** The committee met on September 2, 2020; next meeting TBA.
- 14f.** Report of the Media and Communications Committee – Director Ardani gave highlights from the last committee meeting. The committee met on February 22, 2021; next meeting will be March 15, 2021, 1:30 p.m. as a virtual meeting.



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- 14g.** Report of the Mobility and Vehicles Committee – Director Addington gave highlights from the last committee meeting. The committee on February 3, 2021; next meeting will be April 7, 2021, 1:30 p.m. as a virtual meeting.
- 14h.** Report of the Security and Community Access Committee – Director Armendariz. The committee met on February 22, 2021; next meeting April 26, 2021, at 1:30 p.m. as a virtual meeting.
- 14i.** Report of the Laguna Woods Village Traffic Hearings – Director Ardani. The hearings were held virtually on February 17, 2021; next hearings March 17, 2021, at 9:00 a.m. as a virtual meeting.
- 14j.** Report of the Disaster Preparedness Task Force – Director Achrekar. The Task Force met virtually on January 26, 2021; next meeting March 30, 2021, at 9:30 a.m. as a virtual meeting.
- 14k.** Report of the Insurance Ad Hoc Committee – Director Achrekar. The Committee met on February 18, 2021; next meeting TBA.

## **15. Future Agenda Items**

- 15a.** 360 Investigation

## **16. Director's Comments**

- Director Armendariz made a comment about property insurance. He asked the directors to review Civil Code §5515.
- Director Torng commented about training for employees. Positive compliments from residents to staff.
- Director Asgari commented about agenda item 15a. 360 Investigation.
- Director Bastani asked about the names of the two insurance broker services.
- Director Achrekar made a comment about electric vehicles that have a smaller battery and he feels the charging fees should be less for smaller vehicles.

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

The meeting recessed at 11:23 a.m. into the Closed Session.

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

*During the February 9, 2021, Regular Closed Session, the Board:*

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) January 12, 2021 – Regular Closed Session*

*Discuss Member Disciplinary Matters*

*Discussed Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discussed and Considered Litigation and Legal Matters*

United Laguna Woods Mutual  
Regular Board Meeting  
March 9, 2021  
Page **12** of **12**

**18. Adjourn**

The meeting was adjourned at 3:00 p.m.

DocuSigned by:

*Neda Ardani*

33AA1B659E4B444...

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Neda Ardani, Secretary of the Board  
United Laguna Woods Mutual

**RESOLUTION 01-21-XX**

**APPROVE REQUEST TO REVISIONS TO THE LANDSCAPING  
ADJACENT TO 577-A, AT THE EXPENSE OF THE REQUESTOR**

**WHEREAS**, on March 11, 2021, the Landscape Committee reviewed a request to revisions to the landscaping adjacent to 577-A, at the expense of the requestor at 577-A, and;

**WHEREAS**, the Committee recommends approving the request for revisions to the landscaping adjacent to 577-A, at the expense of the requestor, at 577-A with the following conditions:

Staff recommends the approval of this request with the following conditions:

1. All costs for design, construction, and maintenance of the improvement are the responsibility of the Property's Member Owner at 577-A.
2. All irrigation modifications shall be performed by the Mutual as a chargeable service to the owner.
3. All materials and installations shall be approved by the Landscape Department prior to start of work.
4. The requesting Members understand that the area will remain Common Area subject to the use and passage of all members of United Mutual.

**NOW THEREFORE BE IT RESOLVED**, April 13, 2021, the Board of Directors approves the request to revisions to the landscaping adjacent to 577-A, at the expense of the requestor at 577-A;

**RESOLVED FURTHER**, 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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## **RESOLUTION 01-21-XX**

### **Approve Removal of One English Holly Tree at Building 896**

**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 March 11, 2021, the Landscape Committee reviewed a request to remove English Holly tree from the Member at 896-A, who cited the reasons as overgrown and the report of tree roots in the sewer lines, and;

**WHEREAS**, the Committee determined that the tree meets the guidelines established in Resolution 01-13-17, and thereby recommends approving the request for the removal of one English Holly tree located at Building 896.

**NOW THEREFORE BE IT RESOLVED**, April 13, 2021, the Board of Directors approves the request for the removal of one English Holly tree;

**RESOLVED FURTHER**, 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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## **RESOLUTION 01-21-XX**

### **Recording of a Lien**

**WHEREAS**, Member ID 947-391-11; 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 13, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-391-11 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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## Sublease Review Confirmation Checklist

By way of Resolution 01-20-52, the Board of Directors of United Laguna Woods Mutual has elected to delegate its authority to act upon and approve or deny sublease applications to an authorized agent. On a monthly basis, a subcommittee of the Board, consisting of United's secretary and at least one other director, shall randomly check select applications for completeness and conformance with established rules and regulations.

The undersigned Board members affirm that they have reviewed select sublease applications for the period ending March 31, 2021.

☒ Shareholder date  
☒ Sublease application  
☒ Sublease agreement or addendum/extension  
☒ Credit report, FICO score  
☒ Background check  
☒ Emergency/CodeRed form  
☒ Criminal record  
☐ Age verification

I certify that a random and representative sampling of sublease applications was reviewed to the best of my ability. The applications confirm to established rules and regulations.

UNITED LAGUNA WOODS MUTUAL

Signature E. Addington

Print Name Elsie Addington

Title Director

Date 4/2/21

UNITED LAGUNA WOODS MUTUAL

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## Membership Trust Transfer Review Confirmation Checklist

By way of Resolution 01-20-52, the Board of Directors of United Laguna Woods Mutual has elected to delegate its authority to act upon and approve or deny membership trust transfer requests to an authorized agent. On a monthly basis, a subcommittee of the Board, consisting of United's secretary and at least one other director, shall randomly check select membership trust transfer applications for completeness and conformance with established rules and regulations.

The undersigned Board members affirm that they have reviewed select membership trust transfer applications for the period ending March 31, 2021.

☒ Staff report  
☒ Financial qualifications met  
☒ Attorney opinion letter  
☒ Membership certificate; death certificate (if applicable)  
☒ Credit report, FICO score  
☒ Background check  
☒ Emergency / CodeRed form  
☒ Criminal record  
☒ Age verification

I certify that a random and representative sampling of membership trust transfer applications was reviewed to the best of my ability. The applications confirm to established rules and regulations.

UNITED LAGUNA WOODS MUTUAL

Signature E Addington

Print Name Elsie Addington

Title Director

Date 4-2-21

UNITED LAGUNA WOODS MUTUAL

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Resolution 01-21-xx**  
**United Laguna Woods Mutual Committee Appointments**

**RESOLVED**, xxx, 2021, that the following persons are hereby appointed to serve the Corporation in the following capacities:

**Architectural Control and Standards Committee**

Brian Gilmore, Chair

Carl Randazzo

Elsie Addington

Neda Ardani

Andre Torng

Reza Bastani

Non-Voting Advisors: Michael Mehrair, Walt Ridley, Juanita Skillman

**Communications Committee**

Neda Ardani, Chair

Elsie Addington

Cash Achrekar

**Finance Committee**

Azar Asgari, Chair

Sue Margolis

Carl Randazzo

Andre Torng

Diane Casey

Advisor: Dick Rader

**Governing Documents Review Committee**

Elsie Addington, Chair

Sue Margolis

Diane Casey

Reza Bastani

Advisor: Dick Rader, Juanita Skillman, Bevan Strom, Mary Stone

**Landscape Committee**

**Manuel Armendariz, Chair**

Andre Torng

Brian Gilmore

Neda Ardani

Advisors: Theresa Frost, Mike Peters, Annie Zipkin

**Maintenance and Construction Committee**

Carl Randazzo, Chair

Reza Bastani

Brian Gilmore

Diane Casey

Non-voting Advisor: Ken Deppe, Walter Ridley

**Members Hearing Committee**

Cash Achrekar, Chair  
Elsie Addington  
Reza Bastani

**New Resident Orientation**

Per Rotation List

**Resident Advisory Committee**

Per Rotation List

**RESOLVE FURTHER** that all directors are considered alternate members of each committee "Alternate." Each Alternate may serve as a substitute for another director that is unable to attend a meeting ("Substitute"). Committee Member Alternates cannot substitute for more than two (2) consecutive meetings. This will allow any director to ask any other director to sit in their stead during a temporary absence or unavailability. Of course, we can modify this and structure this any way the Board feels is best. However, the concept is that the Board, in advance, will approve any director sitting on a committee on a temporary basis when necessary to fill in for another director.

**RESOLVED FURTHER** Resolution 01-21-08, adopted February 9, 2021, 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 01-21-xx**  
**Golden Rain Foundation Committee Appointments**

**RESOLVED**, xxx, 2021, 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 Committee**

Sue Margolis  
Manuel Armendariz  
Brian Gilmore, Alternate

**GRF Strategic Planning Committee**

Sue Margolis  
Andre Torng  
Cash Achrekar, Alternate

**Customer Experience Subcommittee**

Andre Torng (United)

**Facilities Ad Hoc Committee**

Carl Randazzo (United)

**GRF Community Activities Committee**

Elsie Addington  
Andre Torng  
Cash Achrekar, Alternate

**GRF Finance**

Azar Asgari  
Carl Randazzo  
Diane Casey, Alternate

**GRF Landscape Committee**

Andre Torng  
Manuel Armendariz  
Azar Asgari, Alternate

**GRF Maintenance & Construction**

Carl Randazzo  
Brian Gilmore  
Reza Bastani, Alternate

**Clubhouse 1 Renovation Ad Hoc Committee**

Manuel Armendariz  
Carl Randazzo  
Sue Margolis, Alternate

**GRF Media and Communications Committee**

Neda Ardani  
Elsie Addington  
Cash Achrekar, Alternate

**GRF Mobility and Vehicles Committee**

Elsie Addington  
Reza Bastani  
Neda Ardani, Alternate

**GRF Security and Community Access**

Manuel Armendariz  
Reza Bastani  
Andre Torng, Alternate

**Disaster Preparedness Task Force**

Diane Casey  
Cash Achrekar  
Reza Bastani, Alternate

**Laguna Woods Village Traffic Hearings**

Neda Ardani  
Elsie Addington, Alternate

**Town Hall Meetings**

As Needed

**Budget Ad Hoc Committee**

Sue Margolis  
Azar Asgari  
Diane Casey

**Insurance Ad Hoc Committee**

Sue Margolis  
Cash Achrekar  
Non-Voting Advisors: Diane Fortner

**Purchasing Ad Hoc Committee**

Carl Randazzo  
Azar Asgari

**Software Ad Hoc Committee**

Andre Torng  
Sue Margolis

**Service Improvement Ad Hoc Committee**

Andre Torng

**Investment Ad Hoc Committee**

Diane Casey

**RESOLVED FURTHER**, that Resolution 01-21-09, adopted February 9, 2021, 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.

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## STAFF REPORT

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**DATE:** April 13, 2021  
**FOR:** Board of Directors  
**SUBJECT:** Resale Process Efficiencies – Proposed Amendment to Financial Qualifications Policy and Other Efficiencies

---

### **RECOMMENDATION**

Approve the updated Financial Qualifications Policy amending the income requirements section to require FICO scores less than 700 to submit a full credit report and FICO scores 700 or higher to submit a credit summary report only in the membership application package.

### **BACKGROUND**

The Resale Packet – comprised of a membership application and documentation required by United Laguna Woods Mutual (United) in order to determine whether an applicant satisfies financial and other unrelated requirements – has been developed. It is periodically updated as revisions to various documents are made by the Board of Directors.

On February 18, 2021, the Governing Documents Review Committee (Committee) discussed a list of goals for the coming year. The goals included staff's review and streamlining of the resale application process where applicable.

The Resale Packet application and forms, without any supporting documentation, is comprised of 11 standard pages. The standard packet can increase to 22 pages, again without any supporting documentation, in instances when an interim dual membership agreement, a guarantor's agreement, a promissory note for the GRF Trust Facility Fee or a trust membership is involved.

It should be noted that the supporting documentation required by United is often in excess of 150 to 200 pages, and this is an area where staff believes some efficiencies are feasible.

### **DISCUSSION**

#### **Proposed Amendment to Financial Qualifications Policy**

United currently requires a full credit report and FICO score for each applicant and each guarantor. The credit reports are oftentimes upwards of 50 pages themselves. Therefore, staff suggests the Committee consider a specific FICO score, for example 700, as acceptable. If an applicant scores 700 or higher and does not have an outside mortgage, he may submit a credit summary report, which provides the credit highlights, but not the detail of every account ever opened and typically just a few pages. Applicants who score lower than 700 or score 700 or higher and have an outside mortgage would be required to submit a full credit report. Since many applicants have good credit scores, this change would reduce the size of many resale packets distributed via DocuSign, making them more efficient for Board review. This proposed efficiency

necessitates an amendment to the Financial Qualifications Policy that is part of the Resale Package.

### **Other Resale Process Efficiencies**

Three other proposed resale process efficiencies may be implemented administratively.

First, escrow company instructions provide another area where the number of pages could be reduced. The first three pages of escrow instructions reveal the name of the buyer, seller, address and terms of the transaction, including any contingencies. Typically, these are followed by four or five pages of general terms and provisions explaining what responsibilities the escrow office has. Neither staff nor United have a “need to know” this boilerplate information. Eliminating these few pages would make the resale packets more efficient for Board review.

Second, many applicants rely upon equity in a property or properties to satisfy United’s asset requirement. Staff relies upon property profiles and market analyses provided by escrow or the buyer which are often voluminous. Only the Property Detail Page and the Area Sales Analysis reflecting the median value are needed for staff’s calculations, thus eliminating other miscellaneous pages of data and streamlining the packet for Board review.

Lastly, applicants provide multiple pages of investment account documents in order to satisfy United’s asset requirement. Essentially, all that is needed is the summary page for each account, reflecting the report date, owner of the account, account number and balance. Pages showing the detail of various investments is unnecessary for our purposes in calculating an applicant’s assets. Eliminating the detailed accounts of various investments will further improve efficiencies and streamline Board review of resale packets.

Should the amendment to the Financial Qualifications Policy be approved and the other outlined efficiencies be implemented, the updated Resale Packet would be shared with escrow and real estate professionals, and the processor’s procedure updated.

On March 18, 2021, the Governing Documents Committee reviewed the resale process efficiencies outlined in this report, including both the proposed amendment to the Financial Qualifications Policy and the other efficiencies that can be implemented administratively. President Margolis made a motion to accept the following adjustments to the membership application and documentation required:

1. Submit a full credit report if FICO score is less than 700 or FICO score is 700 or higher with an outside mortgage. Submit a credit summary report if FICO score is 700 or higher without an outside mortgage. These reports must be dated within 60 days prior to the application submittal. (via amendment to the Financial Qualifications Policy);
2. Provide the first three pages of the escrow instructions only (administrative implementation);
3. Provide only the Property Detail Page and the Area Sales Analysis of the property profile, reflecting the median value (administrative implementation); and
4. Provide the summary page of each investment account document reflecting the report date, owner of the account, account number, and balance (administrative implementation)

The motion passed by unanimous consent.

### **FINANCIAL ANALYSIS**

None; although the efficiencies would allow the Community Services Division is process and review resale packages more swiftly.

**Prepared By:** Siobhan Foster, COO

**Reviewed By:** Nancy Duenas, Community Services  
Catherine Laster, Managemnent Analyst  
Blessilda Wright, Compliance Supervisor

### **Attachment(s)**

ATT 1: Resolution 10-21-xx

ATT 2: Resale Package with Proposed Amendment to Financial Qualifications Policy

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**RESOLUTION 01-21-XX**  
**Financial Qualifications Policy**

**WHEREAS**, United Laguna Woods Mutual (“United”) is formed to provide housing to its Members on a mutual nonprofit basis;

**WHEREAS**, United is authorized to adopt, amend or repeal necessary or desirable rules and regulations, through its Board of Directors, to carry out the purposes of this Corporation;

**WHEREAS**, on February 18, 2021, the Governing Documents Review Committee discussed a list of goals for the coming year, which includes the Community Services Division’s review and streamlining of the resale application process where applicable; and

**WHEREAS**, on March 18, 2021, the Community Services Division presented potential resale process efficiencies to the Governing Documents Committee for consideration; and

**WHEREAS**, on March 18, 2021, the Governing Documents Review Committee recommended that the Board of Directors consider the implementation of the resale process efficiencies; one of which would result in an adjustment to Income Requirement of the Financial Qualifications Policy as follows:

Prospective Shareholders shall submit from a recognized Credit Reporting Agency (e.g. Equifax, TransUnion, Experian) **a full credit report if FICO score is less than 700 or FICO score is 700 or higher with an outside mortgage. Submit a credit summary report if FICO score is 700 or higher without an outside mortgage. These reports must be dated within 60 days prior to the application submittal.**

**NOW THEREFORE BE IT RESOLVED**, April 13, 2021 the Board of Directors of this Corporation hereby introduces the amendment to the Financial Qualifications as outlined in this resolution; and

**RESOLVED FURTHER**, that Resolution 01-20-63, adopted October 13, 2020, is hereby suspended in its entirety and canceled; 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.



## Resale Package

This package contains all documents required for transacting a resale in United Laguna Woods Mutual (United). United is a cooperative where each shareholder/member is granted the right to occupy a specific unit under the terms of each Occupancy Agreement together with ownership of one share in the cooperative. The resale process differs from a condominium, and this package is to assist you in the process.

This package contains key information that the seller, potential buyer and real estate/escrow company should know. To ease the process, a document checklist has been created for each.

Before you get started, ensure that the potential buyer meets the qualifications to own a share of stock and reside in United. The prospective buyer must meet the following requirements:

- ☐ Age restriction (be at least 55 years of age);
- ☐ Financial qualifications:
  - Assets equal to the purchase price of the unit plus \$125,000;
  - Income of at least \$40,000 per year at the time of purchase (for more information refer to the financial qualifications policy); and
- ☐ You may not own or be listed on more than one certificate.

If all of the above conditions are met, proceed with familiarizing yourself with the key definitions in this package and submit the required documents for review by the United Board of Directors (board). **Only completed form submittals shall be accepted. Failure to provide accurate contact information can delay the process.** The information escrow provides must be legible for digital imaging.

If you require additional information or assistance, contact a membership counselor at email [ResalesRequirements@vmsinc.org](mailto:ResalesRequirements@vmsinc.org) or 949-268-2011.

The resale packages are processed by Resident Services. Normal business hours of operation are Monday through Friday, 8 a.m. to 5 p.m.



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## Definitions

**Application** – The form prescribed by United to apply for approval to purchase a share in United.

**Approval** – Written authorization by the United Board of Directors.

**Assessment** – The monthly amounts that shareholder/members are bound to pay pursuant to the terms of their respective Occupancy Agreements. Also known as carrying charges.

**Buyer** - A prospective shareholder/member who intends to purchase the right to occupy a particular unit in United.

**Certificate** – A document verifying stock ownership and membership in United.

**Charge** – A fee, fine and/or monetary penalty that United may levy upon a shareholder/member pursuant to the governing documents.

**Cohabitants** – Persons who live together as spouses or persons who are domestic partners within the meaning of Section 297 of the Family Code.

**Community** – Laguna Woods Village.

**Co-occupant** – Nonmember resident as defined by Civil Code 51.3 and who is approved by the board of directors.

**Cooperative** – In a cooperative, shareholders are members of a corporation that owns all real property, including the dwelling units, carports and laundry facilities within the mutual's boundaries, and each shareholder is entitled to occupy a specific dwelling unit under the terms of an Occupancy Agreement. Also known as "corporation."

**Corporation** – United is a California nonprofit mutual benefit corporation.

**Golden Rain Foundation (GRF)** – The Golden Rain Foundation of Laguna Hills, a California nonprofit mutual benefit corporation. GRF oversees the community facilities and services, including recreational facilities and amenities.

**Governing documents** – All of the following, collectively: the articles of incorporation, bylaws; Occupancy Agreements, rules and regulations, and any resolutions or policies of the board; all the same may be lawfully amended or modified from time to time.

**Identification (ID) card** – Photo ID card issued by GRF to shareholders/members, co-occupants and sublessees of the community authorizing use and access to the community facilities.

**Shareholder/Member** - Entitled to membership in United and approved by the board of directors to exclusively occupy a unit and to whom a stock and/or membership certificate of the corporation has been issued. Also known as qualified Resident.

**Occupancy Agreement** – The agreement between United and its shareholder/member, respectively, under the terms of which said shareholder/members are entitled to enjoy possession of their respective units and the use of facilities owned by United and GRF.



**Qualifying Resident** – Any person who is at least 55 years of age and who has been approved by the board of directors for occupancy of a unit.

**Seller** - Individual(s) named on a membership certificate or an estate representative who intends to dispose of the United share of stock.

**Staff** – Employees of the managing agent authorized to act on behalf of United.

**Sublessee(s)** – A person who subleases a unit from a shareholder/member and approved by the board of directors.

**United** – A nonprofit cooperative housing corporation that owns and manages all real property within the original 21 cooperative mutuals.

**Unit** – A cooperative dwelling owned by United Mutual; specifically, the exclusive rights to occupy a specific portion of real property with the development.

**Vehicle decals** – Identifying marker, supplied by GRF, for Resident access and parking within the Community other than by guests or contractors.

## **Fees**

The following fees are associated with the resale of the share of stock:

Administration fee	\$350
First inspection fee	\$90
Final inspection fee	\$60
Escrow cancellation	\$112
GRF facilities fee	\$5,000

### Escrow Documentation Checklist

Included √	Documents to be completed, signed, and dated.
	1. Seller's Authorization to Release of Information (email document), page 6
	2. First and Final Inspection Report Request and Intention to Leave Corporation (email document), page 7
	3. Resale Notification, page 9
	4. Escrow Instructions (Escrow provided)
	5. United Stock Certificate (original)
	6. Stock Assignment Separate from Certificate
	7. Escrow Closing Information, page 10
	8. Escrow Closing Notification and Remittance Report, page 11
	9. Responsibility Agreement for Nonstandard Landscape, page 12
	10. Responsibility Agreement for Alterations, page 13
	11. Memorandum of Termination of Occupancy Agreement, pages 14-15
	12. Shareholder/Membership Application, pages 16-17
	13. Golden Rain Foundation Trust Facilities Fee, page 18
	14. Promissory Note, pages 19-20
	15. Financial Statement and Credit Information, pages 21-27 Verifications for all income and assets listed in the Financial Statement and Credit Information form (i.e., copies of current federal income tax returns, signed and dated, including Schedules A & B, copies of bank statements, stock certificates, 1099s, property tax bills, investment account statements, etc.)
	16. Residency Restrictions, page 28
	17. Occupancy Agreement, pages 31-36
	18. Addendum to Occupancy Agreement – Trustee Membership (if applicable), page 37
	19. Interim Dual Membership Agreement (if applicable), pages 39-40
	20. Memorandum of Occupancy Agreement, pages 41-42
	21. Subordination Agreement (if applicable), page 43
	22. Application for Co-occupancy Permit (if applicable), page 44

#### Requirements for closing escrow

- To make the necessary arrangements for the final inspection of the unit, email Resale Inspections at [ResaleInspections@vmsinc.org](mailto:ResaleInspections@vmsinc.org) or send a fax to 949-268-2403 a minimum of five days prior to the close of escrow.
- For an update regarding outstanding payments, late charges and service charges, email Accounting at [escrowfinalupdate@vmsinc.org](mailto:escrowfinalupdate@vmsinc.org).
- All Resident ID cards and decals must be collected and sent to Resident Services either with the Resale Notification or Escrow Closing Notification. If missing, submit a Declaration of Loss affidavit, executed by the seller. If the seller had financing on his/her unit, the certificate must be requested from the lender. Note: In the event that seller cannot produce the certificate, the seller must obtain a lost instrument bond.
- Following the board of directors' waiver of purchase and Resident Services' authorization to close escrow, the following are required:
  - Escrow Closing Notification (in duplicate)
  - Issuance of separate checks to cover agency and depository items

**Allow 15 business days for obtaining board approval after receipt by this office.**



### Seller's Authorization to Release of Information

Email form to: <a href="mailto:ResalesRequirements@vmsinc.org">ResalesRequirements@vmsinc.org</a>	Unit number: _____
Unit address: _____	

The undersigned, listed below as seller/member, hereby authorizes the Staff to furnish information concerning the mutual and the unit located at the above address, in the City of Laguna Woods, California, 92637. Documents or information that may be released to the escrow officer include:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Members' names of record and vesting</li> <li>▪ Addresses and telephone numbers</li> <li>▪ Social security numbers</li> <li>▪ Occupants' names of record</li> <li>▪ Trust and will information – seller's estate</li> <li>▪ Letters testamentary/small estate affidavit</li> <li>▪ Monthly assessment and fees</li> <li>▪ United Laguna Woods Mutual certification</li> </ul> | <ul style="list-style-type: none"> <li>▪ Documents as required by Civil Code Section 4525</li> <li>▪ Assessment delinquency collection status</li> <li>▪ Supplemental property tax information</li> <li>▪ Board-approved special assessments</li> <li>▪ Unpaid fees, charges and fines</li> <li>▪ Copies of board minutes as required</li> <li>▪ Other</li> </ul> |
|--|---|

It is the seller's responsibility to turn over copies of United's governing documents to the new shareholder/member. If the seller is unable to do so, those documents, plus any additional documents, will be provided by the Staff, upon seller's approval of this release, and the charges billed to the seller in accordance with Civil Code Section 4525.

In addition, if the shareholder/member's lender requests information of pending litigation involving United or Golden Rain Foundation, the undersigned authorizes release of such litigation information, if any, to the shareholder's lender:

Lender name \_\_\_\_\_

Lender address \_\_\_\_\_

Lender telephone number \_\_\_\_\_

This authorization may be used only for the purpose of providing information to a prospective shareholder/member or the agent, and/or the escrow officer. This authorization represents the express written approval of the undersigned, and the undersigned releases United, the Golden Rain Foundation and their Staff from all liability for disclosing such information. I understand that I have the right to receive a copy of this information.

- ☐ This authorization is effective as of the date hereof, and will remain in effect until \_\_\_\_\_ (date).
- ☐ This authorization shall remain in effect until cancelled in writing by the shareholder/member.

Date	Seller name (print)	Seller signature

If this release is executed by someone other than seller/member, indicate relationship and provide supporting documents showing appointment to act.

<input type="checkbox"/> Successor trustee	<input type="checkbox"/> Court-appointed executor or administrator	<input type="checkbox"/> Attorney-in-fact for member
<input type="checkbox"/> Court-appointed guardian or conservator of member	<input type="checkbox"/> Other	



## First and Final Inspection Report Request and Intention to Leave Corporation

- [ ☐ ] Intention to Leave Corporation - Per Article 4 of the Occupancy Agreement.
- [ ☐ ] Request for First Inspection Report - Per Resolution 01-08-16, a first inspection fee will be billed as a chargeable service to the seller. The first inspection report is valid for six months.
- [ ☐ ] Request for landscape corrections - Per Resolution 01-18-55, all corrections must be completed by close of escrow. Checking this box indicates request for landscape corrections to be completed as a chargeable service upon receipt of the first inspection report.
- [ ☐ ] Request for Final Inspection Report - Per Resolution 01-08-16, a final inspection fee will be collected through escrow.
- [ ☐ ] Update information

Laguna Woods Village  
Resale Inspections Dept.  
P.O.Box 2220  
Laguna Hills, CA 92654-2220  
Fax: 949-268-2403  
Email: [ResalesInspections@vmsinc.org](mailto:ResalesInspections@vmsinc.org)

\_\_\_\_\_  
Seller's acknowledgement of fees/Date

Date \_\_\_\_\_  
Unit number \_\_\_\_\_  
Street name \_\_\_\_\_  
Occupied ☐ Vacant ☐  
Carport number \_\_\_\_\_

### Escrow company – Used for status updates

Company name: \_\_\_\_\_  
Escrow officer: \_\_\_\_\_ Escrow number: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone number: \_\_\_\_\_ Fax number: \_\_\_\_\_  
Escrow office email: \_\_\_\_\_

Estimated escrow close date: \_\_\_\_\_

### Seller's real estate company – Used for status updates

Company name: \_\_\_\_\_  
Agent name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone number: \_\_\_\_\_ Fax number: \_\_\_\_\_  
Agent email: \_\_\_\_\_

### Buyer

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone number: \_\_\_\_\_  
Cell phone: \_\_\_\_\_ (Important contact information)

### Seller

Shareholder of record: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone number: \_\_\_\_\_

### Inspections on co-ops include interior inspections (how we are to enter the property)

Lockbox: \_\_\_\_\_ Contact seller: \_\_\_\_\_ Contact agent: \_\_\_\_\_



## **Final Resale Inspections: Process for Corrections Noted**

Effective September 1, 2018

The resale inspection process provides a record of all items for which correction will be required. All items noted as corrections on the final inspection report must be completed prior to the close of escrow.

### **Issuance of service orders**

Service orders will be entered for all items of work noted in the corrections report for which the mutual is responsible. All service orders will be dispatched either to in-house technicians or to outside vendors for processing.

### **Completion of work**

All corrections not listed as “mutual charged” must be complete by the close of escrow.

### **Corrections by members**

Once corrections are complete, the seller(s) must email [ResalesInspections@ymsinc.org](mailto:ResalesInspections@ymsinc.org) to schedule a final inspection. If corrections are found to be incomplete at the final inspection, an additional final inspection fee may be charged to the seller(s).

### **Inspection/Verification requirement**

Once notified of completion, an inspection by the corporation’s agent to confirm completion will be required for each item of work completed by the seller(s).



## Resale Notification

Unit address: \_\_\_\_\_ Escrow number: \_\_\_\_\_ Date: \_\_\_\_\_

An escrow has been opened that involves a proposed sale and transfer of the shareholder in United and Golden Rain Foundation of Laguna Woods Village as follows:

Seller's broker:		Buyer's broker:	
Agent name:		Agent name:	
Agent phone:	Email:	Agent phone:	Email:
Seller(s):			
Buyer(s) and vesting:			
Name(s) of person(s) who will reside:			Selling price \$

In accordance with your instructions, the following are enclosed:

- ☐ 1. Escrow Instructions (from Escrow company)
- ☐ 2. Resale Notification
- ☐ 3. Escrow Closing Information
- ☐ 4. Escrow Closing Notification and Remittance Report
- ☐ 5. Responsibility Agreement for Nonstandard Landscape
- ☐ 6. Responsibility Agreement for Alterations
- ☐ 7. Memorandum of Termination of Occupancy Agreement (signed by each seller)
- ☐ 8. Shareholder/Membership Application (age and identity verification for each person on title)
- ☐ 9. Golden Rain Foundation Trust Facilities Fee
- ☐ 10. Promissory Note
- ☐ 11. Financial Statement and Credit Information (income and asset verification for each person on title)
- ☐ 12. Residency Restrictions
- ☐ 13. Occupancy Agreement (signed by each proposed buyer)
- ☐ 14. Addendum to Occupancy Agreement – Trustee Membership (if applicable)
- ☐ 15. Interim Dual Membership Agreement (if applicable)
- ☐ 16. Memorandum of Occupancy Agreement (signed by each proposed buyer)
- ☐ 17. Subordination Agreement (if applicable) (signed by each proposed buyer)
- ☐ 18. Application for Co-occupancy Permit (if applicable) (age and identity verification)

The undersigned (escrow officer) hereby attests that a request for first inspection was submitted to Resale Inspections Dept. on \_\_\_\_\_. It is understood that a final inspection shall be submitted to the buyer(s) prior to the close of escrow. **If United waives its option to purchase and approves the proposed shareholder/member**, and so informs us in writing, we will then proceed with the processing of this escrow, which is scheduled to close on or about \_\_\_\_\_ (date).

By: \_\_\_\_\_ For: \_\_\_\_\_  
Escrow officer Escrow company

### For office use only:

	Yes	No
Meets age requirement	<input type="checkbox"/>	<input type="checkbox"/>
Meets income requirement?	<input type="checkbox"/>	<input type="checkbox"/>
Meets asset requirement?	<input type="checkbox"/>	<input type="checkbox"/>
Exceeds the number of stock allowed?	<input type="checkbox"/>	<input type="checkbox"/>

Verified by:

\_\_\_\_\_  
Membership counselor

**Action by mutual board of directors:** By approving this application for membership, United waives the option to purchase the membership, subject to the conditions that both buyer(s) and seller(s) comply with the requirements of the mutual prior to the close of escrow, and that neither the mutual nor the Golden Rain Foundation shall incur any expenses in this transaction. The approval and waiver shall be effective as of the close of escrow.

Application denied	Application approved
The board of directors of this mutual corporation has reviewed this application. Based on the information provided, the application is <b>denied</b> .	The board of directors of this mutual corporation has reviewed this application. Based on the information provided, the application is <b>approved</b> .
Signature	Signature
Signature	Signature
Signature	Signature





## Escrow Closing Information

**Mail to:**

Laguna Wood Village  
Resale Inspections Dept.  
P.O. Box 2220  
Laguna Hills, CA 92654-2220  
Email: [EscrowClosings@vmsinc.org](mailto:EscrowClosings@vmsinc.org)

**Deliver to:**

Laguna Woods Village, Community Center  
Resale Inspections Dept.  
24351 El Toro Road  
Laguna Woods, CA 92637

Escrow number:

Unit number:

Closed date:

We request gate access passes or ID cards to be issued as follows:

Resident members

---

---

Nonresident members

---

---

Nonmember residents

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---

Your assistance is appreciated.

Sincerely,  
Escrow Officer

Name of escrow/Realty company/Representative: \_\_\_\_\_

Escrow phone number: \_\_\_\_\_

Escrow email: \_\_\_\_\_



## Escrow Closing Notification and Remittance Report

<b>Escrow number:</b>	
<b>Escrow company:</b>	<b>Unit number:</b>
<b>Escrow officer:</b>	<b>Date:</b>
<b>Escrow phone number:</b>	<b>Email:</b>
<b>Closing date:</b>	
Please be advised escrow has closed. Attached are payments, charges and/or fees due per your demand.	
1.	<b>Depository account:</b> Separate check, made payable to <b>Laguna Woods Village</b> , representing the following:
	a. Monthly assessment due for the period (date): \$
	b. Late charges \$
	c. Other \$
	<b>Total</b> \$
2.	<b>Agency account:</b> Separate check, made payable to <b>Golden Rain Foundation</b> , representing the following:
	a. Administration fee (United * \$350) \$
	*Additional fee for cash sale (United \$280) \$
	b. Final inspection fee (United \$60) \$
	c. Chargeable services (includes first inspection fee and other costs) \$
	d. Cable TV (broadband services) \$
	e. Lost/missing ID card(s) \$25 each \$
	f. Physical properties corrections or repairs \$
	g. Nonstandard landscape restoration charges \$
	h. Contingency for inspection corrections and landscaping estimates:
	Funds paid by seller \$
	Funds paid by buyer \$
	i. Trust facilities fee (\$5,000) \$
	j. Other: \$
	<b>Total</b> \$
3.	<b>Supplemental property tax:</b> Separate check, made payable to <b>United Mutual</b> <b>Total</b> \$
4.	<b>In addition, we enclosed the following:</b> <input type="checkbox"/> Occupancy Agreement with term to begin at close of escrow <input type="checkbox"/> Gate entry passes, ID cards and vehicle decals <input type="checkbox"/> Declaration of Loss affidavit for gate entry passes, ID cards and vehicle decals <input type="checkbox"/> Other
5.	<b>Date final inspection</b> was completed by Resale Inspections Dept. <span style="float: right;">Date:</span>
6.	<b>Seller forwarding address</b> Name(s): Street: City, State Zip: Phone number:
7.	<b>Lender information</b> Company Name: <span style="float: right;">Date:</span> Street: <span style="float: right;">Loan number:</span> City, State Zip: Phone number:
8.	<b>If unit financing is involved in the resale of a cooperative</b> , the Memorandum of Occupancy Agreement and the Memorandum of Termination of Occupancy Agreement have been submitted to the Orange County Recorder on the date of closing, and the originals have been mailed to the Laguna Woods Village Resident Services Resale Department. <span style="float: right;"> <input type="checkbox"/> Yes  <input type="checkbox"/> No  <input type="checkbox"/> n/a         </span>



## Responsibility Agreement for Nonstandard Landscape

Unit address: \_\_\_\_\_

**This form is to be completed by the escrow office and must be received *before* the issuance of a final inspection.**

1. **Email** completed form to [ResalesInspections@vmsinc.org](mailto:ResalesInspections@vmsinc.org) as soon as possible in order for a work order to be established.
2. **Include** this document with the membership application package.

This office has been notified that the unit noted above has nonstandard landscape, and both the prospective shareholder and seller have been informed accordingly. If the prospective shareholder declines to accept the nonstandard landscape, Landscape will perform the work as a chargeable service, and the seller is responsible for all costs.

In accordance with the governing rules of United Laguna Woods Mutual, the prospective shareholder understands that he/she may accept or refuse to accept the nonstandard landscaping. Further, the prospective shareholder understands that if he/she accepts it, he/she also accepts all future responsibility for its care and maintenance, and all associated costs thereof.

Both prospective shareholder and seller understand that if the prospective shareholder refuses to accept such responsibility, the seller is required to pay the costs of all work required to restore the landscaping to the community standard, including the removal of nonstandard plants and hardscape, and the planting of standard plants.

### Acknowledgement by prospective shareholder

- [ ] Prospective shareholder accepts the nonstandard landscaping and agrees to be responsible for any and all costs related to its future maintenance.
- [ ] Prospective shareholder declines to accept the nonstandard landscaping and directs the escrow officer to so inform the management agent. Restoration costs are to be withheld from the proceeds of resale transfer of membership.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date

### Acknowledgement by seller

Seller has been informed that the unit has nonstandard landscaping. Seller will be charged the amount shown on the inspection report to restore the property to community standard landscaping if the prospective shareholder refuses to accept the nonstandard landscaping.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date

Escrow officer signature:

Escrow No.:

Date:



### Responsibility Agreement for Alterations

I have received an inspection report that identifies alterations that have been made by previous shareholder/members, and I agree that I will be responsible for the care and maintenance of all alterations made previously or that I may make in the future.

1 Name (Print)	Signature	Date
2 Name (Print)	Signature	Date
3 Name (Print)	Signature	Date

Acknowledgement by seller		
Seller has been informed that the unit has nonstandard alterations. Seller will be responsible to restore the property to community standard if the prospective shareholder refuses to accept the nonstandard alteration.		
Signature	Print name	Date
Signature	Print name	Date
Escrow officer signature	Escrow number	Date



**Recording requested by and when  
recorded mail to:**

United Laguna Woods Mutual  
PO Box 2220  
Laguna Woods, CA 92654 - 2220

This space for recorder use only

### Memorandum of Termination of Occupancy Agreement

This Memorandum of Termination of Occupancy Agreement is made as of \_\_\_\_\_,  
by and between United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (United),  
and \_\_\_\_\_ (Member).

The property with which this Memorandum of Termination of Occupancy Agreement is concerned is that certain real property located in  
the City of Laguna Woods, County of Orange, and State of California, commonly known as \_\_\_\_\_  
and unit \_\_\_\_\_, building \_\_\_\_\_ as set forth in the exhibit \_\_\_\_\_ to that certain Memorandum of Termination of Occupancy Agreement  
recorded in the official records of Orange County, California, on May 10, 2013 as Instrument No. 2013000284997, which is a  
cooperative apartment (the unit) in the community commonly known as Laguna Woods Village. See legal description.

By an unrecorded document entitled Occupancy Agreement dated \_\_\_\_\_, 20 \_\_\_\_\_, United leased the unit to member  
for an initial term of three years beginning on ☐ the date of recordation of the Memorandum of Termination of Occupancy Agreement  
recorded as Instrument No. \_\_\_\_\_ ☒ the date of the Occupancy Agreement, which term could be automatically  
renewed for successive terms of three years as provided in article 4 of the Occupancy Agreement.

This Memorandum of Termination of Occupancy Agreement memorializes the agreement between United and member that the period  
of the Occupancy Agreement (and the member's right to occupy the manor) was terminated by the Board of Directors or by mutual  
consent as of

☒ \_\_\_\_\_ ☐ the date of recordation of this Memorandum of Termination of Occupancy Agreement.

In witness whereof, United and member have executed this Memorandum of Termination of Occupancy Agreement.

Shareholder(s)

United Laguna Woods Mutual – Owner

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

\_\_\_\_\_  
Name printed – authorized agent

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed



### Acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California )  
County of Orange )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature \_\_\_\_\_ (Seal)

### Acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California )  
County of Orange )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature \_\_\_\_\_ (Seal)



## Shareholder/Membership Application

Please print using black ink or type

Unit number

**List names exactly as they will appear on Certificate and Occupancy Agreement.**

Appl. No.	Title	Last name	First name, middle initial	For business use only
1	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Miss <input type="checkbox"/> Mrs.			
2	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Miss <input type="checkbox"/> Mrs.			

Appl. No.	Date of birth	Marital status	To reside immediately?*	Tax responsibility**	Age verification attached	Social security number
1		<input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	Home phone		Mobile phone		Email	
* If No, provide outside address						
2		<input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	Home phone		Mobile phone		Email	
* If No, provide outside address						
** Enter a checkmark for the party responsible for income tax reporting. Only one party may be responsible – this is required by federal law.						

Emergency notification		
Name	Relationship	Mobile and home phone numbers

Acknowledgements and affirmations			
I agree that I will be responsible for the monthly assessment payments; and I will comply with all the governing rules of the United Mutual and Golden Rain Foundation. I have received the notice informing me of the possible existence of asbestos in certain buildings.			
<b>I affirm, under penalty of perjury, that the information provided in this application is true and correct.</b>			For Community Services office use only
1. Name (print)	Signature	Date	
2. Name (print)	Signature	Date	

**Read attached membership and occupancy requirements.**



## United Mutual Membership and Occupancy Requirements

All prospective members and occupants are required to meet age restrictions as defined by federal and state statutes and in accordance with United Occupancy Agreement and bylaws. Please attach copies of appropriate documents which verify applicant's age—these may include a passport, a driver's license and a birth certificate or baptismal certificate.

### Member

A shareholder who has been approved for membership by the board and entered into the corporate records. When the membership is vested in a trust, the trustee is considered the member.

In order to reside, at least one of the occupants must be 55 years of age or older; any other co-occupants who reside must be at least 45 years of age, except a spouse who may be any age. Adult disabled children may reside under certain conditions (Section 51.3 of the California Civil Code).

Shareholders in good standing are entitled to one vote in mutual elections.

Prospective shareholder members must sign Occupancy Agreements, including the general terms and conditions attachment.

### Co-occupants

Nonmembers who reside with the approval of the United Mutual Board of Directors.

Note: The care providers are not entitled to the use of community facilities, except as the guest of an approved resident. A care-provider badge will be issued and must be worn at all times.

Nonmembers may be co-occupants only if they reside with the member or are sublessees of the member.

Co-occupants may reside upon the approval of an application for co-occupancy by United Mutual's Board of Directors and which must be executed by all shareholder members.

### Occupancy limits

The maximum number of persons who may occupy a unit is equal to the number of original construction bedrooms, plus one.

### Unit assessments

Monthly assessments provide for the occupancy of no more than two persons. An additional monthly assessment is charged for the third occupant.

### Identification cards

Resident identification cards are issued to all approved residents of the community. Cards are the property of GRF and must be returned at the termination of residency. Replacements will be issued subject to the schedule of fees.





## Golden Rain Foundation Trust Facilities Fee



Unit number

As trustee of the Golden Rain Foundation (GRF) of Laguna Hills Trust, the GRF Board of Directors is required to preserve and protect the recreational and other amenities available to all residents of Laguna Woods Village. Effective January 1, 2019, all purchases of a separate interest in Third Laguna Hills Mutual (condo), United Laguna Woods Mutual (cooperative) and Mutual Fifty (condo) must include collection of a trust facilities fee in the amount of \$5,000 per transaction as an obligation of the purchaser.

### Choose one option of payment below.

Payment  
option 1:

☐

I/we agree to pay at the time of closing of escrow the trust facilities fee in the amount of \$5,000.

Payment  
option 2:

☐

I/we agree to pay over a period not to exceed seven years (84 months) the trust facilities fee in the amount of \$5,000 plus additional fees that result in a total principal amount of \$5,300 plus interest at 12 percent per annum.

1 Name (Print) *	Signature	Date
2 Name (Print)	Signature	Date
3 Name (Print)	Signature	Date

\* If payment option 2 is selected, the first owner/member name must reflect the person to whom the billing statement for the trust facilities fee will be mailed.



## Promissory Note

Rev 11/6/18

Principal amount: \$5,300

Unit number: \_\_\_\_\_

Principal amount with interest: \$7,858.89

Date: \_\_\_\_\_

### Recitals

For value received, the undersigned payor(s), \_\_\_\_\_, promises to pay to the order of Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation (payee), at 24351 El Toro Road, Laguna Woods, CA 92637, Attention: Accounts Receivable (or through a direct debit or similar ACH debit, if available), at the times and on the terms specified in this promissory note, the sum of \$5,300 (principal), together with interest thereon at the rate of 12 percent per annum (but in any event not to exceed the maximum rate permitted by law), as payment of \$5,000 facilities fee, and one-time origination fee of \$300, plus interest, all fully amortized over the seven-year term, as further set forth below. Payor(s) acknowledges that payor(s) has been given the opportunity to pay \$5,000 facilities fee all at once at the time of transfer, and so to avoid paying the interest and the nonrefundable origination fee, but that payor(s) has instead elected to enter into the seven-year payment plan, as authorized by California law, and to pay in accordance with all terms and conditions in this note.

1. **Promise to pay.** The principal and interest shall be amortized over a period of seven years, and all due and payable in seven years, with 84 consecutive monthly payments of \$93.56. The first monthly payment shall be made on \_\_\_\_\_, 20\_\_\_\_, and subsequent monthly payments shall be paid on or before the first day of each succeeding calendar month.
2. **Late charge.** Payor(s) agrees that in the event that any payment due hereunder is in default for more than 10 days, it would be extremely difficult to fix the actual damages resulting to payee. Therefore, payor(s) agrees to pay to payee the sum of \$10 upon each such default, as liquidated damages and not as a penalty, to compensate the payee for the expenses of administering the default.
3. **Prepayment.** The payor(s) of this note may, at their option, repay the amount due in whole prior to maturity date without penalty. Repayment of principal in its entirety prior to maturity date shall eliminate future interest and will fulfill the debt obligation. Payments received in excess of monthly note installment shall be applied to future note installments and not an accelerated reduction of principal.

*Promissory Note continued on the next page*



### Promissory Note Continued

4. **Acceleration.** The holder of this note may, at its option, accelerate the maturity of all payments to become due hereunder upon the occurrence of any of the following events, in which event the unpaid balance of this note shall become immediately due and payable without demand, presentment or notice, all of which are hereby expressly waived, and the holder may pursue collection through small claims court or initiate any other appropriate legal proceeding to collect the outstanding amount owed under this note:
- (a) Failure to make any two consecutive payments when due, (b) insolvency of payor(s), or filing by or against payor(s) of a petition of bankruptcy, either voluntary or involuntary, (c) if payor(s) sells his or her unit, or if payor(s) dies, then the remaining outstanding balance of principal hereunder at that time shall be due and payable in one lump sum and upon such payment, this note shall be deemed paid in full.
5. **Release.** In consideration of full payment by the payor(s), as set out in the terms of the promissory note hereof, the holder of this note will furnish the payor(s), at the request of the payor(s), a written release of promissory note acknowledging the fulfillment of their debt obligation.
6. **Attorney's fees; governing law.** In the event of any controversy or dispute arising from non-payment this Note, the prevailing party shall be entitled to recover from the nonprevailing party or parties reasonable expenses including, without limitation, attorneys' fees and costs actually incurred. This note shall be governed by and construed in accordance with, and all disputes hereunder shall be governed by, the internal laws of the State of California. This Note shall be binding on the payor(s) successors and assigns.

In witness whereof, payor(s) has executed this note as of the date first written above.

1 Name (Print)	Signature	Date
2 Name (Print)	Signature	Date
3 Name (Print)	Signature	Date



## Financial Statement and Credit Information

Please type or print using black ink

Unit number: \_\_\_\_\_

The corporation may elect to obtain applicant's credit history from a national credit reporting bureau. In accordance with the bylaws, and Occupancy Agreement, as applicable to cooperative membership, I/We provide the following information:						
Applicant name 1.	Age	Social security number	Marital status: <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed			
2.			Marital status: <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed			
Present address, city 1.	State	Zip	<input type="checkbox"/> Own <input type="checkbox"/> Rent	Years	Monthly payment	
2.			<input type="checkbox"/> Own <input type="checkbox"/> Rent			
<b>Purchase information</b>						
1. Purchase	\$	6. Financing? <input type="checkbox"/> Yes <input type="checkbox"/> No				
2. Down payment	--	6a. Lender's name				
3. Loan amount	--	6b. Monthly loan payment				
4. Balance due at close of escrow	\$	7. Minimum monthly assessment				
5. Balance to be paid from: <input type="checkbox"/> Sale of home <input type="checkbox"/> Assets <input type="checkbox"/> Other		8. Total monthly payment				
<b>Annual income after purchase of stock certificate for unit – attach verifications</b>						
	Applicant 1	Applicant 2	Total			
A. Salary and wages	\$	\$	\$			
B. Social security/SSI						
C. Pension 1						
D. Pension 2						
E. Rental income (net)						
F. Annuities/IRAs						
G. Dividends and interest						
H. Trust deeds – interest earned						
I. Private business **						
J. Trust income						
K. Disability compensation						
L. Other						
Totals	\$	\$	\$			
** Note: An applicant who derives principal income from a personal business must attach a current balance sheet and operating statement.						



## Financial Assets

Please provide verification of annual income and assets with this form. You must submit copies of a current, signed federal income tax return; and copies of recent bank statements, investment statements, paycheck stubs or any other documentation which will verify the information you have provided in this financial statement.

<b>Life insurance</b>	Premiums/Year	Total in force	Policy loans \$		Net cash value \$
<b>Bank accounts</b>	Bank name	Address/Branch	Account number	Account type	Account balance \$
	a.				\$
	b.				\$
<b>Residential property</b>	Address	City, State	Annual payments \$	Balance owing \$	Estimated equity \$
	a.		\$	\$	\$
	b.		\$	\$	\$
<b>Income property</b>	Address	City, State	Net income/Year \$	Balance owing \$	Estimated equity \$
	a.		\$	\$	\$
	b.		\$	\$	\$
<b>Stocks, bonds</b>	Companies, shares, (attach schedule if necessary)				Market value \$
<b>Certificates of deposit</b>	Institutions (attach schedule if necessary)				Market value \$
<b>Government bonds</b>	Issuing agency (attach schedule if needed)				Maturity value \$
<b>Other assets</b>	Attach schedule				Market value \$
Total asset value					\$
Less: Purchase price					\$
Net asset value after purchase					\$

I (we) swear, under penalty of perjury, that the information provided in this financial statement and the supporting documents are true.

1 Name (Print)	Signature	Date
2 Name (Print)	Signature	Date



**Financial Qualifications Policy**  
**Resolution 01-20-63**  
**Adopted October 13, 2020**

**I. Purpose**

The purpose of this policy is to set forth guidelines by United Laguna Woods Mutual (United) necessary to protect the financial integrity of the corporation.

**II. Definitions**

- A.** Shareholder - individual approved by the Board of Directors as a Member of the corporation. Also known as Member.
- B.** Applicant – individual seeking approval by the Board of Directors as a member of the corporation.
- C.** Financial Statement/Credit Information form – United’s document to be completed by Applicant which summarizes age, income and asset qualifications being considered by the Board of Directors in keeping with the membership application process.
- D.** Asset – a resource with economic value that an individual or business owns or controls with the expectation of future benefit; must be liquid, marketable or income producing.
- E.** Equity – total assets minus total liabilities.
- F.** Annuity funds – a long-term investment that is issued by an insurance company and is designed to help protect an individual from the risk of outliving one’s income.
- G.** Community property – property acquired during the marriage by either spouse is presumed to be owned by each spouse equally.
- H.** Guarantor – individual who meets United’s financial qualifications and guarantees to pay for the Member’s debt and/or obligations if the Member defaults or fails to pay a debt and/or obligation to United; guarantor may guarantee only one unit within the Village.
- I.** Personal Unconditional Continuing Guaranty and Security Agreement - Guaranty “contract” between prospective member and qualified individual whereby guarantor is responsible to pay any debt or obligation owed by the Member to United in the event of a failure by Member to pay same; non-revocable by guarantor.
- J.** Indebtedness – includes the monthly carrying Charge payable by the Member to United, including all assessments, fines or other monetary charges levied in the name of United.



- L. Carrying Charges – monthly assessments estimated by United to meet its annual expenses, including but not limited to operating expenses, management and administration, property taxes, insurance, utilities, reserves, and repair and maintenance.
- M. Uniform Commercial Code (UCC) filing – provides for the filing of certain financing statements and other lien documents. Filing with the Secretary of State's office serves to perfect a security interest in named collateral and establish priority in case of debtor default or bankruptcy.
- N. Interim Dual Membership Agreement – a “contract” between a Member and United which allows the Member to temporarily own two co-ops.
- O. Community Rules – the Articles of Incorporation and Bylaws of United, the Occupancy Agreement, and any rules and regulations adopted by United. Any reference to the “Governing Documents” shall, for purposes of this Policy, be deemed a reference to the Community Rules set forth in this definition.
- P. Member – any person entitled to membership in United.

### III. Conditions

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.

#### A. 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.

1. 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:
  - a. Equity in U.S. residential property
  - b. Savings accounts in U.S. financial institutions



- c. Cash value life insurance
  - d. Certificates of deposit, money market accounts in U.S. financial institutions
  - e. IRA, SEP, 401(k) and Keogh accounts
  - f. US, state or municipal government bonds - valued at current market prices
  - g. American traded investments (NYSE, Amex, OTC, NASDAQ, etc.) valued at current market prices
  - h. Mortgages and promissory notes, provided that interest is reported on the applicant's tax return
  - i. Equity in U.S. income producing real estate
2. Excluded from consideration are the following, among others:
- a. Mobile Homes
  - b. Recreational vehicles, boats and trailers
  - c. Vacant land
  - d. Automobiles
  - e. Artwork, jewelry, furs and collections such as coins, dolls, stamps and other similar items
  - f. Term life insurance
  - g. Annuity funds, which cannot be withdrawn in lump sum
  - h. Anticipated bequests or inheritances
  - i. Promissory Notes whose income is not reported on the prospective transferee tax return
  - j. Community property

## **B. INCOME REQUIREMENTS**

1. Prospective Shareholders shall submit from a recognized Credit Reporting Agency (e.g. Equifax, TransUnion, Experian) **a full credit report if FICO score is less than 700 or FICO score is 700 or higher with an outside mortgage. Submit a credit summary report if FICO score is 700 or higher without an outside mortgage. These reports must be dated within 60 days prior to the application submittal.**
2. Prospective Shareholders and transferees must provide satisfactory verification of income of at least \$40,000 per year at the time of purchase.
3. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit





Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:

- a. The mandatory annual distributions for the Applicant's retirement accounts; or
- b. The total amount of the Applicant's retirement accounts *multiplied* by eighty percent (80%), and then *dividing* this product by twenty-five (25) years, as follows:

$$\text{Attributable Income} = (\text{Total Retirement Account Assets} \times 80\%) \div 25$$

Traditional retirement accounts may not concurrently satisfy both the income and asset side of the qualification requirements. Only traditional retirement accounts may be calculated to generate "attributable income".

4. Acceptable verifications include, among others:

- a. The most recent Federal Tax returns
- b. W - 2 Forms or paycheck stubs
- c. Bank, credit union or investment account statements
- d. Letters from bankers
- e. Notices of annuities and Social Security payments
- f. Pensions
- g. Trust income
- h. Disability income
- i. Residential / commercial property rental income

5. Unacceptable income verifications include, among others:

- a. Letters from employers, accountants, bookkeepers and attorneys
- b. Income not reported on Federal income tax returns
- c. Funds held outside US borders



### C. GUARANTORS

United will permit the prospective shareholder who does not meet the financial requirements to have a guarantor.

1. The guarantor shall provide satisfactory verification of annual income of at least **\$90,000 and marketable or income producing assets of at least \$250,000 plus the manor purchase price.**
2. *Shareholder financial requirements for the occupying shareholder(s) when they have a guarantor:*
  - a. **Minimum annual income of \$24,000**
  - b. **Minimum verifiable liquid, marketable and/or income producing assets of \$75,000 at the close of escrow**
3. The income and assets of the guarantor are not a substitute for the minimum income and assets needed by the prospective shareholder(s) occupant(s).
4. In addition to these requirements, the guarantor shall be required, as set forth herein (Exhibit A) to identify assets from which the financial obligation may be satisfied and authorize UCC financing statements to be filed.
5. Guarantor and assets must be located in California.
6. A guarantor may only guarantee one unit in the Village.

### D. 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.

### E. FINANCIAL QUALIFICATION WAIVERS

1. Shareholders who purchase a replacement Unit do not have to re-qualify financially for Membership, if there is no change to the Membership vesting and the dual interim agreement is in effect.
2. 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.



3. 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.

## **F. DISCRETIONARY AUTHORITY**

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 judgement, 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 non-compliance as a member in United, GRF, or other Mutuels in Laguna Woods Village.

## **G. MEMBERSHIP**

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

1. Written approval of Membership by the United Board of Directors;
2. Issuance of a Membership Stock Certificate;
3. The signing of an Occupancy Agreement; and
4. Upon close of escrow.

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 non-renewal or termination by the Board of Directors.

## **IV. Procedure**

Applicants must complete and submit all required forms and verification documents to the escrow firm handling the sales transaction. The required forms and verification documents include:

- The Membership Application with age and identity verification for each person on title;
- Most recent signed tax returns for each person on title;
- Responsibility Agreement for Nonstandard Landscape;



- Responsibility Agreement for Alterations;
- Memorandum of Occupancy Agreement signed by each applicant;
- Golden Rain Foundation Trust Facility Fee form;
- Promissory Note;
- Financial Statement and Credit Information (income and asset verification for each person on title);
- Residency Restrictions acknowledgement;
- Occupancy Agreement signed by each proposed applicant;
- Addendum to Occupancy Agreement – Trustee Membership if applicable;
- Interim Dual Membership Agreement if applicable;
- Original Membership Certificate or Lost Instrument Bond or Lender Payoff Demand; and
- Application for Co-occupancy Permit if applicable.

If a Guarantor is applying, the proposed Guarantor must also submit the most recent signed tax returns, Financial Statement and Credit Information (income and asset verification for each guarantor), Personal Unconditional Continuing Guaranty and Security Agreement (Exhibits A and B).

Upon receipt of the above documents and those required of seller and escrow firm, staff reviews documentation to ensure it is complete and evaluates the financial verifications in light of the corporation's membership requirements. A staff report recommending approval or denial of the applicant is prepared and attached to the membership packet for the Board's consideration and action.



## EXHIBIT A

### Personal Unconditional Continuing Guaranty and Security Agreement

#### The Parties

Member(s): \_\_\_\_\_ (collectively, the "Member")  
Property Address: \_\_\_\_\_ (the "Property")  
Guarantor: \_\_\_\_\_ ("Guarantor")

This Personal Unconditional Continuing Guaranty and Security Agreement (hereinafter "Guaranty") is made this \_\_\_\_\_ day of \_\_\_\_\_, 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" or "Corporation").

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 obligation(s) to United.

The undersigned Guarantor may only guarantee one unit in the Village. For purposes of this Guaranty, Village means United Laguna Woods, Third Laguna Hills, and The Towers. Guarantor warrants and represents it has not and will not guarantee another unit in the 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, fines or other monetary charges 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. This Guaranty is non-revocable by Guarantor.

Guarantor shall at all times satisfy the minimum financial requirements required by United, which financial requirements may be amended by United's Board of Directors from time to time.

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 increasing or decreasing 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, at the discretion of United or upon Guarantor's written request, 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. At all times herein, Guarantor's primary residence and/or, if an entity, place of business, filing, registration or incorporation shall be in the State of California, and Guarantor's assets shall also be located in 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 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 B ("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.

### **3. Requirement of Guaranty**

Guarantor is executing and delivering this Guaranty in order to induce United to enter into an Occupancy Agreement with and accept an application for Membership from 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**

Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-Mail: \_\_\_\_\_

**Guarantor**

Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-Mail: \_\_\_\_\_

**Accepted**

**United Laguna Woods Mutual**

Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**United Laguna Woods Mutual**

Signature: \_\_\_\_\_ Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



## Exhibit A

### Secured Collateral

<b>Asset(s) Asset location in California (i.e., Bank account, Bank Account Number, Name of bank; or Real property, Real property address)</b>	<b>Guarantor Name</b>	<b>Ownership Interest</b>



## Annual Insurance Disclosure and Policy Summary - October 1, 2020

### PROPERTY INSURANCE

Blanket property insurance for fire and special form with Travelers Property Casualty Company of America and various other insurance companies insures residential, common and community buildings and business property owned by the Mutual (no coverage for improvements, alterations, additions or other member or tenant property).

Policy Limit: \$425,000,000 per occurrence      Deductible: \$25,000 per occurrence  
Key Exclusions: Earthquake, landslide, flood (and others)

### COMMERCIAL GENERAL LIABILITY INSURANCE

The commercial general liability insurance for the Housing Mutuals and Golden Rain Foundation (GRF) is with Philadelphia Insurance Companies, insuring against liability arising out of the ownership and use of common areas.

Policy Limits: \$1,000,000 per occurrence      Deductible: None for bodily injury claims  
\$2,000,000 aggregate

There is also an Umbrella Liability policy with Great American, Lexington, and Houston Casualty Insurance Company.

Policy Limit: \$25,000,000 per occurrence      Deductible: Excess over General Liability insurance policy

### CRIME/FIDELITY INSURANCE

The Housing Mutuals & GRF have a crime/fidelity policy with Zurich American, Berkley, and Great American Insurance.

Policy limits: \$45,000,000 Employee Theft, Computer & Fund Transfer Fraud      Deductible: \$25,000  
\$5,000,000 Theft, Robbery & Depositor Forgery

### EARTHQUAKE AND FLOOD INSURANCE

United Laguna Woods Mutual has a Difference in Conditions insurance policy with Insurance Company of the West for earthquake insurance on residential and common area buildings. United Mutual does not have flood insurance.

Policy limit: \$5,000,000      Deductible for earthquake: 15% of the building value, \$50,000 minimum

GRF has a Difference In Conditions (DIC) insurance policy with QBE Specialty and General Security Indemnity Company of Arizona including earthquake and flood for GRF facilities such as clubhouses, streets and the cable system.

Policy limit: \$15,000,000      Deductible: \$25,000 per occurrence except earthquake and flood  
Deductible for flood: \$50,000      Deductible for earthquake: 5% of the building value, \$50,000 minimum

**This summary of the Association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.**

The total amount of insurance was discussed with the insurance broker and the Board followed their guidance.

**For proof of insurance for a loan or trust visit: <http://moi.beechercarlson.com/c/LagunaWoodsVillage>**

**For questions regarding proof of insurance coverage have your escrow company or trust contact:**

Beecher Carlson Insurance Services: fax: (770) 870-3043      phone: (818) 598-4209  
Email: [lagunawoodsvillageinsurancecertificaterequest@beechercarlson.com](mailto:lagunawoodsvillageinsurancecertificaterequest@beechercarlson.com)

If you have questions about the Mutual's insurance policies, please call Risk Management 949-597-4202

*Annual Insurance Disclosure and Policy Summary is continued on the next page*



## UNITED LAGUNA WOODS MUTUAL INSURANCE DISCLOSURE AND POLICY SUMMARY

**THE INSURANCE CARRIED BY UNITED MUTUAL AND GRF DOES NOT COVER YOUR PERSONAL LIABILITY OR ITEMS THAT ARE YOUR PERSONAL RESPONSIBILITY** such as additions and alterations, personal property, or loss of use. **MEMBERS SHOULD PURCHASE “CONDOMINIUM OWNERS” (HO-6) INSURANCE POLICY** to protect against unexpected expense in the event a loss occurs. This is also a requirement for many lenders. Please remind tenants/lessees that they should purchase “renters” insurance for their personal liability, personal property, and loss of use.

### **SOME\* ITEMS YOU SHOULD CONSIDER WHEN REVIEWING YOUR OWN PERSONAL INSURANCE:**

- **Members are responsible for damage to improvements, alterations and additions** (custom built-ins, wall or window coverings, wood or other upgraded floor coverings, heat pumps, air conditioners, patio or balcony enclosures, etc.) whether they were installed by you or previous members or residents. These should be insured as unit owners building items. **Repair of damage to such items, or other member or tenant property, including personal property, from a loss, such as a plumbing failure in your manor or an adjacent manor, is the responsibility of the member or tenant.** The Mutual's property insurer does not accept claims for damage to such items.
- **Members are responsible for damage to Mutual property** caused by the Members' misuse or neglect, by additions or alterations, or by guests or lessees. If the damage is your responsibility, United Mutual can charge you for the repairs (Occupancy Agreement-Article 5 & 11). If the repair costs exceed the deductible on the Mutual's insurance, currently \$25,000, a claim will be submitted to the Mutual's property insurer. In such cases, both the Mutual and its property insurer reserve the right to charge the Member to recover the costs, including the Mutual's deductible. Your own insurance may help cover your obligations, although some homeowner's insurance companies will not cover the Mutual's deductible. Consult with your agent about your insurer's practices and increasing your policy limits accordingly.
- **Personal Property/Contents insurance** for items such as appliances, furniture, clothing, household goods and for special property like jewelry, coins, artwork, antiques, furs, silver and collectibles.
- **Personal Liability insurance** for your actions and responsibilities both inside and outside your manor. Everyone should have liability insurance to protect their equity and retirement savings.
- **Loss of Use or Additional Living Expense insurance** if your manor/building is damaged and cannot be lived in until repaired, in accordance with the Davis-Stirling Act Civil Code §4775(b) members, residents and lessees are responsible for paying to live elsewhere while work is done. Monthly assessments must still be paid during this time.
- **Loss Assessment insurance** to protect against a special assessment from your Mutual for damage. While there has not yet been this type of assessment in Laguna Woods Village, we are required to tell you that there is this possibility. (Show your agent/broker the limits listed in this disclosure.)
- **Earthquake and/or Flood insurance** for additions, alterations, personal property and loss of use.
- **Earthquake Loss Assessment insurance** to protect against a special assessment from the Mutual for damage caused by an earthquake.
- **Automobile insurance** on your car, truck, van, motorcycle or motor home.
- **Liability and Physical Damage** insurance for your golf cart.

### **Please report building damage to:**

Resident Services (Monday-Friday, 8:00 AM to 5:00 PM)  
Resident Services e-mail address:

phone: (949) 597-4600  
[residentservices@vmsinc.org](mailto:residentservices@vmsinc.org)

### **After business hours, or to report personal injury, please call:**

Security Dispatch: phone: (949) 580-1400

**In an emergency: CALL 911**

\* The above list is not exhaustive. Please discuss insurance questions with your agent or broker.



## Residency Restrictions Important Information – Please Read Carefully

Unit number: \_\_\_\_\_

Please note the following residency restrictions, including but not limited to:

### Initial(s)

Laguna Woods Village is an independent-lifestyle and age-restricted community (as defined by California Civil Code §51.3) that does not provide any form of healthcare or assisted living. Each resident is responsible for his/her own care and welfare.

Appearance of the community is important, and residents are required to keep their balconies, patios, walkways and carports free from clutter.

When moving into the community, residents are required to break down and stack moving boxes next to trash dumpsters for routine pickup. Please be advised that there are weight and volume restrictions. Call Resident Services at 949-597-4600 to arrange to have excessive moving material hauled away as a chargeable service. When moving out of the community, the seller is responsible for hauling away excessive materials/furniture.

Members are required to check with Alterations before making any internal and external alteration. Alterations are prohibited without prior review and consent. Contact Alterations at 949-597-4616 or [alterations@vmsinc.org](mailto:alterations@vmsinc.org). Contractors' trash must not be put into community dumpsters.

Relatives and other guests may stay overnight for a total of 60 days in any 12-month period. Relatives and guests may not stay in a resident's home during the absence of the resident.

Board approval is required for all persons wishing to reside in the community. Contact Resident Services at 949-597-4600 before any change in residency status.

The maximum number of persons allowed to occupy a unit is equal to the number of original construction bedrooms plus one. There are additional monthly fees for more than two occupants.

Units may not be sublet for more than 12 months and not less than 30 days.

United is billed directly from the tax assessor and the shareholder/member reimburses the mutual through monthly assessments. Members of United are cautioned to prepare for property tax increases in monthly assessments.

I/We, the undersigned, have read the above and agree to comply with the rules of this community.

1 Name (Print)	Signature	Date
2 Name (Print)	Signature	Date



## **Key File Program**

Resident Services maintains keys to units within the Community for the convenience of Laguna Woods Village Residents. Participation in the key file program is completely voluntary and is not a requirement, but it is highly recommended.\*Keys maintained in this program are secured. Shareholders/Members are encouraged to participate in this program.

The program is available:

1. Should an emergency maintenance repair be required during a Resident's absence, access can be made to the unit to effect repairs.
2. An approved Resident can obtain the key(s) to the unit to gain access when they have misplaced or otherwise cannot locate their keys.

Any emergency access keys that the seller submitted to Laguna Woods Village are returned during the resale process.

**To submit keys for your unit into the key file program, please visit:**

**Laguna Woods Village – Community Center  
Resident Services Dept.  
24351 El Toro Road  
Laguna Woods, CA 92637**

\*Alternatively, leave a key with a trusted neighbor and inform Village Security.



## Instructions for Trustee Shareholder Membership

The following instructions identify the documents and forms that are required to issue shareholder membership certificates to trustees:

1. A letter addressed to United Laguna Woods Mutual from a lawyer, certified public accountant or enrolled agent expressing an opinion that the current beneficiary of the trust is treated as the owner under the provisions of Section 671 *et seq.*, of the Internal Revenue Code of 1986 (or any successive provision.)

An example would be "I have reviewed the terms and conditions of the Doe Family Trust dated January 2, 2006, and conclude that John and Mary Doe are now treated as owners of the **Doe Family Trust under the provisions of Section 671, et seq., of the Internal Revenue Code of 1986.**" (The bolded words must be included in this letter.) If the mutual shareholder is having his/her lawyer prepare this letter, he/she may also request the letter to include a specific description of the manner in which the certificate should be issued. An example would be "John Doe and his successors in trust as trustees of the Doe Family Trust dated January 2, 2006."

2. A standard **Occupancy Agreement** and the **addendum** attached to this set of instructions each signed by the trustee and the current beneficiary of the trust. (The person identified as the owner in the tax opinion described in item No. 1 (above) must be the same person identified as current beneficiary in the addendum to the Occupancy Agreement.)



## Occupancy Agreement

### Parties

The parties to this agreement are United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (hereinafter referred to as the "corporation" and \_\_\_\_\_ (hereinafter referred to as the "member").

### Recitals

1. The corporation owns and operates a cooperative housing project of Laguna Woods Village, in the City of Laguna Woods, and the County of Orange, State of California, with the intent that its members shall have the right to occupy the dwelling units thereof under the terms and conditions hereinafter set forth.
2. The member is the owner and holder of one membership of the corporation, Series \_\_\_\_\_ and of one membership of Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation (hereinafter referred to as the "foundation").

### Terms

In consideration of the mutual promises contained herein, the parties hereby agree as follows:

1. The corporation hereby lets to the member and the member hereby hires from the corporation that a certain dwelling unit located at Laguna Woods Village described as \_\_\_\_\_, Laguna Woods, California, including carport number \_\_\_\_\_, to have and to hold said dwelling unit unto the member, his personal representatives and authorized assigns, subject to the terms and conditions set forth herein, in the articles of incorporation, bylaws, rules and regulations of the corporation, now or hereafter in effect, and the general conditions attached hereto and also recorded as part of Instrument No. 2013000284997 in the official records in the Office of the County Recorder of the County of Orange, State of California (the "general conditions"), and made a part hereof for a term of three years. The term of this Occupancy Agreement is renewable automatically for successive three-year periods under the terms and conditions of Article 4 of the general conditions.
2. Until further notice from the corporation, the monthly assessment for the above-described dwelling unit shall be \$\_\_\_\_\_ per month.
3. The term of this Occupancy Agreement begins at 12:01 a.m. on \_\_\_\_\_, 20\_\_\_\_. Executed on \_\_\_\_\_, 20\_\_\_\_ at Laguna Woods, California.

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

If this Occupancy Agreement is being executed by a trustee as the member, the current beneficiary of the trust must be an occupant of the dwelling unit and, by executing this Occupancy Agreement in the space provided below, it agrees as follows:

I agree to be bound by and act in accordance with all provisions of this Occupancy Agreement as if I was the member, and upon demand by the corporation, I agree to fulfill all obligations of the member under this Occupancy Agreement.

\_\_\_\_\_  
Beneficiary

\_\_\_\_\_  
Beneficiary

United Laguna Woods Mutual,  
a California nonprofit mutual benefit corporation,  
by

\_\_\_\_\_  
Authorized agent

**General Conditions** pages must accompany the signed Occupancy Agreement when submitting paperwork to United Mutual.



## General Conditions

### Article 1. Monthly Carrying Charges

During the term of this Occupancy Agreement, the Member shall pay to the Corporation a monthly sum referred to as "Carrying Charges," equal to one-twelfth of the Member's proportionate share of the sum required by the Corporation, as estimated by its Board of Directors, to meet its annual expenses, including but not limited to the following items:

- a) The cost of all operating expenses and services furnished by or at the expense of the Corporation, including charges by the Foundation for facilities and services furnished by the Foundation.
- b) The cost of necessary management and administration.
- c) The amount of all taxes and assessments levied against the property of the Corporation for which it is required to pay.
- d) The cost of fire and extended coverage insurance and such other insurance as the Corporation may effect or as may be required by any mortgage on any of the Corporation's assets.
- e) The cost of furnishing water, gas, electricity, garbage and trash collection, master TV antenna service and other utilities, to the extent furnished by the Corporation.
- f) All reserves established by the Corporation, including the general operating reserve and the reserve for replacements.
- g) The estimated cost of repairs, maintenance and replacements of property to be made by the Corporation.
- h) The amount of principal, interest and other required payments on any mortgage on any of the Corporation's assets, including mortgage insurance premiums, if any.
- i) Any other expenses of the Corporation approved by the Board of Directors, including the payment of operating deficiencies, if any, for prior periods.

The Board of Directors of the Corporation shall determine the Carrying Charges from time to time. Said sums shall be estimated on an annual basis and divided by the number of months remaining in the then current fiscal year but in no event shall the member be charged more than his proportionate share thereof as determined by the Board of Directors. That amount of the Carrying Charges required for payment on the principle of any mortgage on any assets of the Corporation or any other capital expenditures shall be credited upon the books of the Corporation to the "Paid-In Surplus" account as a capital contribution by the members of the Corporation. Until further notice from the Corporation, the monthly Carrying Charges for the dwelling unit shall be the amount set forth in paragraph 2 of this Occupancy Agreement.

### Article 2. Payment of Carrying Charges

Upon commencement of the term of this Occupancy Agreement, the Member shall make a payment on account of

Carrying Charges for the remainder of the calendar month, the amount of which shall be the portion of the Carrying Charges for one month prorated on the basis of the number of days of occupancy. Thereafter, Carrying Charges shall be paid in advance not later than the first day of each calendar month. Carrying Charges shall be paid to the Corporation or its authorized representative at such place and in such manner as the Corporation shall determine from time to time.

### Article 3. Excess Carrying Charges

If for any fiscal year of the Mutual during the term of this Occupancy Agreement, the income of the Mutual exceeds expenses (including reserves) for the same fiscal year, Member agrees that he or she shall not, by reason of such occurrence, be entitled, and hereby waives any right, to receive a refund or credit of all or any portion of the Carrying Charges previously paid by Member in such fiscal year. Member further agrees that all or any portion of the amount assessed and collected by the Mutual in excess of the amount required to meet the anticipated expenses (including reserves) of the Mutual shall be applied by the Board of Directors of the Mutual, in its sole discretion, to reduce the anticipated expenses (including reserves) of the Mutual as determined by the Board of Directors for the next succeeding fiscal year of the Mutual.

### Article 4. Member's Option to Renew

The term of this Occupancy Agreement shall be extended and renewed from time to time by and the parties hereto for further periods of three years each from the expiration of the initial term herein granted, upon the same covenants and agreements as herein contained unless: (1) this Occupancy Agreement is sooner terminated by the Corporation in accordance with the terms hereof, or (2)(a) notice of the Member's election not to renew shall have been given to the Corporation in writing at least four months prior to the expiration of the then current term, and (b) the Member shall have on or before the expiration of said term (i) endorsed its membership for transfer in blank and deposited same with the Corporation, and (ii) met all its obligations and paid all amounts due under this Occupancy Agreement up to the time of said expiration, and (iii) vacated the dwelling unit and all other premises of the Corporation, leaving them in good state of repair. Upon compliance with provisions (a) and (b) of this Article, the Member shall have no further liability under this Occupancy Agreement and shall be entitled to no payment from the Corporation.

### Article 5. Use of Premises

Subject to this Article 5, the Member shall use the dwelling unit covered by this Occupancy Agreement as a private dwelling for those authorized to occupy it by the Corporation and for no other purpose, and the authorized occupants of the dwelling unit may enjoy the use, in common with the other members of the Corporation, of all facilities of the Corporation so long as the Member continues to own the aforesaid membership of the



## GENERAL CONDITIONS continued

Corporation uses its dwelling unit as a private dwelling for authorized occupants and abides by the terms of this Occupancy Agreement. The Member shall not permit or suffer anything to be done or kept in or about the dwelling unit or other premises of the Corporation which will increase the rate of insurance on any building or other property of the Corporation or on the contents thereof or which will obstruct or interfere with the rights of other members of the Corporation or annoy them by unreasonable noises or otherwise nor will it commit or permit any nuisance in or about the dwelling unit or other premises of the Corporation or commit or suffer any immoral or illegal act to be committed thereon. The Member shall comply with all of the requirements of governmental authorities with respect to the dwelling unit and all other premises of the Corporation. If by reason of the occupancy or use of the dwelling unit or any other building of the Corporation by the Member the rate of insurance on any building or other property of the Corporation shall be increased, the Member shall become personally liable for the additional insurance premiums. The Member shall not permit any person to occupy the dwelling unit (except as a guest) without the prior written consent of the Corporation. A guest of a member may occupy the dwelling unit for no more than 60 days (whether or not consecutive) in any year. The Member acknowledges and agrees that Laguna Woods Village is a senior citizen housing development and, therefore, that residency in the dwelling unit is restricted to persons 55 years of age or older and to certain other qualified permanent residents. The Member agrees to reside in, occupy and use the dwelling unit in conformity with the age restrictions sanctioned by California Civil Code Section 51.3, as hereafter amended, and any successor statute thereto. Any occupancy, for any duration, of the dwelling unit by a person other than a Member, and visitation by third parties with any Member or non-Member occupant of a dwelling unit, shall be upon all terms and conditions set forth in this Occupancy Agreement, in the articles, bylaws, rules and regulations of the Corporation and the Foundation in effect from time to time, without limiting the generality of the foregoing, any non-Member occupant of a dwelling unit, and all third-party visitors of Members or non-Member occupants of a dwelling unit, derives any right to use and enjoy the dwelling unit and the facilities and other property of the Corporation and the Foundation solely as a guest or invitee of the Member and shall be subject to all rules, regulations, penalties and assessments applicable to the Member. Notwithstanding any liability of any non-Member occupant of a dwelling unit or of any guest or invitee of any Member or non-Member occupant of a dwelling unit, the Member shall be fully responsible for, and hereby indemnifies and holds the Corporation and the Foundation harmless from, the conduct of, and any and all losses to or demands upon the Corporation resulting from the acts or omissions of, any non-Member occupant of a dwelling unit and all guests and invitees of the Member or the non-Member occupant of the Member's dwelling unit.

### **Article 6. Member's Right to Peaceable Possession**

In return for the Member's continued fulfillment of the terms and conditions of this Occupancy Agreement, the Member may have and enjoy for his sole use and benefit the dwelling unit hereinabove described, after obtaining occupancy. If the Member for any reason shall cease to be an occupant of the dwelling unit other than during occupancy by a non-Member occupant approved by the Corporation in writing, the Member shall surrender to the Corporation possession thereof.

### **Article 7. Subletting Prohibited**

The Member shall not assign this Occupancy Agreement or sublet this dwelling unit without the prior written consent of the Corporation. Rents under any sublease shall be assigned to the Corporation, the sublease shall be delivered to the Corporation and the Corporations shall be empowered to collect rents and apply the rents in reduction of sums due from time to time under this Occupancy Agreement. The sublease shall be in a form acceptable to the Corporation, shall require the subtenant to abide by the terms of the Occupancy Agreement during his sub tenancy, and shall give the Corporation an irrevocable power to dispossess or otherwise act for the sub lessor in case of default under the sublease. As more particularly set forth in Article 5, above, the Member shall continue to be liable for all obligations hereunder and shall be responsible to the Corporation for the conduct of his sublease notwithstanding the fact that the Member may have sublet the dwelling unit with the consent of the Corporation. Consent to one subletting shall not obligate the Corporation to consent to any other subletting.

### **Article 8. Transfer, Pledges**

Neither this Occupancy Agreement nor any right contained therein may be transferred or assigned except in the same manner as may now or hereafter be provided for the transfer or assignment of memberships in the bylaws of the Corporation. Similarly, neither this Occupancy Agreement, nor any right contained herein, nor the membership of the Member in the Corporation, or the Member's membership certificate may be assigned or pledged by the Member as security for the repayment of any indebtedness of the Member without the prior written consent of the Corporation. Consent by the Corporation to any such assignment or pledge shall not be deemed or construed to be consent by the Corporation to any future or successive assignments or pledges. The Member agrees that any such consent by the Corporation to any such assignment or pledge shall be upon terms and subject to all conditions set forth in any agreement (a "Recognition Agreement") entered into by and between the Corporation and the assignee or pledgee of the Member prior to or concurrently with such assignment or pledge. Without limiting or modifying the foregoing, the Member specifically acknowledges and agrees that a Recognition Agreement may provide for the payment by the Corporation to the Member's assignee or pledgee of certain sums which otherwise would be payable by the Corporation to the Member.



## GENERAL CONDITIONS continued

### Article 9. Management, Taxes and Insurance

The Corporation shall provide necessary management, operation and administration; pay or provide for the payment of all taxes or assessments levied against assets of the Corporation, procure and pay or provide for the payment of fire insurance, extended coverage and other insurance as required by any mortgage on property of the Corporation and such other insurance as the Corporation may deem advisable. The Corporation shall not provide insurance on the Member's interest in the dwelling unit or on the Member's personal property. The Member shall reimburse the Corporation for the portion of real property taxes and assessments attributable to the Member's dwelling unit.

### Article 10. Utilities

The Corporation shall provide electricity for exterior use, water for exterior and interior use, sewage disposal, garbage and trash collection and master TV antenna service. The cost of such services shall be included in the Carrying Charges. Electricity for interior use shall be individually metered and billed by Southern California Edison Company or any successor utility and paid directly by the Member.

### Article 11. Repairs

- (a) By Member. Subject to the terms of any Recognition Agreement, the Member agrees to repair and maintain the dwelling unit at the Member's own expense as follows:
- 1) Any repairs or maintenance necessitated by the Member's own negligence or misuse; and
  - 2) Any redecoration of the interior of the dwelling unit; and
  - 3) Any repairs or maintenance on any air conditioner installed in the dwelling unit; and
  - 4) Any maintenance, repairs and replacements of appliances within the interior of the dwelling unit (including, but not limited to, refrigerators, cook tops, hoods and ovens), and any cabinet modifications/alterations and other upgrades related to the installation of those appliances, that are designated as the responsibility of the Member under the Corporation's "Appliance Policies" adopted on March 11, 2003, as may be amended from time to time; and
  - 5) Any repairs or maintenance of all fixtures and other items within the interior surfaces of the perimeter walls, floors and ceilings of the dwelling unit that are designated as the responsibility of the Member under the Corporation's "Summary of Chargeable Maintenance Services" adopted on June 12, 2007, as may be amended from time to time; and
  - 6) Any repairs or maintenance of alterations and additions made by the Member (or any predecessor of the Member) in the interior or exterior of the dwelling unit, as described in Article 12 of this Occupancy Agreement.

(b) By Corporation. The Corporation shall provide and pay for all necessary repairs, maintenance and replacements, except as specified in clause (a) of this Article, including but not limited to unaltered kitchen and bath floors and countertops. The officers and agents of the Corporation shall have the right to enter the dwelling unit of the Member in order to effect necessary repairs, maintenance, and replacements, and to authorize entrance for such purposes by employees of any contractor, utility company, municipal agency, or others, at any reasonable hour of the day and in the event of emergency at any time.

(c) Right of Corporation to make repairs at Member's expense.

In case the Member shall fail to effect the repairs, maintenance or replacements specified in clause (a) of this Article in a manner satisfactory to the Corporation and pay for same, the Corporation may do so on behalf of the Member, and upon demand by the Corporation the Member shall reimburse the Corporation promptly upon receipt of a bill for same.

(d) Payment by Member. The Member shall pay the Corporation for any maintenance, repairs, replacements or other services specified in clause (a) of this Article which are the obligation of the Member to provide, where such maintenance, repairs, replacements or other services are rendered by the Corporation at the request of the Member. The Member agrees to make such payment promptly upon receipt of a bill for same from the Corporation.

### Article 12. Alterations and Additions

The Member shall not make any structural alterations to the interior or exterior of the dwelling unit or to any pipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements, or fixtures from the dwelling unit without prior written consent of the Corporation. The Member shall not install or use in the dwelling unit, any air conditioning equipment, washing machine, clothes dryer, electric heater, or power tools without prior written consent of the Corporation. The Member shall remove any such equipment promptly upon request of the Corporation.

Any alterations, additions, fixtures or improvements installed by the Member or any predecessor of the Member, whether within or without the dwelling unit, shall be repaired or maintained by the Member at its own expense and in a manner satisfactory to the Corporation. If the Member should fail to do so, such repairs or maintenance may be performed by the Corporation and upon demand by the Corporation, the Member shall reimburse the Corporation therefor forthwith.

### Article 13. Membership in the Foundation

Prior to occupancy of the dwelling unit, the Member shall become a resident member of the Foundation and shall pay such dues, assessments, fees and charges now or hereafter determined by its Board of Directors. The extent and nature of facilities and services provided by the Foundation, the fees and charges therefor, and the persons to whom available shall be determined by the Foundation from time to time.



## GENERAL CONDITIONS continued

### Article 14. Default by Member

If at any time after the happening of any of the events specified in clauses (a) to (h) of this Article, the Corporation shall give to the Member a notice that its rights under this Occupancy Agreement will expire at a date not less than ten (10) days thereafter, all of the Member's rights under this Occupancy Agreement will expire on the date so fixed in such notice, unless in the meantime the default has been cured in a manner deemed satisfactory by the Corporation, it being the intention of the parties hereto to create hereby conditional limitations, and it shall thereupon be lawful for the Corporation to re-enter the dwelling unit and to remove all persons and personal property therefrom, either by summary dispossession proceedings or by suitable action or proceeding at law or in equity or by any other proceedings which may apply to the eviction of tenants, and to repossess the dwelling unit in its former state:

- a) If at any time during the term of this Occupancy Agreement the Member shall cease to be the owner and legal holder of a membership in the Corporation unless the Corporation gives its consent in writing to a transfer or assignment under which Member has a right to continue possession.
- b) If the Member attempts to transfer, assign or pledge this Occupancy Agreement in a manner inconsistent with the provisions of the bylaws or this Occupancy Agreement.
- c) If at any time during the term of this Occupancy Agreement the Member shall be declared bankrupt under the laws of the United States.
- d) If at any time during the term of this Occupancy Agreement a receiver of the Member's property shall be appointed under the laws of the United States or of any State.
- e) If at any time during the term of this Occupancy Agreement the Member shall make a general assignment for the benefit of creditors.
- f) If at any time during the terms of this Occupancy Agreement the membership in the Corporation owned by the Member shall be duly levied upon and sold under the process of any Court.
- g) If the Member shall fail to pay any sum due pursuant to the provisions of this Occupancy Agreement.
- h) If the Member, any non-Member occupant of the dwelling unit or any guest or invitee of the Member or such non-Member occupant of the dwelling unit, shall default in the performance of any of their respective obligations under this Occupancy Agreement.

The Member hereby expressly waives any and all right of redemption in case it shall be dispossessed by judgment of any Court; the words "enter," "re-enter" and "re-entry", as used in this Occupancy Agreement, are not restricted to their technical legal meaning and in the event of a breach or threatened breach by the Member, any non-Member occupant of the dwelling unit, or any guest or invitee of the Member or such non-Member occupant of the dwelling unit, of any of the covenants or provisions of this Occupancy Agreement; the Corporation shall have the right of injunction and the right to

invoke any remedy allowed by law or in equity as if re-entry, summary proceedings, and other remedies were not herein provided for.

The Member expressly agrees that there exists under this Occupancy Agreement a landlord-tenant relationship and that in the event of a breach or threatened breach of any covenant or provision of this Occupancy Agreement by the Member, or non-Member occupant of the dwelling unit, or any guest or invitee of the Member or such non-Member occupant of the dwelling unit, there shall be available to the Corporation such legal remedy or remedies as are available to a landlord under the laws of the State of California for the breach or threatened breach by a tenant of any provision of a lease or rental agreement. The Member hereby waives any and all notices and demands for possession as provided by the laws of the State of California.

### Article 15. Compliance with Regulations

The Member shall preserve and promote the cooperative ownership principles on which the Corporation and the Foundation have been founded, abide by the articles of incorporation, bylaws, rules and regulations of the Corporation and of the Foundation and any amendments thereto now or hereafter in force and by its acts of cooperation with other members, bring about for itself and its fellow members a high standard in home and community conditions.

### Article 16. Effect of Fire Loss

In the event of loss or damage by fire or other casualty to the dwelling unit without the fault or negligence of the Member, the Corporation shall determine whether to restore the damaged premises and shall further determine, in the event such premises shall not be restored, the amount which shall be paid to the Member to redeem the membership of the Member and to reimburse the Member for such loss as it may have sustained. If, under such circumstances, the Corporation elects to restore the premises, Carrying Charges shall not abate, wholly or partially, unless otherwise determined by the Corporation. If the Corporation elects not to restore the premises, the Carrying Charges shall cease from the date of such loss or damage.

### Article 17. Inspection of Dwelling Unit

Representatives of any mortgagee holding a mortgage on the property of the Corporation occupied by the Member, the officers and agents of the Corporation, and with the approval of the Corporation, the employees of any contractor, utility company, municipal agency or others, shall have the right to enter the dwelling unit of the Member and make inspection thereof at any reasonable hour and at any time in case of emergency involving danger to life or property, regardless whether such potential danger actually exists.

### Article 18. Subordination

The cooperative housing project, of which the dwelling unit is a part, was constructed with the assistance of a mortgage loan made by a private lending institution. This Occupancy Agreement and all rights, privileges and benefits hereunder are and shall be





## **GENERAL CONDITIONS continued**

at all times subject to, subordinate and inferior to the lien of a first mortgage or deed of trust and the accompanying documents executed to secure the principal sum, to any and all modifications, extensions and renewals of such loans, to any mortgage or deed of trust made in replacement of such mortgage or deed of trust and to such additional loans or advances as may thereafter be made by or borrowed from the beneficiary, its successors or assigns, together with interest thereon, and to any mortgages or deeds of trust, consolidation agreements and other accompanying documents given to secure any such additional loan or advances which may at any time hereafter be placed on the real property of the Corporation, or any part thereof. The Member hereby agrees to execute, at the Corporation's request and expense, any instrument which the Corporation or any lender may deem necessary or desirable to effect the subordination of this Occupancy Agreement to any such mortgage or deed of trust, and the Member hereby appoints the Corporation and each and every officer thereof, and any future officer, such Member's attorney-in-fact during the term hereof to execute any such instrument on behalf of the Member. The Member hereby expressly waives any and all notices of default and notices of foreclosure of said mortgage and deed of trust which may be required by law. In the event a waiver of such notices is not legally valid, the Member hereby designates the Corporation as its agent to receive and accept such notices on the Member's behalf.

### **Article 19. Notices**

Whenever the provisions of law, the bylaws of the Corporation or this Occupancy Agreement require notice to be given to either party hereto, such notice may be given in writing by depositing the same in the United States mail, in a postpaid, sealed envelope addressed to the person to whom the notice is to be given, at his or her address as the same appears in the books of the Corporation and the time of mailing shall be deemed to be the time of the giving of such notice.

### **Article 20. Fiscal Reports**

The Corporation shall furnish to the Member a review of the financial statement of the Corporation in accordance with the provisions of applicable law.

### **Article 21. Representations**

No representations, other than those contained in this Occupancy Agreement, shall be binding upon the Corporation.

### **Article 22. Rights and Remedies**

The rights and remedies available to the Corporation in the event of any breach of this Occupancy Agreement by the Member, any non-Member occupant of the dwelling unit, or occupant of the dwelling unit, or any guest or invitee of the Member or such non-Member occupant of the dwelling unit, whether provided by this Occupancy Agreement or by law, are cumulative. The exercise of any such right or remedy shall not be deemed to be a waiver of the same right or remedy for the

same or any other breach by the Member. The failure to exercise any right or remedy available to the Corporation for any breach of this Occupancy Agreement by the Member shall not be deemed to be a waiver of any of its rights or remedies in the event of any other breach by the Member.

### **Article 23. Late Charges and Attorney's Fees**

The Member covenants and agrees that, in addition to the other sums that have become or will become due pursuant to the terms of this Occupancy Agreement, the Member shall pay to the Corporation a late charge in an amount determined by the Corporation, reasonable costs of collection and interest at a rate determined by the Corporation for each payment of Carrying Charges or part thereof not paid within 15 days after the date payment is due.

If the Member shall default in making payments of any sum payable to the Corporation or if the Member, any non-Member occupant of the dwelling unit, or any guest or invitee of the Member or such non-Member occupant of the dwelling unit defaults in the performance of any of their respective obligations under this Occupancy Agreement, and the Corporation has obtained the services of an attorney with respect to any such default, the Member shall pay to the Corporation any costs or fees involved, including reasonable attorney's fees, notwithstanding the fact that a suit has not yet been instituted. In case a suit is instituted, the Member shall also pay costs of suit in addition to the aforesaid costs and fees.

### **Article 24. Successor, Assignees, Etc.**

Subject to the limitations on assignments, transfers, pledges and subletting set forth elsewhere herein, the provisions of this Occupancy Agreement shall be binding on the successors, assignees, heirs and personal representatives of the Member.

### **Article 25. Amendments**

This Occupancy Agreement may not be amended or modified without the prior written consent of the Corporation and shall not be enforceable unless in the form of a written instrument executed by the party against whom enforcement is sought. Member acknowledges and agrees that the Corporation may condition its consent to any amendment or modification upon the Corporation's receipt of a written consent to the change from any assignee or pledgee of the Member, regardless whether that consent is required by the terms of any Recognition Agreement.



## Addendum to Occupancy Agreement – Trustee Membership

<b>1. Identification</b>	
Unit number:	
Date of Occupancy Agreement:	Date of declaration of trust or order establishing trust:
Trustee member*:	
Current beneficiary*:	

<b>2. Modification of recital</b>
A. The current beneficiary has a bona fide intention to reside in the described dwelling unit and the trustee has a bona fide intention to permit that residency.

<b>3. Modification of general conditions</b>
A. The current beneficiary guarantees the performance of all obligations of the trustee member and agrees to abide by all of the provisions of the general conditions of the Occupancy Agreement as if the current beneficiary were the member.
B. Only the person treated as the beneficial owner of the trust for federal income tax purposes under Section 671 <i>et seq.</i> of the Internal Revenue Code of 1954 (or any successive provision) and approved for membership and such persons as would be permitted to reside in the unit if title were held by that beneficial owner will be permitted to reside in the unit.
C. Within a reasonable time after the trust ceases to be one of which the Current Beneficiary or any other person approved for membership is treated as the beneficial owner of the trust for income tax purposes under Section 671 <i>et seq.</i> of the Internal Revenue Code of 1954 (or any successive provision), the Trustee shall transfer the membership either to an individual approved for membership or to the trustee of a qualified trust.

_____ Current beneficiary	_____ Trustee
_____ Current beneficiary	_____ Trustee
_____ Date	

\*If more than one trustee member or more than one beneficiary, then each must sign the addendum.



## Stock Assignment Separate from Certificate (For Resale Only)

For value received, the undersigned hereby sell, assign and transfer to

----- ONE MEMBERSHIP -----

represented by the within certificate, and do hereby irrevocably constitute and appoint

\_\_\_\_\_ attorney to transfer the said membership on the books of the  
within-named corporation with full power of substitution in the premises.

Dated \_\_\_\_\_

Signature witnessed by:

\_\_\_\_\_  
Signature/Printed name

\_\_\_\_\_  
Signature of corporate representative/Printed name

\_\_\_\_\_  
Signature/Printed name

### Signature guarantees

Name of signature guarantor (print) \_\_\_\_\_

Medallion imprint

Bank or company \_\_\_\_\_

Signature \_\_\_\_\_

Dated \_\_\_\_\_

### Notice

A financial institution may have additional requirements if a loan is outstanding.

Signature(s) to this assignment must correspond with the name(s) as written upon the face of the certificate in every particular without alteration or enlargement or any change whatsoever.

Signature(s) to this assignment may be affixed in the presence of a representative of the corporation; otherwise, signature(s) may also be affixed if guaranteed by an attorney, a banker, an escrow officer or stock broker.

Notarization of signature(s) to this document is also sufficient and acceptable, and in such cases, the corporation will recognize the authority of the signer. The notary public acknowledgement must accompany this assignment.

Assignments separate from the certificate may be executed according to the restrictions noted above.

If the certificate is executed by the member's attorney in fact, the power of attorney is made a part of this assignment, and must accompany the certificate together with proof that the principal is still living.



## Interim Dual Membership Agreement

This interim dual membership agreement (agreement) is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between United Laguna Woods Mutual (United), a California nonprofit mutual benefit corporation and \_\_\_\_\_ (purchaser) with reference to the following facts:

- A. Purchaser is the owner of one membership in United and has executed an Occupancy Agreement with United in connection with such ownership. Under the terms of the Occupancy Agreement, purchaser has the exclusive right to occupy certain premises owned by United and commonly described as \_\_\_\_\_ Laguna Woods, California (first unit and first membership).
- B. Purchaser desires to purchase a second membership in United and execute a second Occupancy Agreement with United, thereby permitting purchaser to occupy certain other premises owned by United and commonly described as \_\_\_\_\_, Laguna Woods, California (the second unit and the second membership). **Duration of this agreement shall be six months from the date of this agreement, subject to renewal at the board's discretion.**
- C. In reliance upon the covenants and representations of purchaser hereinafter set forth, United consents to purchaser's purchase of a second membership in United, execution of a second Occupancy Agreement with United, and occupancy of a second unit while still the owner of the first membership, subject to the following terms and conditions:
1. Purchaser shall pay all amounts due or which hereafter become due on each membership shall continue throughout the entire duration of purchaser's ownership of such memberships. If the Occupancy Agreement related to any such membership terminates for any reason whatsoever prior to purchaser's sale of that membership, then purchaser shall not be obligated to pay any amounts that become due on such membership after the termination of the related Occupancy Agreement.
  2. Purchaser represents and warrants that he has undertaken, or will undertake immediately, all reasonable efforts to sell the first membership, including but not limited to offering the first unit for sale. Purchaser further represents and warrants that the first membership and right to occupy the first unit is presently offered for sale at an asking price of \_\_\_\_\_ dollars (\$ \_\_\_\_\_), which purchaser believes is a fair and reasonable asking price for the first unit, and that purchaser shall not remove the first unit from the resale market.
  3. Purchaser is solely responsible for the resale of both memberships and the rights to occupy both units. No representation, guarantee or assurance has been made to the purchaser by the Golden Rain Foundation of Laguna Woods, United or any agent, representative, attorney or employee regarding the sale of the membership or occupancy rights.
  4. Purchaser shall not make or file, or cause to be made or filed, any claim or action against the Golden Rain Foundation of Laguna Woods, or any agent, representative, attorney or employee, arising out of, connected with or incidental to purchaser's failure to obtain a suitable purchaser for either membership or right to occupy either unit.
  5. This agreement is only between United and the purchaser, and is solely intended to establish the additional rights, duties and obligations of United and purchaser for the limited time period during which Purchaser owns two memberships and the right to occupy the first unit and the second unit. Nothing in this agreement shall operate to relieve or in any way affect the obligation of any real estate broker, whether presently existing or hereafter arising, to perform its obligations under any listing agreement with purchaser for the sale of the first membership or right to occupy the first unit.
  6. Purchaser acknowledges and agrees that: (a) purchaser is prohibited from owning more than one membership and the right to occupy more than one unit, except under certain limited circumstances which are not applicable to this transaction; (b) purchaser's permission to own more than one membership and the right to occupy more than one unit is granted by United to purchaser under this agreement only for a limited duration as an





accommodation to purchaser; (c) nothing in this agreement shall be construed as a waiver or modification or any kind whatsoever of the general prohibition against purchaser's ownership of more than one membership and the right to occupy more than one unit; and (d) purchaser shall sell or otherwise dispose of one of the memberships within six months.

7. This agreement shall be treated as an addendum to the Occupancy Agreement executed by purchaser in connection with purchaser's purchase of the second membership. Any failure to comply with this agreement shall constitute a breach of the Occupancy Agreement.
8. Nothing in this agreement shall be construed to allow purchaser to sublet either unit.
9. Purchaser is hereby aware of the corporation policy that limits the execution of an interim dual membership agreement to one in any two-year period.
10. Purchaser shall provide a copy of this agreement to all present and future licensed real estate broker(s) with whom purchaser has listed, or lists, either membership immediately upon listing such membership and occupancy right with such broker.

**In witness whereof**, the parties to this agreement has executed this agreement on the day and year first above written.

**Purchaser**

**United Laguna Woods Mutual**, a California  
nonprofit mutual benefit corporation

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

\_\_\_\_\_  
Name printed – authorized agent

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed



**Recording requested by and when  
recorded mail to:**

United Laguna Woods Mutual  
PO Box 2220  
Laguna Woods, CA 92654 - 2220

This space for recorder use only

## Memorandum of Occupancy Agreement

This Memorandum of Occupancy Agreement is made as of \_\_\_\_\_, \_\_\_\_\_ by and between United Laguna Woods Mutual (United), a California nonprofit mutual benefit corporation and \_\_\_\_\_ (member).

The property with which this Memorandum of Occupancy Agreement is concerned is that certain real property located in the City of Laguna Woods, County of Orange, and State of California, commonly known as \_\_\_\_\_ and unit \_\_\_\_\_, building \_\_\_\_\_ as set forth in the exhibit \_\_\_\_\_ to that certain Memorandum of Occupancy Agreement recorded in the Official Records of Orange County, California, on May 10, 2013, as Instrument No. 2013000284997, which is a cooperative apartment (unit) in the community commonly known as Laguna Woods Village. See legal description.

By an unrecorded document entitled Occupancy Agreement dated \_\_\_\_\_, 20\_\_\_\_, United leases the unit to member for an initial term of three years beginning on ☐ the date of recordation of the Memorandum of Occupancy Agreement recorded as Instrument No. \_\_\_\_\_, ☒ the date of the Occupancy Agreement, which term could be automatically renewed for successive terms of three years as provided in Article 4 of the Occupancy Agreement.

This Memorandum of Occupancy Agreement is subject to the conditions, covenants and provisions, including those pertaining to the assessments, limitations on use, construction of improvements and transfer of any interest in the leasehold estate or portions thereof, provided in the Occupancy Agreement.

In witness whereof, United and member have executed this Memorandum of Occupancy Agreement as of the date set forth above.

Member(s)

United Laguna Woods Mutual - Owner  
By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

\_\_\_\_\_  
Name printed – authorized agent

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed



### Acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California                                 )  
County of Orange                                 )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature \_\_\_\_\_ (Seal)

### Acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California                                 )  
County of Orange                                 )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally

appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature \_\_\_\_\_ (Seal)



## Subordination Agreement

Unit number: \_\_\_\_\_

Date of recognition agreement: \_\_\_\_\_

Name of lender: \_\_\_\_\_

### Acknowledgement by borrower:

I have received a copy of that recognition agreement between United Laguna Woods Mutual and the lender, and I specifically consent to subordinate my rights under my Occupancy Agreement and the bylaws of United Laguna Woods Mutual to those of the lender set forth in that document. By way of illustration (and not to the exclusion of other rights), I agree that the lender's consent may be required to transfer my unit and that lender may be entitled to receive money I otherwise would receive from the proceeds of sale or in the event of redemption or surrender of my membership, casualty, loss or condemnation.

### Lender may need notification when unit is sublet.

Date: \_\_\_\_\_

Borrower: \_\_\_\_\_

Borrower: \_\_\_\_\_

Borrower: \_\_\_\_\_

For office use only

Lender ID number: \_\_\_\_\_



## Application for Co-occupancy Permit

						Unit address	
<b>Attach verification of valid age: Driver's license / passport / birth certificate / military ID</b>							
1.	Last name	First name	MI	Social security number	Birthdate	Office use only	
	Home phone		Mobile phone		Email		
	Marital Status	<input type="checkbox"/> Married <input type="checkbox"/> Divorced	<input type="checkbox"/> Widowed <input type="checkbox"/> Separated	<input type="checkbox"/> Single	If under 45 years of age, indicate if spouse/registered domestic partner <input type="checkbox"/>		
<b>2.</b>							
	Last name	First name	MI	Social security number	Birthdate	Office use only	
	Home phone		Mobile phone		Email		
	Marital Status	<input type="checkbox"/> Married <input type="checkbox"/> Divorced	<input type="checkbox"/> Widowed <input type="checkbox"/> Separated	<input type="checkbox"/> Single	If under 45 years of age, indicate if spouse/registered domestic partner <input type="checkbox"/>		
Applicant relationship to shareholder			Previous address		City	State	Zip
In case of emergency, notify			Relationship to applicant	Address		Telephone number	
<b>Shareholder/Co-occupant acknowledgements</b>							
<p>We hereby apply for approval for the applicant to reside in the unit identified above as a nonmember occupant and affirm that the information provided herein is accurate to the best of our knowledge. We have read the terms and conditions for such occupancy on the reverse side of this application and agree to be bound by the terms therein. We have received a copy of the notice informing us of the possible existence of asbestos in certain buildings.</p> <p>We swear, under penalty of perjury, that there will not be a landlord-tenant relationship between shareholder and occupant, and that no rents will be paid or collected during the duration of applicant's occupancy, unless a lease is executed through the Golden Rain Foundation (GRF) leasing office.</p>							
<b>** All shareholders and occupants must initial the "no rent paid or collected" agreement</b> _____							
1. Co-occupant name (print)			Signature		Date		
2. Co-occupant name (print)			Signature		Date		
3. Shareholder name (print)			Signature		Date	To reside? <input type="checkbox"/> Yes <input type="checkbox"/> No	
4. Shareholder name (print)			Signature		Date	To reside? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Community Services Dept. use only</b>							
Floorplan _____ No. bedrooms _____ No. of persons residing if permit is approved _____ ID card fees to be collected: \$ _____ <input type="checkbox"/> Exempt (spouse/domestic partner status verified) If applicant is under 55 years of age, indicate if qualifying resident has been verified. <input type="checkbox"/> Yes <input type="checkbox"/> No Does the approval of this application exceed the number of persons permitted to occupy this unit? <input type="checkbox"/> Yes <input type="checkbox"/> No Verified by: _____ Occupant's phone number _____							
<b>Action by mutual board of directors</b>							
<b>Application denied</b>				<b>Application approved</b>			
The board of directors of this mutual corporation has reviewed this application. Based on the information provided, <b>the application is denied.</b>				The board of directors of this mutual corporation has reviewed this application. Based on the information provided, <b>the application is approved.</b>			
Signature				Signature			
Signature				Signature			
Signature				Signature			
Date				Date			

## Application for Co-occupancy Permit – Page 2

### Primary rules governing occupancy – United Laguna Woods Mutual

The parties to this agreement are the mutual corporation, hereinafter referred to as “the mutual”; the member(s), hereinafter referred to as “shareholder,” and whose signature appears on the reverse side of this application; and the applicant(s) for occupancy, hereinafter referred to as “co-occupant,” and whose signature appears on the reverse side of this application. In consideration of their mutual undertakings, the parties hereto agree as follows:

1. Co-occupant(s) shall be entitled to occupy the unit indicated on the reverse side of this application.
2. Co-occupant(s) and shareholder(s) affirm their intent that the co-occupant will reside in this unit and that occupant is 45 years of age or older, or is the spouse or registered domestic partner of the qualifying resident.
3. In United Mutual, non-shareholders may reside only if they co-occupy with shareholders who are in residence (and meet the requirements of Section 2 above) or are the parents of shareholders, with one qualifying resident at least 55 years of age.
4. Co-occupant(s) shall be entitled to the use and enjoyment of the facilities and services provided by the Golden Rain Foundation on the same basis as shareholders of the foundation, but will have neither ownership nor voting rights in the foundation or any mutual.
5. Shareholder shall be responsible for the conduct and deportment of the co-occupant.
6. Co-occupant shall be subject to the same rules, regulations and restrictions (and of the Occupancy Agreement in United Mutual) that are applicable to the shareholder, except with respect to payment of carrying charges. If co-occupant ever shall become the legal or equitable owner of the membership, co-occupant will apply for membership in the mutual (and will execute an Occupancy Agreement in United Mutual) in the form generally used by the mutual and will pay all amounts due pursuant to the Occupancy Agreement.
7. Shareholder and co-occupant shall be equally responsible for payment of any charges incurred by co-occupant in respect to service provided by Golden Rain Foundation or the mutual.
8. Shareholder agrees to pay to the mutual an additional sum each month for each occupant of the unit in excess of two, at the rate prescribed by the mutual and/or GRF.
9. Shareholders shall be responsible for canceling the co-occupancy status and returning co-occupant's ID card and vehicle decal when occupant ceases to reside in the unit.
10. Any party may terminate this agreement at any time upon 30 days written notice to the other parties to this agreement.
11. In order to induce mutual to execute this agreement, the other parties agree that they have no rights against mutual as a direct or indirect result of the execution of this agreement, and in the event that there are any expenses incurred by the mutual to enforce the terms of this agreement, or to remove or take other action, or to defend any action relative to shareholder or co-occupant, as a direct or indirect result of this agreement, shareholder and co-occupant agree to hold the mutual harmless from and to pay all costs or expenses incurred by mutual, including, but not limited to, attorney's fees, court costs or related expenses.
12. Co-occupant(s) affirm that they have not been convicted of a felony within the past 20 years, nor a misdemeanor involving moral turpitude within the past five years.
13. Guests may stay a maximum of 60 days per year, and **only while the qualifying senior resident is in residence.**

### Notice to shareholders and applicants

Approval of this application by the mutual, in and of itself, does not confer any right on the co-occupant other than the revocable right to occupy the unit named on the reverse of this form. As indicated, both shareholder and mutual generally have the right to terminate occupant status at any time, without cause, provided, however, that Section 51.3 of the California Civil Code may be interpreted to inhibit this right of termination in certain circumstances.

## Disclosure notice: Asbestos-containing construction materials



Laguna Woods Village®

### Notice

**To:** Employees, contractors employed by the Laguna Woods Village associations, members and prospective purchasers of dwelling units at Laguna Woods Village, Laguna Woods

**From:** Village Management Services Inc.

**Subject:** Disclosure notice: Laguna Woods Village buildings constructed with asbestos-containing construction materials

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Health & Safety Code 25915.2 and 25915.5 require the mutual to provide annual notice about the existence of asbestos-containing materials (ACM) in nonresidential public buildings in the mutual to all employees and contractors performing work within said buildings, and to all members of the mutual.

In addition, the mutual is required to disclose to new owners, within 15 days of acquiring title to a unit, the existence of asbestos-containing material in nonresidential public buildings within the mutual.

Village Management Services Inc., as employer, and as agent, for the associations that own or manage the buildings at Laguna Woods Village, Laguna Woods, for their members, hereby notifies all its employees, contractors and all mutual members and transferees, that some buildings within Laguna Woods Village have been surveyed and found to contain asbestos.

The analytical method used to determine asbestos content was polarized light microscopy/dispersion staining. Since the community has an active asbestos operations and maintenance program, testing is ongoing. Because of the high cost to conduct a complete asbestos survey and analysis of all buildings, surveys are conducted only upon repair, remodel, addition to or removal of a building or part of a building suspected to contain asbestos materials, as required by labor codes. The certificates of analysis for any testing received to date are available to employees, contractors, owners and tenants and transferees for review and photocopying from the Laguna Woods Village Human Resources/Safety Office, 24351 El Toro Road, Laguna Woods, CA., between 9 a.m. and 5 p.m., Monday through Friday.

The following buildings in Laguna Woods Village, Laguna Woods, were constructed prior to 1979 and thus *may* contain asbestos in one or more construction materials: All community facilities buildings (with the exception of Clubhouse 7, the mini-gym at Clubhouse 1, the broadband services building, the Laguna Woods Village Community Center, the vehicle maintenance building, and a portion of the warehouse—all constructed after 1979), including clubhouses and outbuildings, library, maintenance warehouse building, stables, gatehouses, garden center buildings, all detached laundry buildings and residential buildings numbers 1 through 5543 inclusive.

*Disclosure notice: Asbestos-containing construction materials continued on next page*

At the time most of the buildings in Laguna Woods Village were constructed, asbestos-containing materials met local codes as well as state and federal regulations and were extensively used in *many* building products, including but not limited to: ceiling tile, floor tile/linoleum and mastic, textured wall surfaces, sprayed acoustical ceilings, fire doors, structural fireproofing, pipe/boiler insulation, attic insulation and heating duct material/insulation.

According to the National Cancer Institute and the Environmental Protection Agency, any asbestos in these materials does not present a threat to health so long as the asbestos is not disturbed and does not become airborne.

However, because breathing asbestos has been known in some instances to cause cancer and other forms of lung disease, sanding, scraping, drilling, sawing, crushing, tearing/breaking up or otherwise disturbing asbestos-containing materials presents a potential health risk. Therefore, you are directed not to perform such tasks in areas with ACM present or suspected unless the area/materials have been tested and found not to contain asbestos or if specifically assigned or contracted to do such work and it is in accordance with all federal, state, and local laws as well as internal guidelines called for in the asbestos operations and maintenance plan and other company safety and environmental policies and procedures.

Village Management Services Inc. employees whose work orders require them to construct, repair, maintain or otherwise disturb construction materials that may contain asbestos are hereby directed to follow the current regulations and policies noted above and to wear the required protective equipment, prior to performing such work. Questions concerning instructions and equipment should be directed to the HR/Safety Supervisor at 949-597-4321.

It is illegal to place asbestos materials or debris in Laguna Woods Village trash dumpsters. Such materials must be disposed of separately in accordance with state and county regulations to avoid fines. Contact the HR/Safety Supervisor at 949-597-4321 for details.

If you become aware of any asbestos-containing material becoming damaged or otherwise disturbed, please contact Laguna Woods Village Customer Service at 949-597-4600, or the HR/Safety Supervisor at 949-597-4321.

January 1, 2016  
Village Management Services Inc.





## **STAFF REPORT**

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**DATE: April 13, 2021**

**FOR: Board of Directors**

**SUBJECT: Performance Improvements: Increase Service Levels to Five Cycles**

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### **RECOMMENDATION**

Approve a Supplemental Allocation of \$267,480 to increase service levels to five cycles.

### **BACKGROUND**

For fiscal year 2020, the Landscape Department had a budget for United Mutual of \$1,937,283 for shrub bed maintenance. The work is performed in four cycles annually; the shrub bed maintenance cycle varies seasonally and is performed on 75 shrub bed acres in United Mutual.

This report was originally presented to the Landscape Committee at the regular meeting on February 11, 2021, in which staff was directed to finalize equipment and staffing costs.

At the April 8, 2021, regular committee meeting, the committee voted to recommend the supplemental appropriation to increase the service level in the Landscape Department.

### **DISCUSSION**

The current shrub bed maintenance service schedule is set at three-month intervals although it varies seasonally; servicing each building occurs with more frequency in the cooler months and less frequent in the warmer months due to turf maintenance requirements.

Within the budget mention above, the man-hour allocation is sufficient to perform four complete cycles; a cycle is considered complete when every building in that section has received shrub bed maintenance services. The industry standard for commercial landscape maintenance frequency for shrub bed service is monthly.

United Mutual is divided into four sections; Section One contains a portion of Third Mutual and the costs are apportioned by acreage. The sections are divided by geographical boundaries, acreage, and logistics (Attachment 1). Each section is assigned a separate crew, which varies in size from eight to ten staff, with a foreman in the lead position. The exception is Section One, which is contracted; it was the biggest crew with 11 men assigned to it.

Each year the Landscape Department receives numerous service requests (tickets); in 2020, 8,844 tickets were received, of those 56 percent were for grounds maintenance. Many of these tickets were due to what is perceived by residents as inadequate maintenance; weeds growing too tall, shrubs overgrown, or soft edges not appearing maintained. Many of these concerns are rooted in the fact that maintenance crews only visit each building every three months, with the gap slightly longer in mowing season.

The Landscape Department has been directed to provide a cost analysis on the costs associated with increasing the landscaping service levels. Changing the current four trimming cycles to five annual cycles would decrease the time between visits to an average of every two months. This would have a definitively positive effect on the appearance of the landscaping by keeping the landscape looking trimmed and neater for a longer duration than the current schedule.

Common industry practice in southern California for commercial maintenance is typically monthly service for shrub beds. The current four-cycle schedule was implemented in 2016 during severe staffing cut backs; by reducing staff by 23 full-time employees (FTEs), the service levels were decreased from five cycles annually to four cycles annually. This was done as a cost saving measure.

The current analysis reveals it would require an additional two FTEs *per crew* (depending on acreage) to increase by one cycle, to five cycles annually. Increasing frequency by one cycle would incur an additional \$534,960 in labor and related costs annually to United Mutual. These costs reflect the addition of a total of 9 FTEs to the landscape staffing levels (Attachment 2). If the additional staff were added in 2021, a supplemental funding allocation for \$267,480 for six months would be required.

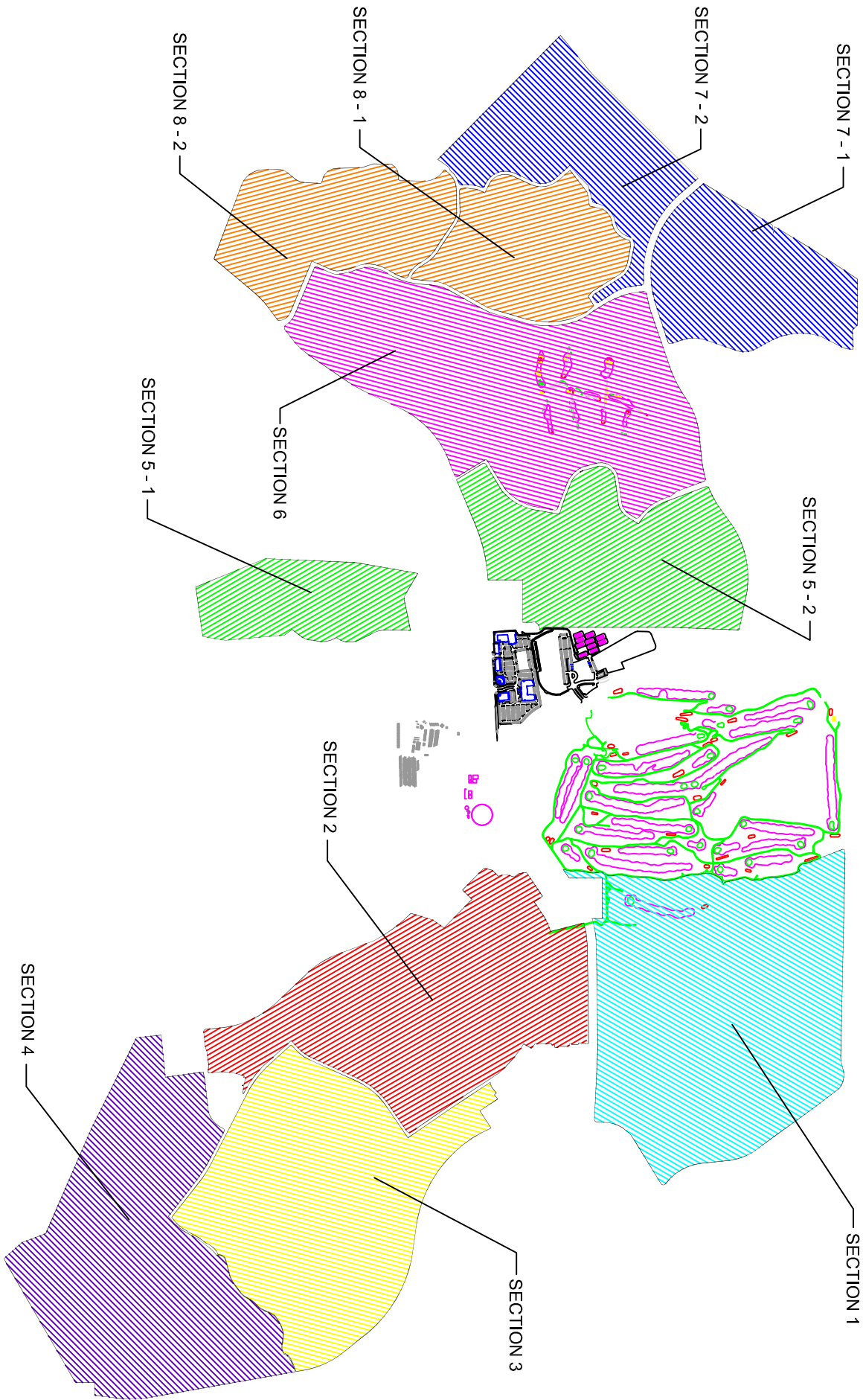
It is the opinion of staff that increasing the service levels by increasing the frequency of maintenance activities will result in higher resident satisfaction and significantly reduce the number of service requests and complaints.

#### **FINANCIAL ANALYSIS:**

See Attachment 3 and discussion above.

**Prepared By:** Kurt Wiemann, Director of Landscape Services  
**Reviewed By:** Eve Morton, Landscape Coordinator

**Attachment 1:** Section Map  
**Attachment 2:** Section Staffing Levels  
**Attachment 3:** Cost Analysis for Increased Frequency of Maintenance  
**Attachment 4:** Resolution 01-21-xx



MAINTENANCE CREW AREA ASSIGNMENTS

AREA MAP

Laguna Woods Village® - Laguna Woods  
Projects Department  
24351 El Toro Road, Laguna Woods, California 92653  
P.O. Box 2220, Laguna Woods, California 92654

## ATTACHMENT 2

2021 Landscape Department Increased Service Levels Analysis					
Section Gardener Staffing Levels					
Section	1*	2	3	4	Total
Current	11	9	8	10	38
Additional	1	3	2	3	9

\* Section 1 is currently 8 FTEs converted to contract funds and 3 staff Gardeners.

Section 1 is split between Third and United Mutuals.

# ATTACHMENT 3

## LANDSCAPE DIVISION 530 GROUNDS MAINTENANCE - 5 PRUNING CYCLES UNITED LAGUNA WOODS MUTUAL

### United Allocation - 9 FTEs

Grounds Maintenance Tasks	Percentage Allocation	Total Annual Reserves	Total 6 Months 2021:
Shrub bed plant replacement	25%	\$133,740	\$66,870
Re-establishment of shrub bed boundaries	50%	\$267,480	\$133,740
Small slope re-vitalization	10%	\$53,496	\$26,748
Re-establishment of shrub bed grades	15%	\$80,244	\$40,122
Total Expenses to Reserves:	100%	\$534,960	\$267,480
Total 6 Months For 2021:		\$267,480	

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### **RESOLUTION 01-21-XX**

#### **SUPPLEMENTAL FUNDING FOR INCREASED LEVEL OF SERVICE FOR LANDSCAPING**

**WHEREAS**, the landscape shrub bed service level is currently at four cycles annually; each building receives shrub bed services which include weeding, shrub pruning, edging and cleaning, once every quarter;

**WHEREAS**, prior to 2016, shrub bed maintenance service levels were at five cycles annually;

**WHEREAS**, residents have voiced concerns regarding the frequency of landscaping shrub bed maintenance service, and;

**WHEREAS**, the Board of Directors requested staff research the costs involved to increase shrub bed maintenance service levels.

**NOW THEREFORE BE IT RESOLVED**, April 13, 2021, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$267,480 from the Reserve Fund to re-establish shrub bed maintenance cycle frequency to five annual cycles;

**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.

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## STAFF REPORT

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**DATE:** April 13, 2021  
**FOR:** Board of Directors  
**SUBJECT:** Temporary Borrowing from Operating and Reserve Funds

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### **RECOMMENDATION**

Staff recommends the Board approve the Finance Committee's endorsement to adopt a policy of temporarily borrowing monies from the reserve fund to pay for operating expenditures consistent with the Davis Stirling Act and Civil Code Section 5515. Payback of the borrowed monies to the advancing fund is not to exceed three months.

### **GOVERNING AUTHORITY**

California Civil Code § 5510 Expenditure of Reserve Accounts

- (b) The board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components that the association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established.

California Civil Code § 5515 Borrowing from Reserve Accounts

- (a) Notwithstanding Section 5510, the board may authorize the temporary transfer of moneys from a reserve fund to the association's general operating fund to meet short-term cashflow requirements or other expenses, if the board has provided notice of the intent to consider the transfer in a board meeting notice provided pursuant to Section 4920 (Notice of Board Meeting).
- (b) The notice shall include the reasons the transfer is needed, some of the options for repayment, and whether a special assessment may be considered.
- (c) If the board authorizes the transfer, the board shall issue a written finding, recorded in the board's minutes, explaining the reasons that the transfer is needed, and describing when and how the moneys will be repaid to the reserve fund.
- (d) The transferred funds shall be restored to the reserve fund within one year of the date of the initial transfer, except that the board may, after giving the same notice required for considering a transfer, and, upon making a finding supported by documentation that a temporary delay would be in the best interest of the common interest development, temporarily delay the restoration.

## **BACKGROUND**

During 2019 and 2020, and continuing through present, the United board directed staff to review existing procedures governed by the Davis Stirling Act to ensure compliance. As a result of the ongoing review, a number of financial reporting changes have been made along with the implementation of new processes requiring participation from both staff and members of the board.

### Financial Reporting

- Financial statements are reviewed by a subcommittee of the board and ratified at the board meeting to meet Civil Code Section 5501.
- The Fund Balance Sheet now presents Cash, Non-Discretionary Investments and Discretionary Investments by fund source. In contrast, the previous reporting presented those asset balances as an operating fund balance with an offset presented in Receivable/(Payable) from operating fund. The changes made to the Fund Balance Sheet provide more detail to the account balances and allow for a more thorough review of the financials and thus a more efficient means of complying with Civil Code Section 5501.

### New Processes

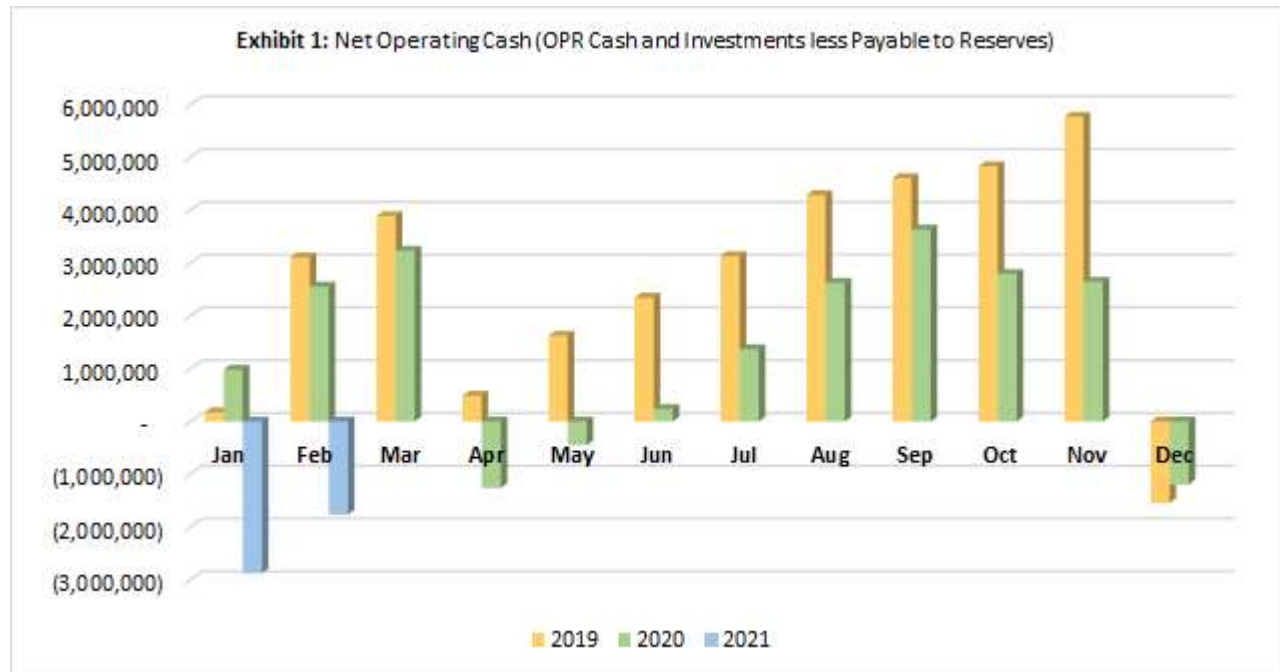
- A package of financial documents is sent monthly to all directors in compliance with Civil Code Section 5500. The package consists of financial statements from the most recent period, a check register, a detailed monthly general ledger, banking and investment statements, and a delinquent assessment receivable report.
- In compliance with Civil Code Section 5510, checks issued from the reserve fund are reviewed and authorized by two members of the board prior to releasing the check to the vendor.

Having implemented the changes noted above, the board made a further request to review interfund borrowings. It can be noted here that during the course of the calendar year, there are instances where timing differences are the cause of United not collecting operating assessments in sufficient amounts to pay for operating expenditures. This results in a temporary borrowing from reserve funds until additional operating funds can be collected. Two examples of this occurring can be seen in property tax and insurance payments.

### Property Taxes

- Each United resident pays their proportionate share of the Mutual property taxes as part of the monthly operating assessment. Since assessments are collected evenly over the year, only four months of assessments will have been collected by April despite six months of taxes being due. For instance, in 2021 approximately \$4M has been assessed and collected from residents specifically for property taxes yet a payment of \$5.9M will be issued to the County of Orange before the due date of April 10. To fund these annual payments in April, a temporary borrowing from reserve funds has been made.

In Exhibit 1 below, a sharp decline in available net operating cash resulted from the first installment of property tax payments in April for each year presented followed by another decline in December when the second installment of property taxes was paid. For the purpose of this report net operating cash is defined as cash and investment from the operating fund less payables owed to the reserve fund(s).



## Insurance

- In October 2020, the Mutual experienced a 93% increase in monthly insurance expenses resulting from updated property values and unfavorable market conditions within the insurance industry. While monthly operating assessments include an amount intended to be spent on insurance, the unforeseen increase in expense required a drawdown on net operating cash in the fourth quarter of 2020 as seen in Exhibit 1 above. By December 2020 net operating cash should have built up a \$6M balance sufficient to pay the second installment of property taxes. However, due to the increase in insurance premiums, a temporary borrowing from reserve funds was required.

## DISCUSSION

Staff reviewed current processes looking for ways to maintain compliance with Civil Code Section 5515, allowing the board to approve the temporary use of reserve funds before the advance takes place.

To meet the reporting and payback, staff shall project short-term net operating cash requirement at a frequency of no less than twice per year. Prior to net operating cash falling below zero, staff will present a financial projection to the Finance Committee and recommend a temporary use of reserve funds to meet operating cash flow needs. The recommendation will be presented to the board for approval in open session.

## **FINANCIAL ANALYSIS**

In both April and December of recent years, the Mutual's net operating cash balance has experienced a depletion of net operating cash due to the first and second installment of property tax payments being made. Due to upcoming first installment of the 2021 property tax payment, it is projected that net operating cash will once again take a sharp decline. While net operating cash is projected to be near zero at the end of March 2021, the April 2021 \$5.9M property tax payment will drive down net operating cash to approximately (\$4M), inclusive of a positive cash inflow.

It should be noted that in the second half of the year, positive net operating cash becomes available for advancement to the reserve fund. In previous years these advances have occurred to pay for reserve expenditures and not have to sell investments.

**Prepared By:** Steve Hormuth, Controller

**Reviewed By:** Betty Parker, Chief Financial Officer  
Jeffrey C. Parker, Chief Executive Officer

# Financial Report

Preliminary as of February 28, 2021



INCOME STATEMENT (in Thousands)		ACTUAL
Assessment Revenue		\$7,545
Non-assessment Revenue		\$68
Total Revenue		\$7,613
Total Expense		\$6,493
Net Revenue/(Expense)		\$1,120

# Financial Report

Preliminary as of February 28, 2021



OPERATING ONLY INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$5,623
Non-assessment Revenue	\$251
Total Revenue	\$5,874
Total Expense <sup>1</sup>	\$5,212
Operating Surplus	\$662

1) excludes depreciation

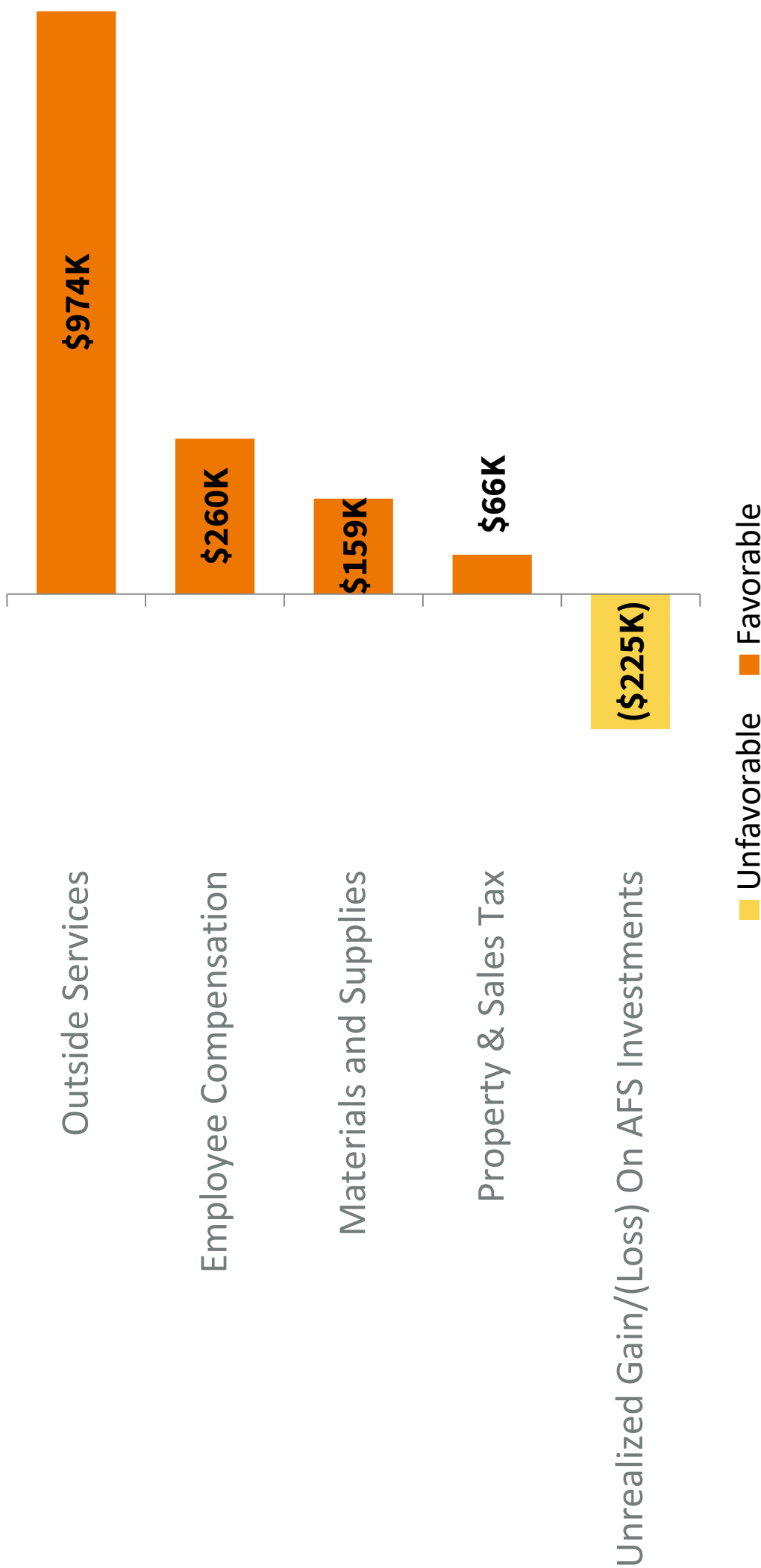
# Financial Report

Preliminary as of February 28, 2021

INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE B/(W)
Assessment Revenue	\$7,545	\$7,543	\$2
Non-assessment Revenue	\$68	\$298	(\$230)
Total Revenue	\$7,613	\$7,841	(\$228)
Total Expense	\$6,493	\$7,989	\$1,496
Net Revenue/(Expense)	\$1,120	(\$148)	\$1,268

# Financial Report

Preliminary as of February 28, 2021

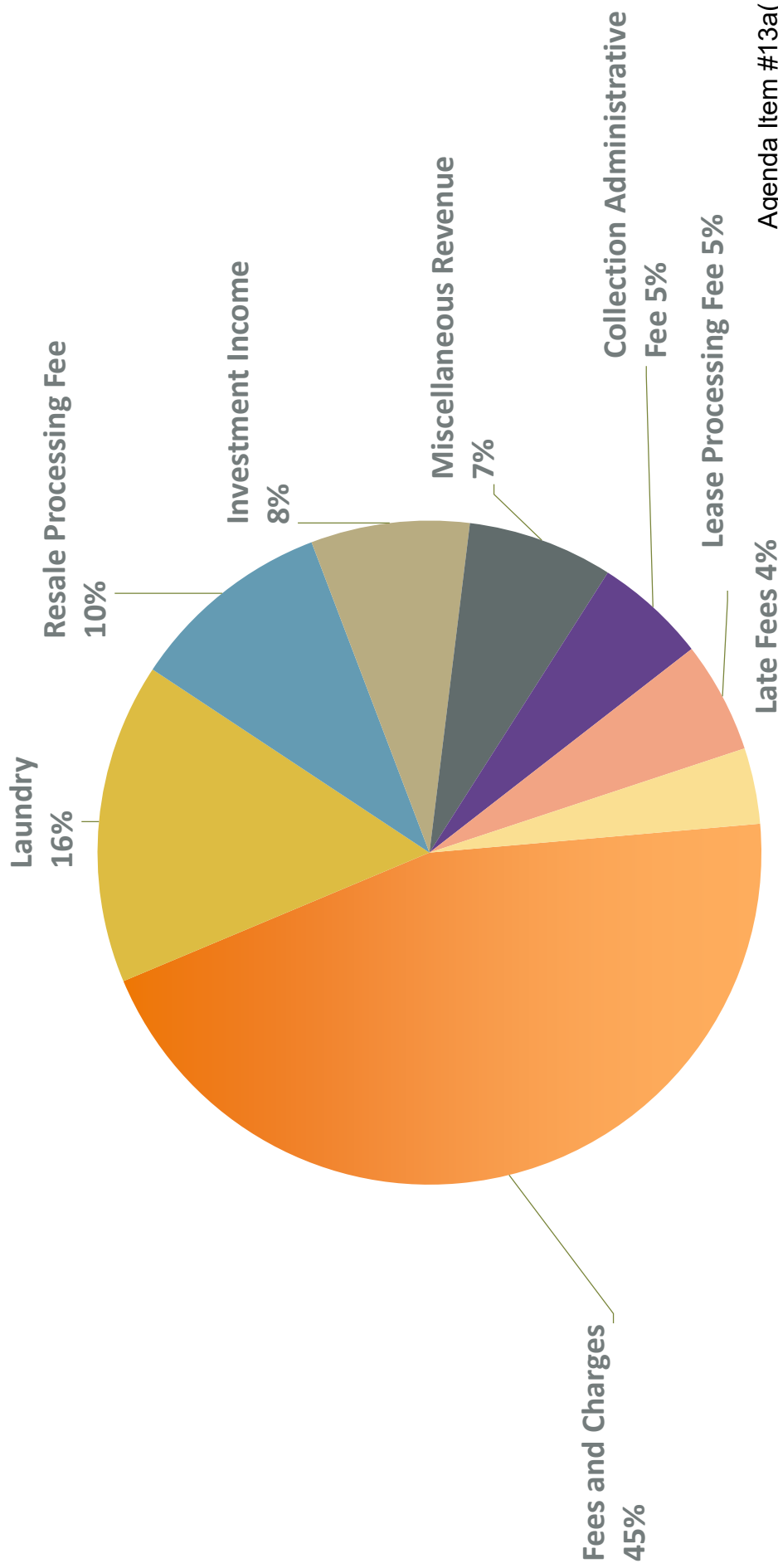




# Financial Report

Preliminary as of February 28, 2021

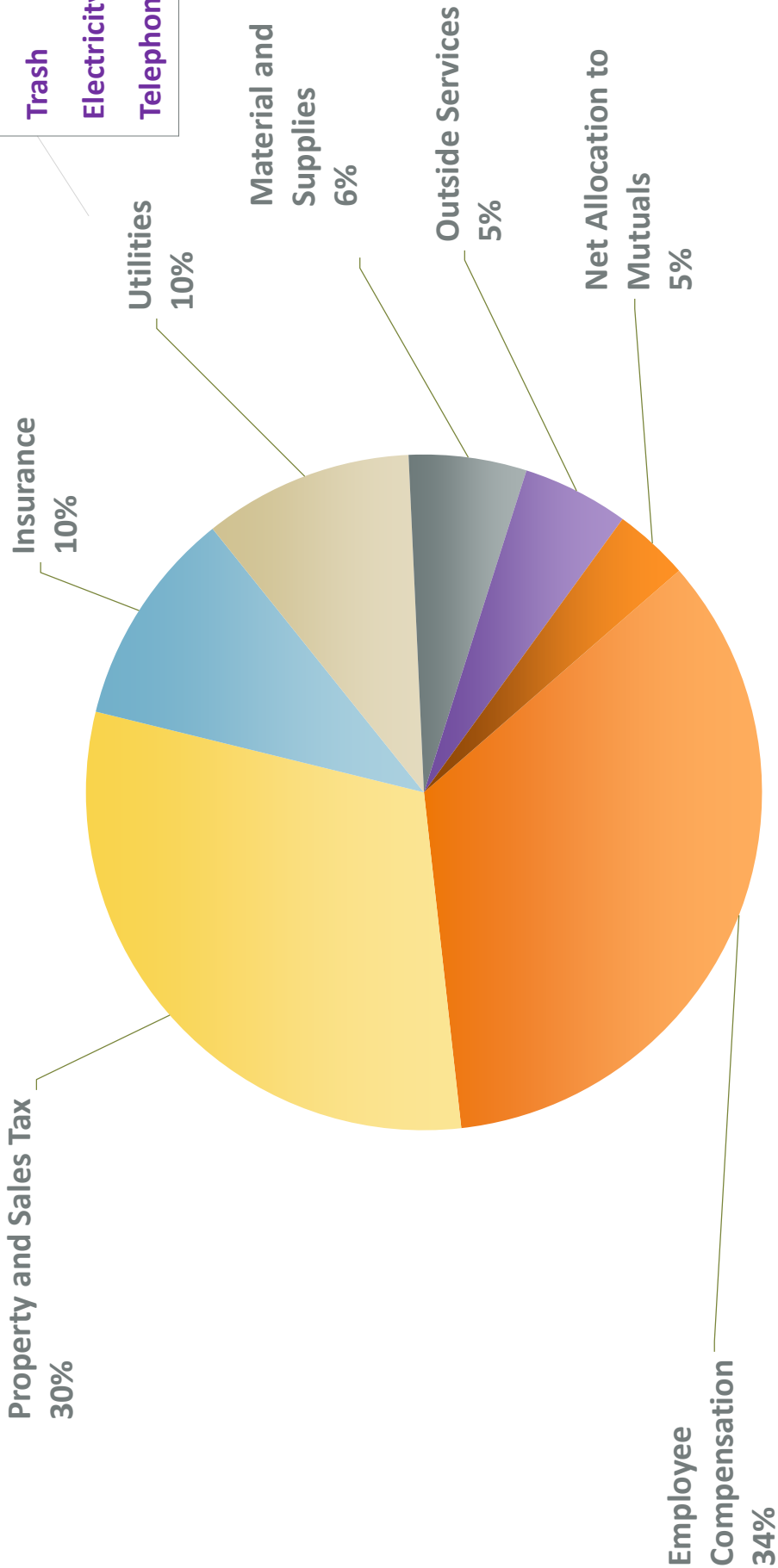
## Total Non Assessment Revenues \$272,191, excluding Unrealized Loss on AFS Investments



# Financial Report

Preliminary as of February 28, 2021

Total Expenses \$6,492,914

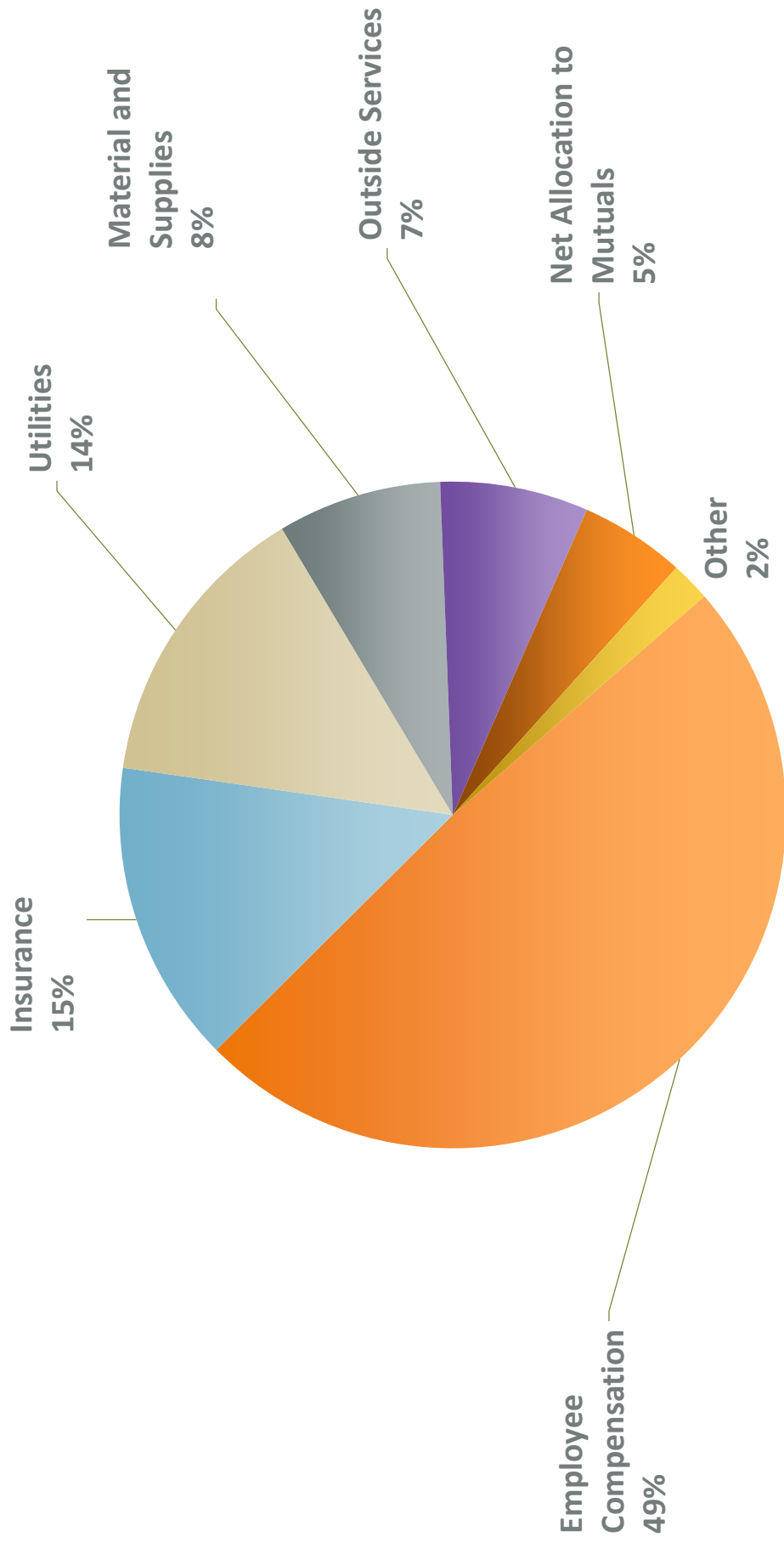


Sewer	\$293,075
Water	\$244,004
Trash	\$74,774
Electricity	\$30,289
Telephone	\$113

# Financial Report

Preliminary as of February 28, 2021

## Total Expenses Excluding Property and Sales Tax \$4,532,334



# Financial Report

Preliminary as of February 28, 2021

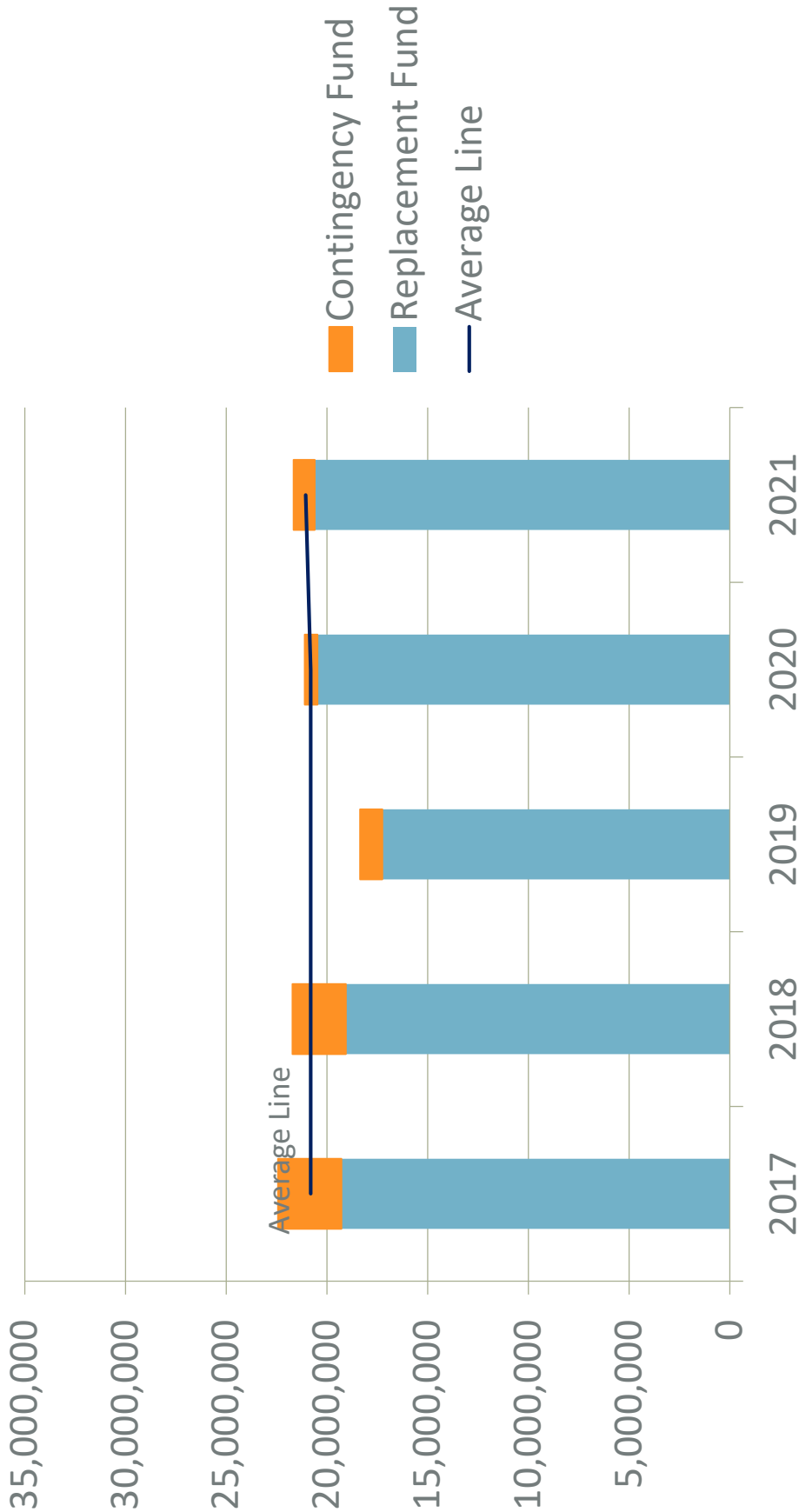


NON-OPERATING FUND BALANCES (in Thousands)	CONTINGENCY	RESERVE
Beginning Balances: 1/1/21	\$921	\$20,250
Contributions & Interest	116	1,623
Expenditures	(16)	1,265
Current Balances: 2/28/21	\$1,053	\$20,608

# Financial Report

Preliminary as of February 28, 2021

## FUND BALANCES – United Mutual



# Financial Report

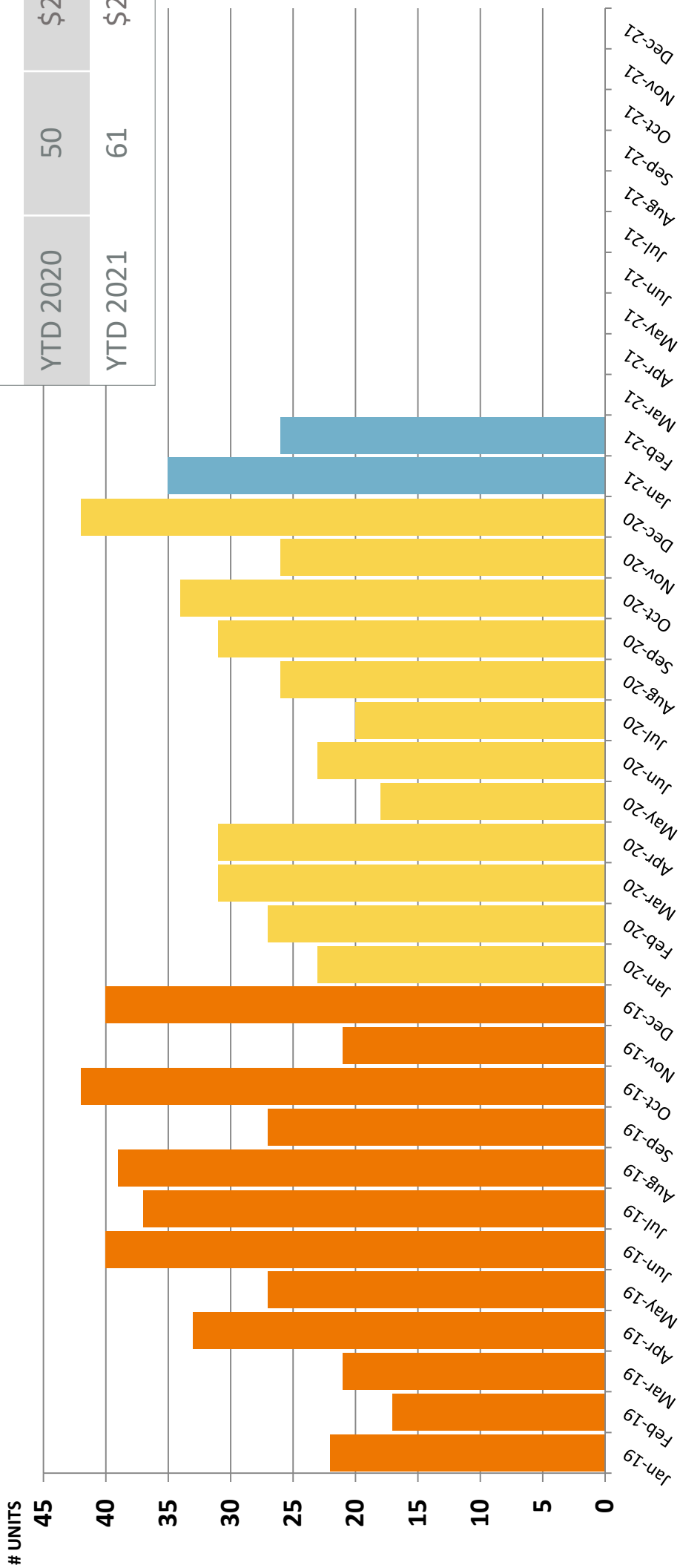
Preliminary as of February 28, 2021

## RESALE HISTORY – United Mutual



UNITED LAGUNA WOODS  
— M U T U A L —

	NO. OF RESALES	AVG. RESALE PRICE
YTD 2019	39	\$245,230
YTD 2020	50	\$250,675
YTD 2021	61	\$260,197



**United Laguna Woods Mutual**  
**Statement of Revenues & Expenses - Preliminary**

**2/28/2021**  
(\$ IN THOUSANDS)

	ACTUAL	CURRENT MONTH BUDGET	VARIANCE	ACTUAL	YEAR TO DATE BUDGET	VARIANCE	PRIOR YEAR ACTUAL	TOTAL BUDGET
<b>Revenues:</b>								
Assessments:								
1 Operating	\$2,811	\$2,810	\$1	\$5,623	\$5,620	\$2	\$5,070	\$33,721
2 Additions to restricted funds	961	961		1,922	1,923		2,049	11,535
3 Total assessments	3,773	3,771	1	7,545	7,543	2	7,119	45,256
<b>Non-assessment revenues:</b>								
4 Merchandise sales				1		1	2	
5 Fees and charges for services to residents				122	103	19	50	629
6 Laundry	53	51	2	42	45	(3)	44	270
7 Investment income	13	20	(6)	21	39	(18)	43	234
8 Unrealized gain/(loss) on AFS investments	(153)	21	(173)	(204)	21	(225)	316	125
9 Miscellaneous	38	45	(7)	86	90	(4)	85	541
10 Total non-assessment revenue	(9)	159	(168)	68	298	(231)	540	1,799
11 Total revenue	3,764	3,931	(167)	7,613	7,841	(228)	7,659	47,055
<b>Expenses:</b>								
12 Employee compensation and related	1,078	1,183	105	2,218	2,478	260	2,251	15,045
13 Materials and supplies	178	267	89	361	520	159	354	3,087
14 Utilities and telephone	319	308	(11)	642	624	(19)	569	4,359
15 Legal fees	24	29	5	27	58	31	55	350
16 Professional fees	24	6	(18)	11	11	11	4	116
17 Equipment rental	8	2	(6)	11	3	(8)	4	20
18 Outside services	83	681	598	326	1,300	974	827	9,229
19 Repairs and maintenance	3	4	1	6	8	2	5	49
20 Other Operating Expense	9	24	15	14	40	26	22	206
21 Property and sales tax	1,007	1,013	6	1,961	2,026	66	1,886	12,158
22 Insurance	334	320	(14)	667	640	(27)	352	3,838
23 Investment expense	3		(3)	3		(3)	2	11
24 Uncollectible Accounts	(4)		4	(6)		6	5	30
25 Depreciation and amortization	16	33	16	33	33		33	196
26 Net allocation to mutuals	114	117	2	232	249	17	250	1,484
27 Total expenses	3,197	3,986	789	6,493	7,989	1,496	6,620	50,177
28 Excess of revenues over expenses	\$567	(\$55)	\$622	\$1,120	(\$148)	\$1,268	\$1,040	(\$3,122)

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## Statement of Revenues & Expenses - Preliminary Variance Explanations as of February 28, 2021

### SUMMARY

United financial results were better than budget by \$1,268K as of February 28, 2021, primarily resulting from timing. Explanations for categories with significant variances are found below.

### REVENUE

► **Unrealized gain/(loss) on AFS Investments** [Line 8](#) (\$225K)

Unfavorable variance due to adverse conditions for bond investments during the reporting period. A monthly entry is made to reflect investment market conditions, which fluctuate.

### EXPENSE

► **Employee Compensation and Related** [Line 12](#) – \$260K

Favorable variance resulted primarily in M&C departments and Landscape due to timing and limited services during COVID-19 pandemic. Impacted areas include grounds maintenance, paint programs, electrical, carpentry services, damage restorations, and appliance. Savings occurred in Landscape where shrub-bed maintenance was outsourced creating savings in labor hours. Favorable variance was furthered by open positions in Maintenance and Construction.

► **Materials and Supplies** [Line 13](#) – \$159K

Favorable variance resulted in several areas of operations such as interior components, appliances, and plumbing due to timing of expenditures. Although budgeted throughout the year, expenditures will occur later.

► **Outside Services** [Line 18](#) – \$974K

**Waste Line Remediation** – \$259K

Favorable variance due to timing of scheduled work compared to budget spread. Work is in progress for buildings where the residents have agreed to the remediation work in their unit. To date, 8 buildings are completed.

**Building Structures** – \$201K

Favorable variance due to timing of expenditures compared to budget spread. Building repairs will be made when necessary. To date, staff have not inspected any buildings that require structural repairs.



**Statement of Revenues & Expenses - Preliminary**  
Variance Explanations as of February 28, 2021

**Damage Restoration – \$125K**

Favorable variance due to timing of invoices. 2021 invoices have not yet been processed due to staff prioritizing 2020 accruals. Additionally, staff is in the process of reviewing each invoice to ensure the Mutual is being charged as contracted. This reserve component for restoration of buildings resulting from rain leaks, plumbing stoppage, moisture intrusion events were moved from the Contingency Fund to the Replacement/Reserve Fund for 2021 budget year.

**Plumbing Services – \$121K**

Favorable variance due to timing of expenditures. Invoices are expected in Q1.

► **Property and Sales Tax [Line 21](#) \$66K**

Favorable variance resulted due to lower property tax expense than anticipated.



OPEN MEETING

**FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION**

Tuesday, March 30, 2021 – 1:30 p.m.  
Virtual Meeting

**MEMBERS PRESENT:** Azar Asgari – Chair, Sue Margolis, Carl Randazzo, Andre Torng, Diane Casey Advisor: Dick Rader

**OTHERS PRESENT:** Manuel Armendariz, Elsie Addington

VMS – Juanita Skillman

Dan Quirk – Sageview Advisory Group

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Betty Parker, Jeff Parker, Steve Hormuth, Jose Campos, Christopher Swanson

**Call to Order**

Director Asgari chaired the meeting and called it to order at 1:30 p.m.

**Acknowledgment of Media**

The meeting was streamed live on the Laguna Woods Village website.

**Approval of Agenda**

By consensus, the agenda was approved with the following addition:

- Investment Policy

**Approval of the Regular Meeting Report of February 23, 2021**

By consensus, the committee meeting report was approved with the following revision:

- Remove Director Gilmore from “Members Absent” section of report.

**Chair Remarks**

The chair commented on the value of transparency and open dialog between residents and VMS.

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

None.

### **Department Head Update**

Betty Parker, Chief Financial Officer, provided updates on the 2021 budget process, 2020 audit and insurance broker services.

### **Review Preliminary Financial Statements dated February 28, 2021**

The Committee reviewed financial statements for February 28, 2021 and questions were addressed.

### **Compensation and Outside Services**

The Committee reviewed the report.

### **Investment Update/Investment Policy**

Dan Quirk, account executive from SageView, responded to committee interest in adding a small equity position to the United Mutual investment portfolio. Discussion ensued.

A motion was made and carried unanimously to recommend an update to the Investment Policy to allow for equities.

### **Mutual Owned Appliance Policy**

Ernesto Munoz, Maintenance and Construction Director, discussed available records for mutual-owned appliances and the project underway to inspect and record components within each manor when visited by the Interior Preventive Maintenance crew. Available information and resale inspection records are used to help prepare budget requirements and will be reviewed during the preparation of the 2022 Business Plan.

### **Temporary Borrowing from Operating and Reserves**

The committee discussed the recommendation from staff on the practice of temporary borrowing from Operating and Reserve Funds, especially during the months of large payments such as property taxes where timing of payment differs from timing of assessments.

A motion was made and passed unanimously to adopt a policy of temporarily borrowing monies from the reserve fund to pay for operating expenditures consistent with the Davis Stirling Act and Civil Code Section 5515. Payback of the borrowed monies to the advancing fund is not to exceed three months, as opposed to the 12-month payback period allowed under Civil Code 5515.

### **Bank Fees**

Staff provided a verbal update and this item is on the next GRF finance committee meeting for discussion.

### **Budget Task Force**

Director Margolis requested that additional meetings be scheduled for the upcoming 2021 budget process; to be coordinated with the CEO.

### **Future Agenda Items**

None.

### **Committee Member Comments**

None.

**Date of Next Meeting**

Tuesday, April 27, 2021 at 1:30 p.m. and will be held virtually.

**Recess to Closed Session**

The meeting recessed to closed session at 4:30 p.m.

***DRAFT***

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Azar Asgari, Chair

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# Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

United

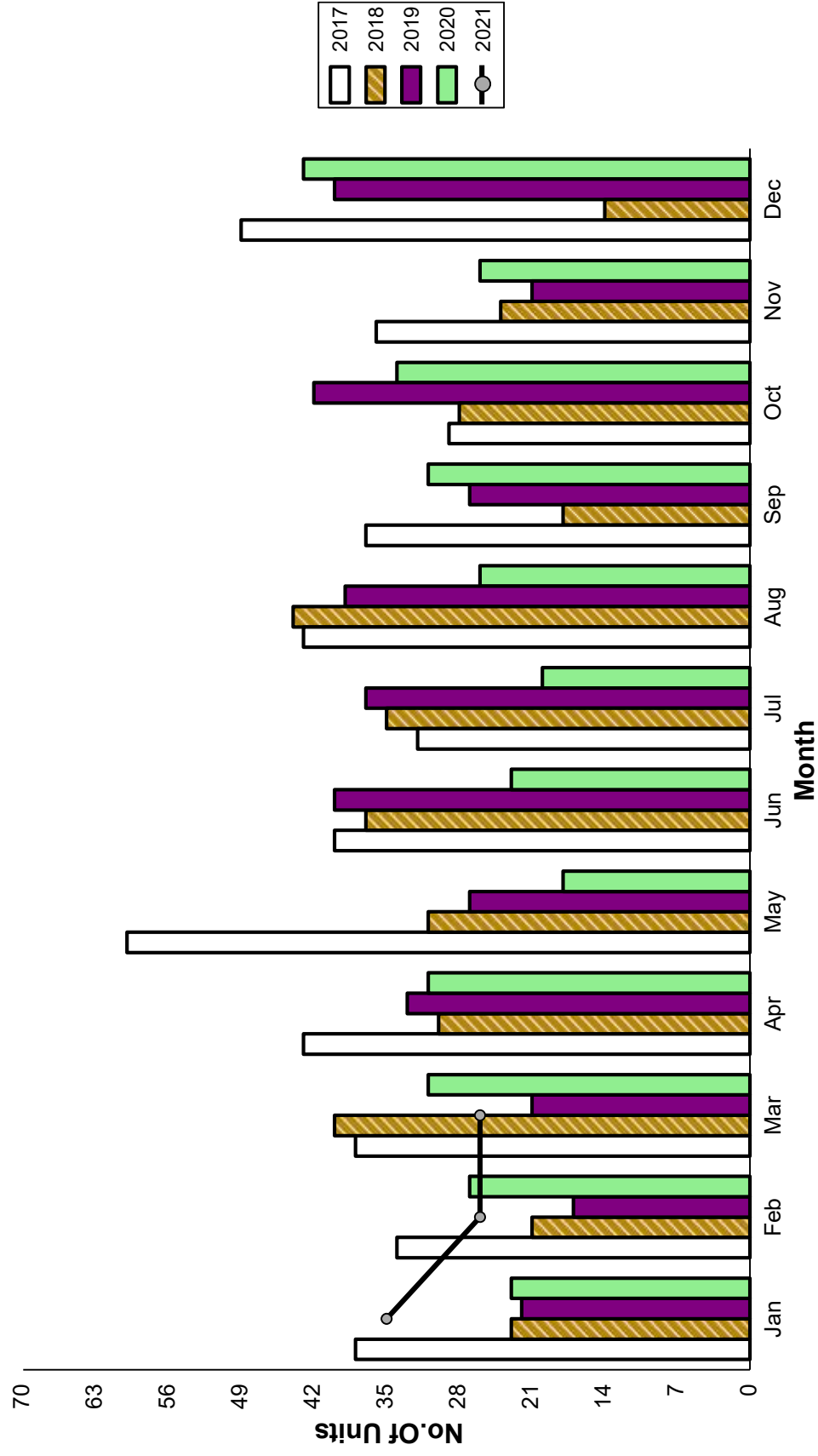
March, 2021

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	35	23	\$8,997,153	\$6,100,300	\$257,062	\$265,230
February	26	27	\$6,846,600	\$6,375,200	\$263,331	\$236,119
March	26	31	\$6,724,900	\$7,863,500	\$258,650	\$253,661
April		*		\$7,209,488		* \$232,564
May		*		\$4,523,500		* \$251,306
June		*		\$6,174,899		* \$268,474
July		*		\$5,274,500		* \$263,725
August		*		\$6,909,300		* \$265,742
September		*		\$7,774,500		* \$250,790
October		*		\$9,982,400		* \$293,600
November		*		\$6,469,388		* \$248,823
December		*		\$10,896,560		* \$253,408
TOTAL	87.00	81.00	\$22,568,653	\$20,339,000		
MON AVG	29.00	27.00	\$7,522,884	\$6,779,667	\$259,681	\$251,670
% CHANGE - YTD	7.4%		11.0%		3.2%	

% Change calculated (ThisYear - LastYear)/LastYear

\* Amount is excluded from percent calculation

## Resales - 5 Year Comparison





# Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

REPORT PERIOD

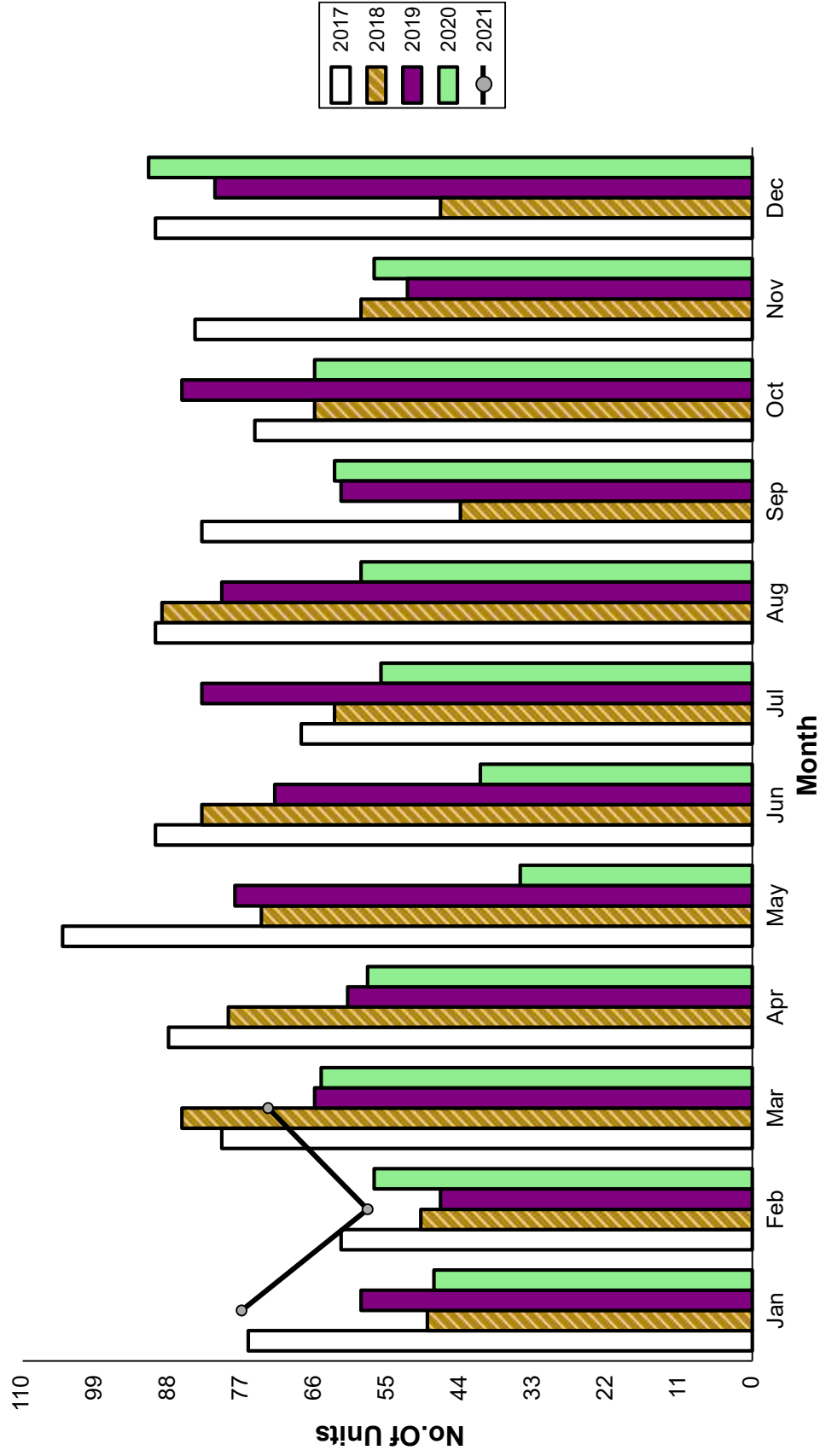
March, 2021

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	77	48	\$25,440,878	\$16,125,300	\$330,401	\$335,944
February	58	57	\$18,806,125	\$18,886,210	\$324,244	\$331,337
March	73	65	\$27,791,000	\$21,969,916	\$380,699	\$337,999
April		*		\$18,200,321		* \$313,799
May		*		\$10,277,500		* \$293,643
June		*		\$12,315,399		* \$300,376
July		*		\$20,514,748		* \$366,335
August		*		\$21,522,228		* \$364,784
September		*		\$22,132,600		* \$351,311
October		*		\$20,962,800		* \$317,618
November		*		\$17,923,188		* \$314,442
December		*		\$29,495,361		* \$324,125
TOTAL	208.00	170.00	\$72,038,003	\$56,981,426		
MON AVG	69.00	56.00	\$24,012,668	\$18,993,809	\$345,114	\$335,093

\* Amount is excluded from percent calculation

Year to-date totals now include Mutual Fifty.

## Resales - 5 Year Comparison



# Resales Report

## United Laguna Woods Mutual

### March, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
03/19/2021	15-Q	1	\$204,000	Casa Blanca	Century 21 Rainbow	HomeSmart Evergreen	Escrow Options Group
03/05/2021	25-O	1	\$152,500	Casa Blanca	Regency Real Estate	Century 21 Rainbow	Corner Escrow Inc.
03/29/2021	25-P	1	\$230,000	Casa Blanca	Bernard Frenkel	First Team Real Estate	Generations Escrow
03/26/2021	82-A	1	\$274,000	Majorca	Residential Agent Inc.	Landmark Realtors	Granite Escrow
03/03/2021	310-C	1	\$527,500	Cordoba	HomeSmart Evergreen	Regency Real Estate	Escrow Options Group
03/04/2021	365-C	1	\$202,000	Majorca	Laguna Premier Realty, Inc	IG Realty	Blue Pacific Escrow
03/19/2021	468-B	1	\$370,000	Cordoba	Century 21 Rainbow	Regency Real Estate	Corner Escrow Inc.
03/22/2021	502-C	1	\$315,000	Cordoba	Century 21 Astro	Buyer acting as Broker	Granite Escrow
03/29/2021	517-C	1	\$300,000	Cordoba	Laguna Premier Realty, Inc	Regency Real Estate	Blue Pacific Escrow
03/24/2021	568-D	1	\$275,000	Cordoba	Century 21 Rainbow	Coldwell Banker	Granite Escrow
03/26/2021	597-C	1	\$357,000	Valencia	Coldwell Banker	Village Real Estate	Granite Escrow
03/22/2021	646-B	1	\$268,000	Cordoba	Regency Real Estate	HomeSmart Evergreen	Corner Escrow Inc.
03/24/2021	723-Q	1	\$215,000	Casa Blanca	Century 21 Rainbow	HPT Realty	Granite Escrow
03/04/2021	725-A	1	\$274,900	La Corona	Century 21 Award	Village Real Estate	Corner Escrow Inc.
03/26/2021	778-A	1	\$217,000	La Corona	First Team Real Estate	Berkshire Hathaway	Corner Escrow Inc.
03/09/2021	788-O	1	\$275,000	Casa Linda	Laguna Premier Realty, Inc	First Team Real Estate	Blue Pacific Escrow
03/09/2021	803-B	1	\$299,000	Casa Linda	Laguna Premier Realty, Inc	First Team Real Estate	Blue Pacific Escrow
03/01/2021	856-O	1	\$230,000	Castilla	Realty Quest	Laguna Premier Realty, Inc	Corner Escrow Inc.
03/12/2021	871-B	1	\$250,000	San Sebastian	Residential Agent Inc.	HomeSmart Evergreen	Escrow Options Group
03/11/2021	875-D	1	\$295,000	Valencia	HomeSmart Evergreen	Redfin	Escrow Options Group
03/26/2021	925-O	1	\$136,000	Cadiz	eXp Realty of California	Sun Coast Real Estate	Corner Escrow Inc.
03/26/2021	955-G	1	\$252,000	Coronado	Laguna Premier Realty, Inc	Keller Williams OC Coastal Realty	Granite Escrow
03/29/2021	2137-N	1	\$175,000	Castilla	Quartz Hill Real Estate	Keller Williams Realty Irvine	Corner Escrow Inc.
03/01/2021	2156-F	1	\$184,000	Coronado	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Blue Pacific Escrow

# Resales Report

## United Laguna Woods Mutual

### March, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
03/01/2021	2185-A	1	\$235,000	Castilla	Ardent Realty	Bullock Russell Real Estate	Corner Escrow Inc.
03/01/2021	2187-N	1	\$212,000	Casa Linda	Keller Williams Real Estate	H & M Realty Group	Corner Escrow Inc.

Number of Resales: 26

Total Resale Price: \$6,724,900

Average Resale Price: \$258,650

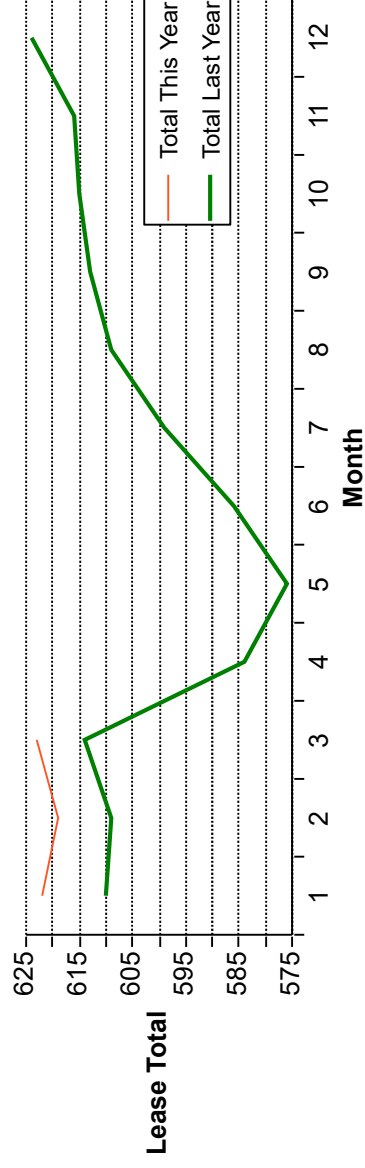
Median Resale Price: \$251,000

## Monthly Resale Report United Mutual

Month	NUMBER OF REALES				TOTAL SALES VOLUME IN \$\$				AVG RESALE PRICE			
	2021	2020	2019	2018	2021	2020	2019	2018	2021	2020	2019	2018
January	35	23	22	23	\$8,997,153	\$6,100,300	\$5,282,150	\$6,014,390	\$257,062	\$265,230	\$240,098	\$261,495
February	26	27	17	21	\$6,846,600	\$6,375,200	\$4,256,150	\$6,059,250	\$263,331	\$236,119	\$250,362	\$288,536
March	26	31	21	40	\$6,724,900	\$7,863,500	\$6,355,000	\$11,156,600	\$258,650	\$253,661	\$302,619	\$278,915
April	0	31	33	30	\$0	\$7,209,488	\$9,292,051	\$8,824,600	\$0	\$232,564	\$281,577	\$294,153
May	0	18	27	31	\$0	\$4,523,500	\$6,380,503	\$8,735,000	\$0	\$251,306	\$236,315	\$281,774
June	0	23	40	37	\$0	\$6,174,899	\$10,297,790	\$11,021,400	\$0	\$268,474	\$257,445	\$297,876
July	0	20	37	35	\$0	\$5,274,500	\$9,189,800	\$9,541,300	\$0	\$263,725	\$248,373	\$272,609
August	0	26	39	44	\$0	\$6,909,300	\$10,018,600	\$11,285,100	\$0	\$265,742	\$256,887	\$256,480
September	0	31	27	18	\$0	\$7,774,500	\$7,328,900	\$4,632,500	\$0	\$250,790	\$271,441	\$257,361
October	0	34	42	28	\$0	\$9,982,400	\$10,220,400	\$8,556,100	\$0	\$293,600	\$243,343	\$305,575
November	0	26	21	24	\$0	\$6,469,388	\$5,065,500	\$6,194,000	\$0	\$248,823	\$241,214	\$258,083
December	0	42	40	14	\$0	\$10,743,560	\$9,175,800	\$3,368,300	\$0	\$255,799	\$229,395	\$240,593
TOTAL	87	81	60	84	\$22,568,653	\$20,339,000	\$15,893,300	\$23,230,240				
MON AVG	29	27	20	28	\$7,522,884	\$6,779,667	\$5,297,767	\$7,743,413	\$259,681	\$251,670	\$264,360	\$276,315
% CHANGE-YTD	7.4%	35.0%	-28.6%	-24.3%	11.0%	28.0%	-31.6%	-14.2%	3.2%	-4.8%	-4.3%	13.3%

% Change calculated (This Year - Last Year)/Last Year  
Percent calculation only includes YTD figures in black.

## Monthly Active Leasing Report 2021 Period 3 (Mutual 1)



Year	Month	1 to 3 Month	4 to 6 Month	7 to 12 Month	12+ Month	Total This Year	Total Last Year	% Leased Last Year	% Leased This Year	% Change	Total Renewals	Total Expirations
2021	January	19	28	160	415	622	610	9.8	9.6	0.2	27	26
2021	February	12	24	174	409	619	609	9.8	9.6	0.2	18	20
2021	March	13	26	185	399	623	614	9.9	9.7	0.2	47	41
2021	April						584					
2021	May						576					
2021	June						586					
2021	July						599					
2021	August						609					
2021	September						613					
2021	October						615					
2021	November						616					
2021	December						624					



**OPEN MEETING**

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

Thursday, March 18, 2021 - 9:30 AM  
Laguna Woods Village Community Center (Virtual Zoom Meeting)  
24351 El Toro Road, Laguna Woods, CA 92637

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair Brian Gilmore, Elsie Addington, Carl Randazzo, Neda Ardani,  
Reza Bastani, Andre Torng

**DIRECTORS PRESENT:**

**COMMITTEE MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Walter Ridley, Juanita Skillman

**STAFF PRESENT:** Gavin Fogg, Robbi Doncost, Leslie Cameron

**1. Call to Order**

Chair Gilmore called the meeting was called to order at 9:30am. Director Ardani asked for further clarification on the Variance Requests and the moratorium which Chair Gilmore provided.

**2. Acknowledgement of Media**

Zoom Meeting.

**3. Approval of Agenda**

Director Torng moved the approve the meeting by acclamation.

**4. Approval of Meeting Report for Thursday February 18, 2021**

Director Randazzo moved to approve the meeting reports as presented by acclamation.

**5. Chair's Remarks**

Chair Gilmore commented on the volume of topics within the agenda packet and expressed the need for cooperation to maintain timing. Chair Gilmore expressed the need for the committee and MA to work together for the benefit of the mutual and members.

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

None.

**7. Manor Alterations Division Update**



Staff Officer Robbi Doncost confirmed the initiation of the United Permitless Alteration form, the institution of the remote desk at Resident Services, Contractor News Bulletin has been posted. Manor Alterations has now eliminated backlog via phone calls and is taking live calls. Manor Alterations has lost an Operations Specialist and is looking to fill this position.

Director Addington commented on the ease and smoothness of the online Permitless Alteration Form she experienced during testing.

**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.*

**Status of Mutual Consents:**

**8. Current Inquiry Status – Processing Times**

Mr. Doncost confirmed incoming inquiries can be addressed within a 48 hour window, additionally the live phone calls are being addressed, standard Mutual Consent processing times have been reduced to 4-5 days. Mr. Doncost explained that potential delays will occur within inspections due to the need of another inspector. Chair Gilmore inquired if a chart would be provided and Mr. Doncost explained that the focus of Manor Alterations was on the initiation of Permitless Alteration Program, Contractor News Bulletin, and other various initiatives.

Director Randazzo inquired as to the efficacy of permit documents, specifically the processing of the Demolition Permit and Mutual Consent at the same time. Mr. Doncost confirmed that both permits are being processed simultaneously, and inquired as to specific instances to confirm these details. Mr. Doncost explained that the permit log is now active and this should alleviate perceptions of delays from contractors. Director Randazzo agreed to connect with contractors to seek specific instances for example. Mr. Doncost stated he would open a dialogue regarding these examples based on findings.

Director Torng requested a chart indicating the current status of permit processing times and inquired on the process of reviewing permit status. Mr. Doncost confirmed no personal information is posted, only Manor numbers and current status.

Director Ardani inquired if an air conditioning unit requires a permit or variance and Mr. Doncost confirmed a permit is required. Director Ardani inquired as to the reasoning of increasing fees for inspections and other various Manor Alterations fees. Mr. Doncost explained that a measured workload exists within Manor Alterations, but staff must be present to meet these needs; the lack of staff caused severe delays within the department and an inability to complete existing tasks.

**Items for Discussion:**

**9. Staff Report – Manor Alterations Staff Additions; Budget Status, Historical Context & Additional Staff Request**

Mr. Doncost summarized the Staff Report including the Classification Program, staffing updates, and financial analysis. Director Randazzo inquired if Third has seen and/or approved the report. Mr. Doncost





confirmed Third had not yet seen or approved the report. Director Randazzo inquired as to the volume of Variance Requests between both mutuals, and questioned the Classification system, and made comments on the staff hierarchy. Director Randazzo requested the parameters of Variance Requests to be published on the Laguna Woods website.

Mr. Doncost summarized the Variance definition and process, along with the Classification system. Director Randazzo inquired if the United ACSC should be involved earlier in the process in order to offset the variances.

Director Torng inquired as to why increased fees would be the responsibility of the members, requested Director Skillman connect with Board members to increase budget as opposed to additional hiring staff. Director Torng inquired as to the permanency of new staff, and the need for additional staff. Mr. Doncost explained that operation goals were being met, that alterations were an ongoing process and timelines have been decreased. Director Bastani inquired if the inspection fees would be reduced if additional staff would be eliminated. Chair Gilmore, with the support of the committee, requested MA present actual costs of permits at the next ACSC meeting, clarifying they wish to see the actual cost of permits due to labor, resources, etc.

Director Torng commented on the state of staffing, and asked if the present workload mirrored previous years' workload, and asked if staff from other departments can fill open gaps. Mr. Doncost explained that staffing is necessary, open positions cannot necessarily be shifted and interchanged smoothly.

Director Rader commented on the existing fee schedule and recommended its perpetuity. Director Randazzo made a motion to table a recommendation until Third Mutual can review, the report was deemed postponed by acclamation.

Chairman Gilmore requested MA to present actual cost of staff relative to the actual cost already assessed and the actual cost of permits due to labor, resources, and other such direct expenses. This was characterized as hard and soft cost.

## **10. Ongoing Communication**

Mr. Doncost summarized the article provided by Director Addington and Contractor News Bulletin.

Director Addington requested to revisit the fee schedule and commented in support of the fee increase if workload is increasing. Director Addington made a motion to accept the fee increase. Director Randazzo made a point to note that Third must review. Director Addington withdrew her motion, then made a motion to bifurcate the staff report requests and entertain a revised fee schedule pending an additional financial review of fees. Chair Gilmore made a motion to publish within the Contractor News Bulletin the understanding that MA accepts the point count method as an accepted methodology for determining asbestos levels. Motion passed by acclamation.

Mr. Torng commented that if assessment fees are collected then dedicated fees should not be mandated.



## **11. Permit & Variance Process Map**

Mr. Doncost summarized the process and explained the implementation of coded systems within Manor Alterations. The SOP provided will be submitted to IT for further expedition and dissemination of information.

Director Torng requested a linear diagram of the permit process. Director Randazzo questioned where within the SOP the transition between Demolition and Mutual Consent. Staff Officer Gavin Fogg clarified that each open permit would have its own line item; a Manor number would be assigned a status regardless on the number of open permits. Mr. Fogg clarified that IT is also working on an add-in to the Resident Portal so members can view all permits, and that the online chart will be sorted via Manor number.

Director Randazzo inquired as to how the spreadsheet was created. Mr. Fogg clarified that Stellar only has mechanism to export a spreadsheet, not a finalized product to be published. Director Randazzo requested IT update processes to expedite this mechanism.

## **12. Website Updates**

Mr. Doncost confirmed that the Permitless Alteration is now active on the website and is functioning. Chair Gilmore inquired if the form should be altered to reflect only one alteration per form. Director Randazzo supported the concept of multiple details captured within one form.

## **13. Asbestos Regulations Meeting**

Mr. Doncost is in regular contact with Jeff Parker who has connected with AQMD. Mr. Doncost will provide an update based on Jeff Parker's feedback.

## **14. Asbestos Resolution Draft**

Chair Gilmore summarized the resolution draft and Chair Randazzo commented that the resolution would inform contractors of current regulations. Mr. Doncost cautioned that the drafted resolution should be examined in extreme detail due to the legality of what is represented as factual, code compliant, and mandatory. Mr. Doncost recommended that an outside agent and a legal representative review the drafted resolution before the adoption of the resolution.

Director Addington cautioned at approval without review as this resolution would potentially supersede existing regulations. Chair Gilmore clarified that the Mutual is not making legal assumptions. Director Addington questioned approval without review. Director Randazzo stated that contractors were not aware of the rules and regulations within MA. Mr. Fogg stated that the document contained multiple errors and confirmed that the drafted resolution will need review.

Director Addington stated that the rules and regulations exist for legality reasons, and that tiny focused samples are not the basis for regulations. Director Randazzo stated that contractors are not aware of the



appropriate methodology and additional communication is needed. Director Randazzo made a motion for MA to post current asbestos regulations regarding the point count method. Motion was approved by acclamation.

**15. 483-D Manor Update**

Mr. Doncost stated only one of the approved contracts is complete, MA is still awaiting finalization of the contract from the structural engineer. Director Addington requested to be present during the onsite meeting. Mr. Doncost clarified that the initial meeting is needed to identify what locations must be uncovered.

**16. KPI Update from Andre Torng**

Chair Torng stated he requires further information to provide a tangible report, but commented that he likely can provide a report by the next ACSC meeting.

**Items for Future Agendas:**

Standard Details Update Cost Estimates  
Specified Examples of Delays with Manor Alterations Process

**Concluding Business:**

**17. Committee Member Comments:**

With respect to KPIs and sourcing information, Chair Bastani stated that within a United Board Meeting, legal counsel has recommended the ACSC committee not interfere within VMS staff procedures. Chair Gilmore commented he recalled the legal counsel stating this was a grey area.

**18. Date of Next Meeting – April 15, 2021**

**19. Adjournment at 12:15 PM.**

**DRAFT**

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Brian Gilmore, Chair

Robbi Doncost, Staff Officer

Telephone: (949) 268-2281

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**OPEN MEETING**

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

Thursday, March 18, 2021 – 1:30 p.m.  
VIRTUAL MEETING

Laguna Woods Village Community Center  
24351 El Toro Road, Laguna Woods, CA 92637

**MEMBERS PRESENT:** Chair - Elsie Addington, Sue Margolis, Diane Casey and  
Reza Bastani

**MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Dick Rader, Juanita Skillman, and Mary Stone

**ADVISORS ABSENT:** Bevan Strom

**OTHERS PRESENT:** None

**STAFF PRESENT:** Blessilda Wright, Nancy Duenas, Siobhan Foster and Paul  
Nguyen

**CALL TO ORDER**

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

**ACKNOWLEDGEMENT OF PRESS**

The media was not present.

**APPROVAL OF THE AGENDA**

Director Bastani made a motion to approve the agenda as presented. By unanimous vote  
the motion carried.

**APPROVAL OF MEETING REPORTS**

Director Margolis made a motion to approve the meeting report from the February 18, 2021  
meeting.

By unanimous vote the motion carried.

**CHAIR'S REMARKS**

None

**MEMBER COMMENTS ON NON-AGENDA ITEMS**

None

## **RESPONSE TO MEMBER COMMENTS ON NON-AGENDA ITEMS**

None.

## **REPORTS**

### **Operating Rules Guidebook**

Blessilda Wright, Compliance Supervisor, presented the Operating Rules Guidebook. The Committee members made comments and asked questions.

Chair Addington directed Advisor Stone to email her additional suggestion to staff:

- Change “Architectural Standards” to “Architectural Review Procedure”
- Election Rules link moved to “Policies and Procedures”
- Under “Operating Rules” make a link for “Landscape” and “Vehicle Traffic”

## **ITEMS FOR DISCUSSION AND CONSIDERATION**

### **Guarantor Policy:**

The Committee thought Director Achrekar wanted to discuss the Guarantor Policy but he submitted a Power Point on the possible effects of AB 3182 on Village sublease policies. instead. Director Achrekar was not able to attend so the Committee watched his Power Point and discussed the points it raised.

As a result of the discussion, the Committee directed staff to review the following items further and provide a recommendation:

- Strengthen restrictions to the extent allowed by law
  - Increase handling fees, fines, etc.
  - Strengthen background check on sublessees
  - Institute deposits for condition (pre/post property inspections)
  - Non refundable fee (for unaltered manors for maintenance purpose)
- Add an annual fee charged for members who sublease for the purpose to offset the need of additional staff for management, additional inspection services, more security, and possible wear and tear on the Units

### **Goals for 2021:**

The Committee discussed status of the Goals for 2021.

### **Updated - Resale Process Efficiencies:**

Nancy Duenas, Community Services, present the Update – Resales Process Efficiencies. The Committee members made comments and asked questions.

President Margolis made a motion to accept the following changes to the membership application and documentation required:

1. FICO scores over 700 does not require the full credit report in the membership application packet;
2. Only provide the first three pages of the escrow instruction;
3. Only provide the property detail Page and the Area Sales Analysis reflecting the median value; and

4. Summary page of each investment account document reflecting the report date, owner of the account, account number and balance.

By unanimous vote, the motion carried.

Staff was directed to write a resolution for the FICO 700 requirement for the resale packet and present at the next regular Board meeting.

- Ensure deleted or otherwise inoperable resolutions are deleted from the active files and put in the appropriate archive  
Ms. Wright advised the Committee staff had received the settlement agreement and is currently under review. Staff will present its findings at the next meeting.
- Review current standard operating procedures (SOP) for directors and revise as needed – Sue Margolis, Mary Stone, Juanita Skillman  
Advisor Stone presented Committee Chair Guidelines SOP. The Committee members made comments and asked questions.

President Margolis made a motion to accept and file the Committee Chair Guidelines SOP

By unanimous vote, the motion carried

The Committee assigned the following SOP review:

Officers – Mary Store

Finance/Treasures – Diane Casey and Azar Asgari

Budget – Sue Margolis

Corrective Action Request (CAR) Form – TBD

Corporate Members – Juanita Skillman

### **Committee Member Comments**

Mary Stone wants to send SOP to Francis Gomez and Blessilda Wright.

### **Future Agenda Items**

- Review Financial Requirements for Members
- Directors SOP
- One Page Explanation of Resident Procedure
- Tighten Subleasing Requirement
- **Date of Next Meeting**

The next meeting is scheduled for Thursday, April 15, 2021 at 1:30 p.m. via virtual meeting.

### **Adjournment**

With no further business before the Committee, the Chair adjourned the meeting.

Agenda Item # 3d

3:03 p.m.

*Elsie Addington*

[Elsie Addington \(Apr 2, 2021 12:15 PDT\)](#)

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Elsie Addington, Chair





**OPEN MEETING**

**REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL  
LANDSCAPE COMMITTEE**

**Thursday, March 11, 2021 – 9:30 A.M.**

**VIRTUAL MEETING**

**Laguna Woods Village Community Center Board Room  
24351 El Toro Road**

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair – Andre Torng, Brian Gilmore, Neda Ardani

**COMMITTEE MEMBERS ABSENT:**

**OTHERS PRESENT:**

**ADVISORS PRESENT:** Theresa Frost, Mike Peters, Annie Zipkin

**STAFF PRESENT:** Kurt Wiemann, Eve Morton

**1. Call to Order**

Called to order at 9:30 a.m.

**2. Acknowledgment of Media**

No media were present.

**3. Approval of the Agenda**

Director Ardani made a motion to approve the agenda. The committee was in unanimous support.

**4. Approval of the Meeting Report for February 11, 2021**

Director Ardani made a motion to approve the report. The committee was in unanimous support.

**5. Chair's Remarks**

None.

**6. Department Head Update**

**a. Project Log**

Mr. Wiemann reviewed the Project Log with the committee and answered questions.

**b. Water Usage Report**

Chair Torng requested that for a future meeting, a graph on just irrigation water would be helpful. Also include payment graph. Actual vs budget expenses.

**c. Landscape Staffing Update**

Mr. Wiemann reported that we are fully staffed now that eight positions have been contracted out. All our budgeted positions are filled. When asked if there were any staffing needs, Mr. Wiemann replied that four crew members to function a "floater crew," two for each Mutual, to cover possible injuries and illness. Will propose at budget preparation.

A committee member Landscape facility visit will be scheduled, once improvements are completed.

**d. Landscape Manual Update:**

Link to United Landscape Manual on the Village website:

<https://www.lagunawoodsvillage.com/documents/view/United-Landscape-Maintenance-Manual-Updated-June-2020.pdf?v=1597776227>

Staff will have the resolutions in the Landscape Manual updated by the next meeting.

**e. FAQs**

Mr. Wiemann reported that these will be put into the Landscape Manual and onto the Village website.

Mr. Wiemann explained how the Landscape Request Forms are used.

**f. Landscape Website Format Update**

Mr. Wiemann is looking into getting a dedicated Landscape page on the Village website. Will share plan and schedule once it is known.

**7. Member Comments (Items not on the agenda)**

Cynthia Rupert (165-A)

*"How do we handle situation with lawn mowers tearing up the turf? I have a little patch of green between my manor and the next. The mower wheels rip up the turf and it has been going on forever. Can the turn on the sidewalk so turf isn't chewed up?"*

**8. Response to Member Comments**

Mr. Wiemann stated that the mowers are being re-training. There has been a culture of go, go, go so now we are asking them to slow down a little. Each lawn mower has a number on it so people can give us the mower number when a complaint is made and we can address it. Mr. Wiemann will speak to the Foreman of her area and educate him.

Items for Discussion and Consideration

**9. Landscape Revision Request: 577-A (Beduya)**

Director Ardani made a motion to accept staff's recommendation and approve this request. The committee was in unanimous support.

**10. Tree Removal Request and Drainage Issue: Building 896 (MacKinnon) – One English Holly Tree**

Director Ardani made a motion to accept staff's recommendation and approve this request. The committee was in unanimous support.

**11. Request to Keep Potted Plants in Common Area (Zhao) – 329-D (Tabled at 2/11/21)**

Resident shared document indicating surrounding garden area is non-standard landscape on the resale inspection sheet. Mr. Wiemann that these non-standard landscape does reflect what Ms. Zhao has done in the common area adjacent to her home.

Director Gilmore made motion to recommend to the Board to approve this request.

Discussion ensued.

Director Gilmore withdrew his motion

Chair Torng moved to table this item until the next meeting. The committee was in unanimous support.

Advisor Zipkin will meet with this resident, see if there is a compromise, and bring her suggestions back to the next committee meeting. Chair Torng asked for some recommendations from staff.

**12. Pine Tree Removal Project**

The committee directed staff to put cost and project scope together for a future meeting.

**13. Landscape Modernization Locations**

Staff is recommending three locations for turf reduction. Director Ardani made a motion to direct staff to proceed with the turf reduction for the three proposed areas. Chair Torng seconded. The committee was in unanimous support.

Other Items

KPIs

**14. Leading – Work Request by Category**

The committee reviewed and discussed this data. Director Torng requested more year to date data for further analysis. Mr. Wiemann stated he would provide this information on a quarterly basis.

Quality & Improvements

Mr. Wiemann stated Landscape is now fully staffed and crew will focus more on quality. Director Torng thanked VMS and could expect more compliments and less complaint tickets from residents.

**15. Repeated issue review and discussion**

Will be studied after workload KPIs are settled.

Financial

**16. Reserve Expenditure Report**

None.

**17. Operating Expenditure Report**

Mr. Wiemann reviewed this report with the committee.

**18. Budget Process Overview**

Mr. Wiemann stated that he is giving an overview of the proposed landscape budget to the Boards in March and then we will be fine tuning it from there.

We analyze data from the prior year and see how we are performing.

New state law will have pest control costs go up for next year.

Now we are finalizing our Actuals from last year.

Future Agenda Items

**19. Landscape Equipment Review**

**20. Performance Improvements - Quarterly**

**21. Resident Requests Report (Tickets) - Quarterly**

**22. Shrub Bed Maintenance Cycle Report - Quarterly**

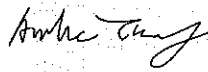
Concluding Business:

**23. Committee Member Comments**

Director Ardani asked more about rules for what people are allowed to do for landscaping. What are the existing rules? She asked that they be provided at the next meeting.

**24. Date of Next Meeting – Thursday, April 8, 2021 at 9:30 a.m.**

**25. Adjournment at 11:40 a.m.**



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Andre Torng, Chair

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## **OPEN MEETING**

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

Thursday, March 11, 2021 – 1:30 p.m.  
Virtual Zoom Webinar

**MEMBERS PRESENT:** Jon Pearlstone, Chair, Bunny Carpenter, Yvonne Horton, Ryna Rothberg, Andre Torng, Elsie Addington, Debbie Dotson, Reza Karimi, Dennis Boudreau, Juanita Skillman

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Dick Rader

**STAFF PRESENT:** Brian Gruner, Jennifer Murphy, Jackie Kupfert

#### **Call to Order**

Chair Pearlstone called the meeting to order at 1:31 p.m.

#### **Acknowledgement of Media**

There was no press present.

#### **Approval of Agenda**

A motion was made to move item #11 to become #10a, and by consensus, the motion was approved.

#### **Approval of Committee Report for February 11, 2021**

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

#### **Chair's Remarks**

Chair Pearlstone welcomed everyone in attendance and encouraged all to voice concerns and/or opinions relative to community activities as set expectations are always to represent both sides of any issue. Today we are to focus only on the COVID-19 pandemic restrictions relative to the golf pre-reserved tee times. Chair Pearlstone stated he will present fee sharing research which is informative for the community.

#### **Report of the Recreation and Special Events Director**

Mr. Gruner stated staff continues to follow operational procedures while in purple tier with anticipation of moving to red tier by March 17 if numbers trend down. The Recreation

Department will modify activities as follows: opening hot pools, pickleball doubles without consent, two riders per golf cart, five golfers per round, add an additional Zumba class, and open the Equestrian riding program to boarders only. Please use caution as the virus is still able to be transmitted and/or contracted. Garden Center billing was mailed to current gardeners; tree trimming is ongoing as well as weeding; staff is working with IT with regards to assessment of the Garden Center 2 gate; Garden Center 2 speed bumps replacement is estimated at \$5000. The Performing Arts Center renovation has started with stage curtain safety (cleaning and fire-retardant reapplication) and interior house lighting.

Ms. Murphy stated the Equestrian Center improvements: 10 new shade trees have been planted near the turnouts; drought resistant plants have been planted; improved lighting including cafe lights installed in courtyards and solar lights to be installed in the large arena; stalls will be painted; the Landscape Department trimmed trees and cleaned the front of the arena and along the trail; new boarder services fees were approved; soft opening next week for riding program for those already onsite (boarders/helpers); new classes in the future. The Help the Herd fund has raised \$5865 with a goal of \$10,000 to help the GRF horses only (fly sheets, rubber stall mats, saddles, corrective saddle pads and protective boots have been purchased to date). Thank you to Ms. Cobarruviaz for ensuring the completion of these improvements. Ms. Murphy stated Pool 1 boiler is broken which will take approximately four weeks to repair. Pool 6 will be open beginning Wednesday and will remain open while Pool 1 boiler is being repaired. This decision was made in response to a survey of 410 swimmers stating that 79% of those responded would like Pool 6 open as an alternative. Due to Pool 6 being smaller staff will have to reduce the number of reservations allowed.

Mr. McCray stated a new cart fleet was installed in January. These new carts have lithium batteries which will be a cost savings and are lighter which will cause less damage on the greens. The online tee time system is to launch March 25 for April 1 tee times. Golfers will receive an informational email. Golf course maintenance is now being managed by an outside agency which is addressing the areas of concern. The golf course is much improved. The driving range project is being reviewed by the board for modifications. The allowance of in person check-in and expanded tee times will occur if Orange County remains in the red tier. Chair Pearlstone inquired as to written documentation of all these updates for golf. Mr. McCray stated an eblast will be sent to the community with another message sent when we are officially in the red tier.

Director Addington inquired as to the Garden Center 2 speed bumps removal costs. Chair Pearlstone suggested this be put on a future agenda with a staff report for complete discussion. Mr. Gruner stated the speed bumps are easy to remove. Costs would include the purchase a new style with additional cost for labor to install the new speed bumps.

### **Member Comments (Items Not on the Agenda)**

Members were called to speak on the following: legality of equal opportunity to play golf; restriction of pre-reserved golf tee times; restoration of the greens and racquet committee for



all clubs to have a voice; the skins golf games are available to all; inquiry of an existing policy on disputes of those using same amenity; Aquadettes' formal request for pool time each week.

Chair Pearlstone inquired as to Aquadettes using the pool for slated time. Mr. Gruner stated staff makes decisions on disputes while trying to find a common ground and there is no policy in place at this time. He also stated the Aquadettes presented to the committee previously and with the current high demand of pool time we cannot make an exception for reserved pool time. Director Carpenter stated internal disputes may be addressed via compliance if cannot be resolved with the assistance of Recreation staff.

### **CONSENT**

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

### **REPORTS**

**Equestrian Center Arena Footing Improvement Project** - Ms. Murphy presented the staff recommendation to reallocate reserve funds of \$50,000 from the approved 2020 Capital Reserve Expenditures Plan for Equestrian Turf Renovation to the proposed Equestrian Center Arena Footing Improvement Project to grade and re-surface the large equestrian riding and lesson arena and award a contract to Laser Grade of San Juan Capistrano in the amount of \$47,250.

Motion was made to approve staff recommendation to reallocate reserve funds of \$50,000 from the approved 2020 Capital Reserve Expenditures Plan for Equestrian Turf Renovation to the proposed Equestrian Center Arena Footing Improvement Project to grade and re-surface the large equestrian riding and lesson arena and award a contract to Laser Grade of San Juan Capistrano in the amount of \$47,250.

Discussion ensued.

Motion passed unanimously.

### **ITEMS FOR DISCUSSION AND CONSIDERATION**

**Laguna Woods Village Pre-reserved Golf Tee Times** – This item was moved to item #10a per motion approved.

Mr. Gruner stated this is a temporary situation and staff is looking for alternative ways to open more tee times. Mr. McCray reported the background of how the decision was reached. Mr. McCray stated the issue of equity will need to be addressed as all tee times would be full. He also stated staff makes no decisions based upon what is difficult for staff as staff will manage appropriately.

A motion was made to support staff recommendation to suspend the pre-reserved golf tee times during COVID for all activities regarding requests from special groups.

Discussion ensued.

Motion passed 5-3 (abstentions).

An amended motion was made to support staff recommendation to suspend the pre-reserved golf tee times during COVID for all activities regarding requests from special groups EXCEPT where a prior resolution has been passed.

Discussion ensued.

Motion failed 2-4-1 (abstention).

An amended motion was made to support staff recommendation to suspend the pre-reserved golf tee times during COVID restrictions and for all activities regarding requests from special groups except where prior resolutions have been passed with the exception of the Tuesday skins game only.

Discussion ensued.

Motion failed 1-4-3 (abstentions).

A motion was made to support staff recommendation to suspend the pre-reserved golf tee times during COVID for all activities regarding requests from special groups except where a prior board approved group has been approved.

Discussion ensued.

Motion failed 2-4 (abstentions).

An amended motion was made to support staff recommendation to suspend the pre-reserved golf tee times during COVID for all activities regarding requests from special groups except the sanctioned golf clubs.

Discussion ensued.

Motion passed 6-2 (abstentions).

Staff was directed to complete a full study and make a recommendation on how this will best balance the community going forward after COVID restrictions then present to CAC for

review. Mr. Gruner stated staff will look for a long-term resolution for these pre-reserved tee times.

**Tennis Court Resurfacing Project** - Director Carpenter requested an update. Mr. Gruner stated at this time staff was directed to provide a staff report with all details to the April M&C meeting. Chair Pearlstone stated there is little extra cost to resurface. Director Carpenter stated some courts have cracks and inquired about resurfacing all at same time versus selected courts. She also inquired as to the impact to the schedule of completion. Mr. Gruner stated his recommendation is to have all courts addressed in the same manner to ensure same level of play and same safety standards.

**Updated Outdoor Activity List** – Mr. Gruner stated all activities are status quo until Orange County is at the red tier. Chair Pearlstone referred the committee members to the reopening safely guidelines within the agenda packet and stated more activities may be offered once restrictions are lifted.

**Shared Fee/Financial Analysis Update** - Chair Pearlstone stated this will be presented at the April 8, 2021 CAC meeting.

### **ITEMS FOR FUTURE AGENDAS**

**Removal of Garden Center 1 Office Building** - Staff was directed to keep this item under Items for Future Agendas.

**Long Range Plans for Outdoor Activities** – Staff was directed to keep this item under Items for Future Agendas.

**Garden Center 2 Access Gate** – Staff was directed to keep this item under Items for Future Agendas.

**Garden Center 2 Speed Bumps** – Staff was directed to present a staff report for the next CAC meeting.

### **CONCLUDING BUSINESS**

#### **Committee Member Comments**

Director Torng stated the pre-reserved times can be arranged once extra times are available and thanked Chair Pearlstone for his hard work today.

Advisor Boudreau stated he is amazed the entire pre-arranged golf tee times will be removed. Director Addington stated her abstention was sincere. She stated there are two sides to the issue.

Director Horton stated she may have misunderstood and inquired as to canceling everything. Chair Pearlstone stated he will keep this issue alive and remain interactive with staff. Programs will be reinstated once allowed.

Director Carpenter stated the decision for pre-arranged tee times will create more issues. Director Dotson stated she changed her votes to abstention due to inadequate explanation. Mr. Gruner recommended to leave the Tuesday and Wednesday games as is and only address the skins games.

Director Karimi inquired as to how large a problem will be created for the Recreation Department if amended motion passes. Mr. Gruner stated the amendment will be much more manageable than omitting all pre-arranged tee times.

Advisor Skillman inquired as to the number of men's golf clubs and women's golf clubs. Mr. Gruner stated there are four golf clubs. Tuesday is women's day and Wednesday is men's day.

The final vote states golf clubs will keep current tee times while the skins games will call or use online reservations until further notice.

#### **Date of Next Meeting**

The next regular meeting of the GRF Community Activities Committee will be held at 1:30 p.m. via the Zoom Webinar platform on Thursday, April 8, 2021.

#### **Adjournment**

There being no further business, the Chair adjourned the meeting at 5:10 p.m.

*Jon Pearlstone*

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Jon Pearlstone, Chair

## REPORT OF THE REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION EQUESTRIAN AD HOC COMMITTEE

Thursday, March 4, 2021 – 1 p.m.  
Virtual GoToMeeting

**MEMBERS PRESENT:** Bunny Carpenter, Chair, Yvonne Horton, Stefanie Brown, Sue Hemberger, Annie McCary, Gary Empfield

**MEMBERS ABSENT:** Bunny Lipinski, Cush Bhada

**OTHERS PRESENT:** None

**STAFF PRESENT:** Jennifer Murphy, Laura Cobarruviaz, Jackie Kupfert

### **Call to Order**

Chair Carpenter called the meeting to order at 1:00 p.m.

Motion made to amend agenda with addition of New Business agenda items, Memorial Plaque and New Services/Third Feeding Option and Old Business agenda item, Equestrian Newsletter.

Motion approved by general consent.

### **ITEMS FOR DISCUSSION AND CONSIDERATION**

#### **Help the Herd/Corporate Sponsorship**

Ms. Hemberger reported \$5,185 raised to date with goal of \$10,000. Thirty donors have contributed including the Art Association club donation of \$2,000. Additional donors have come forth since Monday but those monies have not cleared yet. Publicity coverage has been ongoing including the following: GRF meeting with the check presentation; consistent exposure in Globe; Village TV announcement board; bulletin boards at the Equestrian Center highlighting donor recognition with another board coming soon; Lisa Hart interview with Ms. Cobarruviaz; VCF website updates; eblast in February; Mark Rabinowitch took formal portraits of horses; PR will continue in March. Ms. Cobarruviaz has been cleared to purchase items.

#### **Equine Assisted Learning Program**

Director Brown reported the program is proceeding nicely with risk management review. The three instructors would be independent contractors which includes the mental health provider, the equine associate and vetted horses. Contracts are being submitted for approval to become approved providers. Director Brown stated Ms. Audrey Grider will be overseeing this program with Director Brown collaborating. She recommends the provider certifications should be within program development.

Ms. Cobarruviaz stated she met with Ms. Grider to discuss use of the GRF horses. Ms. Grider was introduced to the horses with four to five horses deemed as potential therapy horses. She submitted

the certifications of the contractors for risk management review. Once approved, final documentation will be submitted.

### **Non-Resident Boarders Sponsored by Residents**

Ms. Murphy reported non-residents are allowed to board under the name of a resident. Ms. Murphy stated this practice is neither allowed or disallowed per policy. She inquired as to priority given to residents or if a policy should be created. The concern will be when stalls are full which may create a wait list. Ms. Cobarruviaz stated we are at 20 boarders currently of which four are sponsored boarders. The total number of stalls for use are 26.

Director McCary stated it is always a good idea to have a policy in place. Director Horton agreed and stated this would ensure monies are collected promptly. Ms. Hemberger agreed residents have priority over sponsored boarders. Director Brown stated we currently have a sponsored boarder contract and residents should be prioritized.

Motion made to direct staff to develop a policy for non-resident boarders.

Motion passed by unanimous consent.

### **Action Item List Discussion**

#### **Rat Abatement**

Ms. Cobarruviaz stated working with in-house pest control supervisor who is also in charge of the nursery. He has been accompanying his staff onsite but Ms. Cobarruviaz stated more can be done. She would like to add wire mesh to block rat entrances and add electric traps on pathways above. She will continue to urge staff to be more aggressive.

Chair Carpenter inquired as to necessary approval from upper management. Ms. Murphy stated upper management approval is necessary and working with staff has helped accomplish our goals.

#### **Active Search for New School Horses (Lesson Program)**

Ms. Cobarruviaz stated it has been difficult finding proper horses for our program. She will continue to search but our purchasing process presents expediency issues as most sellers prefer cash sale with no trial period which we require. Our current purchasing process may take up to one month.

Mr. Empfield inquired as to a resident being reimbursed for purchase of horse. Chair Carpenter inquired as to using a credit card. Ms. Cobarruviaz stated having a resident purchase would shorten the time required to purchase a horse. Ms. Murphy stated the resident would have to provide a W-9. Ms. Murphy has requested a cash advance for special events however no credit cards are issued to staff other than Home Depot.

Ms. Murphy will inquire with the Finance department on options for horse purchase.

### **Riding Clinics by Approved Trainers**

Ms. Cobarruviaz stated she reviewed the current offerings and discovered our model is very challenging with what we have to run the program. She recommends openness to different ideas and revenue that would include utilizing outside trainers as is customary at other facilities. These trainers would host clinics that would pay a fee to the host stables.

### **Arena Regrading & Surfacing Project**

Ms. Cobarruviaz stated three bids were received to repair/improve the arena footing for both arenas. Laser Grade is the staff recommended contractor. The recommendation is to use the funds from the turf replacement project for this arena project. This will be presented to CAC next week for recommendation for approval from GRF in April. Chair Carpenter stated this would be a supplement presented to CAC, then to Finance, then to GRF.

Motion was made to approve the recommendation to CAC to maintain the arena in the amount of \$50,000.

Motion passed by unanimous consent.

### **Potential Projects – Laura Cobarruviaz**

#### **Painting Stall Interiors**

Ms. Cobarruviaz stated she painted one stall for modeling when potential boarders come to view the stables. She would like to proceed painting the rest of the stalls.

Mr. Empfield stated this interior improvement aids in the mental health of the horses and brings forth a pleasing aesthetic to the Equestrian Center. Staff believes this should be done for all stalls and not charge the boarders for this service. Director Horton was able to secure 20 gallons of paint from a local vendor. This painting would be done by staff for an additional cost savings. Mr. Empfield inquired as to washing the walls prior to painting, is staff able to complete this project and could Saddle Club volunteers assist. Ms. Cobarruviaz stated the stalls can be pressure washed prior to painting. Ms. Murphy stated staff is prepared to assist to complete this project and stated volunteers should not be utilized. Director Brown inquired as to interior/exterior paint to ensure no toxins are present. Director Horton stated the representative stated this paint is designed to outgas which extols the fumes quickly. Ms. Murphy stated link states it is exterior type paint. Ms. Cobarruviaz stated the paint is water based and she confirmed it is a non-toxic type.

Motion was made to have staff paint the stalls.

Motion passed by unanimous consent.

#### **Removal of Old Mangers**

Ms. Cobarruviaz stated the mangers are currently wood which inhibits bacteria and have gaps that rats are dwelling in. She is recommending the removal of the old mangers and replacing with galvanized metal ones. The cost is \$106 per manger if replaced with metal.

Director Horton agrees with this replacement. Ms. Murphy stated this may need to be done before we paint the stalls. Ms. Hemberger stated the mangers for the GRF horses may be purchased through the VCF Help the Herd fund. Mr. Empfield inquired as to removing the manger with no manger replaced. He stated this may not be necessary as in his experience wood has not presented a problem. Ms. Cobarruviaz stated the cost for the boarder stall mangers would be approximately \$2,800. She stated we received a check for \$1,000 from a resident that stopped by the Equestrian Center. If this check is not to go through the Help the Herd fund, it can be used toward the cost of the boarder's mangers. Ms. Hemberger stated Ms. Mogul from VCF will contact the resident who donated \$1,000 and would like to ensure these monies are applied properly.

Chair Carpenter will research the GRF donation form if monies are not requested for the Help the Herd fund.

Director Horton will research for discounted mangers.

Director Brown and Mr. Empfield stated they will pay for their replacement mangers.

Motion was made to replace the mangers in the stalls if funding can be procured.

Motion passed by unanimous consent.

## **NEW BUSINESS**

### **Memorial Plaque**

Ms. Cobarruviaz stated Mr. Empfield donated funds for a solar fountain water trough feature for the horses and would like to include a memorial plaque to honor his late wife. This memorial plaque would be affixed to a rock that would be placed on the ground in the center of the decorative plants.

Motion was made to allow this memorial plaque.

Motion passed by unanimous consent.

### **New Services/Third Feeding Option**

Ms. Cobarruviaz stated new services will start with turnout services, lunging, hand walking and green feeding. She stated to incorporate the third feeding would require change in feed times, making lunch optional as it would be later in the day. She requested waiting a week to roll out feeding as one employee has submitted her resignation which reduces number of staff that may assist.

Director Brown inquired as to moving the feeding a bit later in increments to ease sensitive tummies into new feeding schedule. She also inquired as to early evening stall cleaning service if feasible. Ms. Cobarruviaz stated she will be administering the late feeding and may be able to assist with stall cleaning.

Staff will research all possibilities but will need to reassess after one month of new services roll out.

## **OLD BUSINESS**

### **Equestrian Newsletter**



Ms. Hemberger inquired as to the bi-monthly Equestrian newsletter available for six issues, not six months and if this can continue for another six months online due to closure of clubhouses. Ms. Murphy stated Marketing and PR confirmed three additional newsletters will be eblasted to the community. Ms. Hemberger inquired as to outside sponsorship which is coordinated by Ms. Kupfert. Ms. Kupfert stated outside vendors are not allowed on property currently, but staff will proceed with sponsorships once sponsors are allowed on property.

## **FUTURE BUSINESS**

### **Future Services at Equestrian Center**

Ms. Cobarruviaz stated above under new services.

### **Riding Program Review**

Ms. Cobarruviaz stated the soft opening will occur next week to those currently onsite which will allow horsed to be exercised in preparation for more lessons. She stated the current health of all but two GRF horses presents issues for steady use within the programs. Her recommendation is to extensively review the current riding program for modifications and would like to add this to the next meeting agenda.

## **CONCLUDING BUSINESS**

### **Member Comments**

None.

### **Next meeting**

The date of the next meeting will be May 6, 2021 at 1 p.m. via the Zoom Webinar platform.

### **Adjournment**

Chair Carpenter adjourned the meeting at 2:59 p.m.



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Bunny Carpenter, Chair

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**OPEN MEETING**

**REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION  
LANDSCAPE COMMITTEE**

**Monday, November 30, 2020 – 1:30 P.M.  
VIRTUAL MEETING  
Laguna Woods Village Community Center  
24351 El Toro Road**

**COMMITTEE MEMBERS PRESENT:** Chair - Yvonne Horton, Maggie Blackwell, Lynn Jarrett, Reza Karimi, Manuel Armendariz, Andre Torng

**COMMITTEE MEMBERS ABSENT:**

**OTHERS PRESENT:** Bunny Carpenter

**ADVISORS PRESENT:** None

**STAFF PRESENT:** Kurt Wiemann, Eve Morton

**REPORT**

**1. Call to Order**

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

**2. Acknowledgement of Media**

No press was present.

**3. Approval of the Agenda**

Director Torng made a motion to approve the agenda. The committee was in unanimous support.

**4. Approval of Meeting Report of November 30, 2020**

Director Jarrett made a motion to approve the Meeting Report. The committee was in unanimous support.

**5. Committee Chair Remarks**

Chair Horton stated that she has been getting positive feedback on the creek and to keep up the good work. Thank you for the trees at the Equestrian Center.

**6. Department Head Update**

- Annuals at Gates
- Equestrian Center

There was an adjournment of the meeting from 1:45 to 2:00 p.m. as Mr. Wiemann encountered technical problems and could not re-join the meeting.

The meeting re-started at 2 p.m.

Mr. Wiemann reported: "We started annuals at the gates last fall. We will start it again in April at the gates which have room for annuals. We have been spending a lot of time at the gates, been putting down mulch and fertilizing there.

At the Equestrian Center, we planted nine trees and assorted shrubs. We have also been doing irrigation repairs out there.

In our Capital Plan this year, we have funds for new irrigation for the nursery. The contract is out for signatures. Will save a lot of man hours not having to hand water everything.

We have purchased a shade structure for use at the Nursery.

Power and communications will be put in at the Nursery. Now, things are all done by hand over there. This will approve efficiencies. In time, crews will be able to place orders from the field."

#### 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.

#### Reports

##### **7. Update on the Creek**

Mr. Wiemann reported that the creek is a natural habitat that must be preserved. A bone of contention for the residents is the cattails. We have been trying to find ways to open up the Creek more. We have found a way to accomplish some of the cattail clearing. We will go in with a biologist in advance to identify any nests and mark them. Then, we will clear 100 yards of cattails, leave 100 yards, and so on. The biologist will make sure we don't disturb nesting birds.

Sally Sunderhaus( 580-O) *"I thank all of you for your willingness to serve on the committee. I ask today's minutes include the comments I made during the November meeting as they still apply. The comments Mr. Wiemann just made about reducing the cat tails twice a year will be a big help.*

*In his Aliso Creek Update of today, Mr. Wiemann does not address what we would hope would be a third objective of his department – namely, restoring the area around the bridge to its prior state. It is an unsightly mess. How much longer must we wait until this area becomes a priority and our property values finally restored? Pilfering*

*our view is no different than taking a bedroom or garage from an owner without providing restitution.*

*I realize many areas of the creek are lovely and enjoyed by residents. But, for those of us opposite the bridge, we have no such enjoyment. Every day we look upon the corruption of our view.*

*I realize the current landscape department inherited a mess from the prior one. But, perhaps Mr. Wiemann would like to alter today's update and correct the latest issue of the Village Breeze to disclose that the need for and cost of continued monitoring is a result of the lack of compliance by the prior and current landscape departments. Otherwise, we might all think it is just about "several government agencies" and their rules.*

*In spite of Mr. Wiemann's denials at the November 2020 landscape meeting, there are actions that can be taken, which he discussed at previous meetings, including buying credits to permit moving the willows. While the willows may be required, their location could have been one that did not interfere with owner's views.*

*Finally, when the bridge was constructed, when a storm was predicted, the railings were removed and do not cross signs erected. This year the railings are not to be found, and instead, crime scene tape is crisscrossed over the bridge and makeshift sandwich boards placed in the middle. The hundreds of walkers who cross the bridge daily, just push these things aside and continued crossing. Eve Morton (who is always prompt and thorough with her answers) said this was not the responsibility of landscape and directed me to security. However, thus far security is also unaware of any railings. I'm hopeful someone on this committee can direct me to the proper department."*

Mr. Wiemann stated that buying credits would be millions of dollars.

He suggested that cattails are currently cleared once a year. We can trim them more often but there is a cost involved to pay for the biologist.

For the Willows; we are only allowed to trim out the bottom third. Tops need to be left for nesting birds.

Director Arendariz made motion to approve the \$13K for the consulting fees to clear the cattails twice a year. Director Blackwell seconded. The committee was in unanimous support.

#### Items for Discussion and Consideration

#### **8. Member Comments (Items Not on the Agenda)**

None.

#### **9. Response to Member Comments**

None.

All Corporations' Landscape Cooperation

**10. Performance Improvements: Mulching Mowers Versus Bagging Mowers**

Mr. Wiemann stated that he brought this information to this committee so all the corporations can have an open discussion on where to go with landscaping over the next few years. We are starting to put together next year's budget. He will bring this topic to the respective committees next month to see whether each Mutual would want to spend this money or not for next year.

Discussion ensued.

**11. Performance Improvements: Increase Service Levels to Five Cycles**

Mr. Wiemann reviewed this informational report with the committee. This topic will also be discussed at April's United and Third Landscape committee meetings to determine if each Mutual would want to include the cost for this into next year's budget or not.

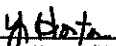
Concluding Business:

**12. Committee Member Comments**

None.

**13. Date of Next Meeting – Wednesday, June 9 at 1:30 p.m.**

**14. Adjournment at 3:05 p.m.**

  
\_\_\_\_\_  
Yvonne Horton (Mar 26, 2021 19:55 PDT)

Yvonne Horton, Chair

REPORT OF THE LAGUNA WOODS VILLAGE  
TRAFFIC HEARINGS COMMITTEE

**March 17, 2021**

The Regular Meeting of the Laguna Woods Village Traffic Hearings Committee was held on Wednesday March 17, 2021 at 9:00 AM, Virtual

**MEMBERS PRESENT:** Chair: John Frankel, Yvonne Horton, Neda Ardani, Elsie Addington, Alfred Amado and Debbie Dotson

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Jennifer Zion

**Call to Order**

John Frankel, Chair, called the meeting to order at 9:10 AM.

**Traffic Hearings**

None

**Traffic Consent Calendar**

Approved by Chair

**Date of Next Meeting**

The next meeting is scheduled for Wednesday April 21, 2021, at 9:00 AM, Virtual

**Adjournment**

With no further business before the Committee, the meeting was adjourned at 9:20 AM.

**john frankel**

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John Frankel, Chair

**Signature:** john frankel  
john frankel (Mar 17, 2021 10:06 PDT)

**Email:** jfrankel@prodigy.net

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**REPORT OF THE REGULAR MEETING OF THE GOLDEN RAIN  
FOUNDATION DISASTER PREPAREDNESS TASK FORCE**

**TUESDAY, March 30, 2021, 9:30 AM**

**VIRTUAL MEETING**

**MEMBERS PRESENT:** Sue Stephens, John Frankel, Annie McCary, Bruce Bonbright, Judith Troutman, Prakash Achrekar

**OTHERS PRESENT:** John Pilger, Juanita Skillman, Sharon Updike, Sandy Benson, Joan Grampp, Lori Gibson, Elsie Addington, and Donna Rane-Szostak

**STAFF PRESENT:** Tom Siviglia, Jayanna Hendley, Vanessa Ayala

**THE MEETING WAS CALLED TO ORDER:** Tom Siviglia called the meeting to order at 9:33 AM. A quorum was established.

**ACKNOWLEDGEMENT OF THE PRESS:** There was no media present.

**APPROVAL OF THE MEETING REPORT:** For January 26, 2021 was approved by Juanita Skillman and Prakash Achrekar.

**APPROVAL OF AGENDA:** The Agenda was approved by acclamation.

**CHAIRS REMARKS:** Tom Siviglia announced that Jennifer “JZ” Zion has left the company, and that she has been replaced by Jayanna “JJ” Hendley who is a previous employee of the Security Department. Mr. Siviglia also stated that the Good Neighbor Captain training on March 3<sup>rd</sup> went well. Additionally, Mr. Siviglia shared that Trevaughn Foster (Security Patrol Officer) received a commendation for assisting a resident and taking action, which prevented potential further harm.

**MEMBER COMMENTS:** No comments.

**REPORTS:**

**RADIO & COMMUNICATIONS:** Bruce Bonbright reported on the Radio Drill this morning at 8:30 AM. 13 of 14 Radios responded loud and clear. Mr. Bonbright also reported that he will be inquiring with the current radio vendor (S&S Communications) to confirm that they can install the clubhouse antennas.

**OFFICE MANAGER/ADVISOR:** Tom Soule was not present. Tom Siviglia reported that when the office is open, they look forward to selling supplies again.

**RECRUITMENT/RETENTION/TRAINING:** Judith Troutman reported she is passing her duties of this chair on to Juanita Skillman. Ms. Troutman commented that Carlos Rojas has been doing a great job. Ms. Troutman also reported that further training for the Good Neighbor Captains will be coordinated upon receiving an updated list of Good Neighbor Captains within the community. The committee members made comments and asked questions.

**Village Energy Sub Committee:** Bert Moldow was not present. Sue Stephens reported that they are working on obtaining two additional bids for micro-grid installation. Additionally, Ms. Stephens reported that one of the companies is also researching alternatives for the back-up generator at the Security building. The committee members made comments and asked questions.

**GRF BOARD:** No report

**UNITED BOARD:** No report

**THIRD BOARD:** Annie McCary did not have a report. John Frankel advised committee members to direct Third Mutual streetlight questions to himself.

**TOWERS:** No members present

**PET EVACUATION SUBMIT COMMITTEE:** Sharon Updike reported that Pet Forms are currently being updated, and that there will be an effort to recover forms submitted prior to November. Ms. Updike also reported that the storage trailer holding emergency supplies has an inventory of approximately 350 items that can be used to create a command post in the event of an emergency. The committee members made comments and asked questions.

## **DISCUSSIONS & CONSIDERATIONS:**

**RADIO ANTENNA AT THE TOWERS:** Bruce Bonbright reported that the repeater will be ordered and installed upon receiving frequencies for the repeater. The Committee members made comments and asked questions.

**ITEMS FOR FUTURE AGENDA:** Tom Siviglia stated that all items for the next agenda should be forwarded to Jayanna “JJ” Hendley by May 1<sup>st</sup>, 2021.

**Member Comments:**

Juanita Skillman mentioned that phone numbers will be moving to 10 digits instead of 7 digits in April, and that she has contacted Chuck Holland to inform him of this change.

Annie McCary commented that she would like the Emergency Operations Plan to be updated with the current generator locations.

Prakash Achrekar commended Tom Siviglia for doing a great job while he is filling-in for Carlos Rojas.

Sharon Updike commented that it was an “excellent meeting.”

**NEXT MEETING:** The next meeting is scheduled for Tuesday, May 25, 2021, 9:30AM via Virtual Meeting

**ADJOURNMENT:** 10:47 am  
Submitted By:

*Tom Siviglia*

Tom Siviglia (Mar 30, 2021 16:13 PDT)

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Tom Siviglia March 30, 2021

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