



OPEN MEETING

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

Tuesday, May 11, 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*

- 1. Call to Order / Establish Quorum – Sue Margolis, President**
- 2. Acknowledge Media**
- 3. Approval of Agenda**
- 4. Approval of the Meeting Minutes**
 - a. April 13, 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 to request to speak.***
- 7. Responses to Open Forum Speakers**
 - a. Director Casey – to give an update to the Open Forum comments from the April 13, 2021 board meeting.
- 8. Update from VMS – Director Kahn**

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 Architectural Control and Standards Committee:

- (1) Recommendation to Approve the Request for Bathroom Addition in Existing Enclosed Atrium Alteration (Shahnazi, 2085-B, Cordoba Pacifica, AB04-1)

b. Recommendation from the United Landscape Committee:

- (1) Recommendation to Approve Tree Removal Request: 703-C Calle Aragon (Passehl) – One Bottle Brush Tree

c. Recommendation from the United Finance Committee:

- (1) Approve a resolution for recording of lien against Member ID#947-377-81
- (2) Approve a resolution for recording of lien against Member ID#947-402-20

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

e. Recommendation from the United Maintenance & Construction Committee:

- (1) Recommendation Deny a Reimbursement for an Alteration Heater/AC System Repair

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, January 2021, February 2021 and March 2021; such review is hereby ratified.
- b. Discuss and Consider Resale Process Efficiencies—Proposed Amendment to Financial Qualifications Policy and Other Efficiencies (**APRIL Initial Notification—28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied**)
- c. Entertain a Motion to Approve Temporary Borrowing by Operating Fund from the Reserve Fund (**April Initial Notification-Revised in May**)

12. New Business

- a. Entertain a Motion to Approve the 2021 Annual Election Schedule and Approve a Resolution Appointing the Inspector of Elections

- b. Entertain a Motion to Introduce a Resolution and the Revised Non-Emergency Maintenance Chargeable Services List (**MAY Initial Notification—Must postpone 28-days for Member review and comment to comply with Civil Code §4360**)

13. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Asgari. The Committee met on April 27, 2021; next meeting May 25, 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 April 19, 2021; next meeting May 20, 2021 at 9:30 a.m. as a virtual meeting.
- c. Report of Member Hearings Committee – Director Achrekar. The Committee met on April 22, 2021; next meeting May 27, 2021 at 9:00 a.m. as a virtual meeting.
- d. Report of the Governing Documents Review Committee – Director Addington. The Committee met on April 15, 2021; next meeting May 20, 2021, 1:30 p.m. as a virtual meeting.
- e. Report of the Landscape Committee – The Committee met on April 8, 2021; next meeting TBA.
- f. Report of the Maintenance & Construction Committee – Director Randazzo. The Committee met on April 28, 2021; next meeting June 23, 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 April 21, 2021; next meeting June 23, 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 April 8, 2021; next meeting May 13, 2021, 1:30 p.m. as a virtual meeting.
 - (1) Equestrian Center Ad Hoc Committee – The committee met on May 6, 2021; next meeting TBA.

- d. Report of the GRF Landscape Committee – Director Armendariz. 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 April 14, 2021; next meeting June 9, 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 April 19, 2021; next meeting May 17, 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 April 26, 2021; next meeting June 28, 2021 at 1:30 p.m. as a virtual meeting.
- i. Laguna Woods Village Traffic Hearings – Director Ardani. The Hearings were held on April 21, 2021; next hearings will be held May 19, 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) April 13, 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, April 13, 2021, 9:30 a.m.
Open Session, Virtual Meeting
24351 El Toro Road, Laguna Woods, California**

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

Directors Absent: Cash Achrekar

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Eileen Paulin, Kurt Wiemann, Betty Parker, Steve Hormuth, 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

Director Addington made a motion to approve the agenda as amended. Director Randazzo seconded the motion.

President Margolis called for the vote to approve the agenda as amended and the motion passed without objection.

4. Approval of Minutes

a. March 9, 2021 – Regular Open Meeting

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

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5. Report of the Chair

President Margolis commented about the budgeting process.

6. Open Forum

Eileen Paulin read the member comments received.

Members made comments regarding the following:

- A Member commented against the requirement of bonds for a replacement certificate.

7. Responses to Open Forum Speakers

- President Margolis asked Jeff Parker-CEO to respond regarding the bond requirement.
- Jeff Parker-CEO commented that they will look into the issue.
- Director Tornig asked the President to support board requests.

Director Armendariz gave an update to the Open Forum comments from March 9, 2021 board meeting. Eight residents voiced their opinion during open forum, only two required follow up:

- Regarding the potted plants in front of a resident's unit: This will be discussed at the next landscape committee meeting,
- Regarding recycling of plastic bags: Plastic bags can be placed in the recycling bins.

8. Update from VMS – Juanita Skillman

VMS Director Skillman gave a report from the VMS Board.

Director Skillman introduced the video showing the VMS Recognition of Excellence Awards, which highlights employees that have done outstanding work during the pandemic.

Director Skillman and Addington gave an update from the CIA Law webinar and 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 a steady decline in COVID-19 cases. Orange County have moved to the orange tier which allows more facilities to reopen with limited capacity.
- As COVID-19 cases and hospitalizations continue to decrease in Orange County, facilities will begin to reopen now that the county has moved into the orange category. The Governor of California announced that the state will reopen without any restriction on June 15, 2021 if the COVID-19 numbers keep declining. The Village reopening plan can be viewed on the website.

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- MemorialCare will hold a one-day vaccination clinic on April 24, 2021. California has expanded the vaccine eligibility ages 18+ years.
- Reopening of classes by appointment. Appointments can be made through ActiveNet. Activities at the gym have reopened.
- Jeff Parker-CEO thanked the board for participating in the Budget Workshops last week. Budget training meetings have concluded and the videos will be posted on the website.
- American Red Cross training on how to prepare for summer extreme heat.
- Online golf tee system has gone live.
- Bingo play reopens.
- Carport cleaning continues until the end of April.
- Transportation services will take reservations to give residents a ride to worship services.
- National Prescription Take Back Day on Saturday April 24, 2021 at City Hall.
- City of Laguna Hills public hearings on the Laguna Hills Mall redevelopment project.
- 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 Landscape Committee:

(1) Recommendation to Approve Landscape Revisions Request: 577-A (Beduva)

RESOLUTION 01-21-24

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:

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

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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.

- (2) Recommendation to Approve Tree Removal Request: Building 896 (Mackinnon)
– one English Holly tree

RESOLUTION 01-21-25
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 one 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.

10b. Recommendation from the United Finance Committee:

- (1) Approve a Resolution for Recording of Lien against Member ID# 947-391-11

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RESOLUTION 01-21-26
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.

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

10d. Approve the Resolution to Update Committee Appointments
This item was voted on separately and the motion failed.

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

Discussion ensued among the directors.

Kurt Wiemann, Director of Landscape Services, answered questions from the board.

President Margolis called for the vote on agenda item 10d. Committee Assignments and the motion failed by a vote of 4-5-1 (Directors Ardani, Asgari, Bastani, Tornig, Gilmore opposed, Director Casey Abstain)

President Margolis called for the vote on the remaining Consent Calendar items and the motion passed 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 February 2021; such review is hereby ratified.

11b. Conditionally accept the review and ratification of the United Laguna Woods Mutual preliminary financial for the month of January 2021, on the condition that the process described in the Finance Committee has started.

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Director Asgari commented that she reviewed the financials and she cannot approve the financials for the month of December 2020.

Director Armendariz commented that he cannot approve ratification of the financials for the months of November 2020, December 2020, January 2021 and February 2021.

Discussion ensued among the directors.

Steve Hormuth, Treasurer, answered questions by the board.

12. New Business

12a. Discuss and Consider Resale Process Efficiencies—Proposed Amendment to Financial Qualifications Policy and Other Efficiencies

Director Addington read the changes in following resolution:

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

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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.

Siobhan Foster-COO gave an overview of the staff report. Staff recommends approval of 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.

Director Addington made a motion to introduce a resolution updating the Financial Qualifications Policy. Director Armendariz seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote of the motion with the contingency that Governing Documents Committee will review Article 7 "Subletting prohibited" for a change in title. The motion passed to introduce the resolution for 28-day review by unanimous vote.

12b. Entertain a Motion to Approve Supplemental Allocation for Performance Improvements to Increasing Service Levels to Five Cycles

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.

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NOW THEREFORE BE IT RESOLVED, xxx, 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.

Kurt Wiemann, Director of Landscape Services, gave an overview of the staff report. Staff recommends approval of a Supplemental Allocation of \$267,480 to increase service levels to five cycles.

Director Margolis made a motion to approve a Supplemental Allocation of \$267,480 to increase service levels to five cycles. Director Addington seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote and the motion failed by a vote of 2-7-1 (Director Randazzo, Armendariz, Asgari, Bastani, Randazzo, Tornig, Gilmore opposed, Director Ardani abstained).

12c. Entertain a Motion to Amend United Mutual Investment Policy to include Equity Position up to 5%

President Margolis asked to remove this item from the agenda based on the advice of legal counsel.

12d. Entertain a Motion to Approve Temporary Borrowing from Operating and Reserve Funds

Steve Hormuth, Controller, gave a summary of the staff report. 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.

Director Asgari made a motion to approve the temporary borrowing from operating and reserve funds. Director Randazzo seconded the motion.

Discussion ensued among the directors.

Eileen Paulin read a member comment against this practice of transferring funds.

A Member commented regarding Civil Code §5515.

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President Margolis called for the vote and the motion failed by a vote of 4-5-1 (Directors Armendariz, Bastani, Randazzo, Torng, Gilmore opposed, Director Ardani abstained)

12e. Appointment of Board Officers

Director Armendariz made a motion to remove Director Asgari as Treasurer of the Board. Director Casey seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote by secret vote and the motion failed by a vote of 5-5-0.

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. Director Asgari asked for a correction on the Finance Committee Report of March 30, 2021. The committee met on March 30, 2021; next meeting will be April 27, 2021, 1:30 p.m. as a virtual meeting.
- 13b.** Report of the Architectural Control and Standards Committee – Director Gilmore. The committee met on March 18, 2021; next meeting April 19, 2021, at 9:30 a.m. as a virtual meeting.
- 13c.** Report of Member Hearings Committee – Director Achrekar gave a report from Member Hearings. The committee met on March 25, 2021; next meeting April 22, 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 March 18, 2021; next meeting will be April 15, 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 March 11, 2021; next meeting will be April 8, 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 is 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.

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14b. Report of the GRF Strategic Planning Committee – Director Torng gave highlights from the last committee meeting. The committee met on March 17, 2021; next meeting TBA.

14c. Report of the Community Activities Committee – Director Addington gave highlights from the last committee meeting. The committee met on April 8, 2021; next meeting May 13, 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.

14d. Report of the GRF Landscape Committee – Director Torng. The committee met on March 10, 2020; next meeting May 12, 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 March 23, 2021; 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 April 19, 2021, 1:30 p.m. as a virtual meeting.

14g. Report of the Mobility and Vehicles Committee – Director Addington gave highlights from the last committee meeting. The committee on April 7, 2021; next meeting will be June 2, 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 March 17, 2021; next hearings April 21, 2021, at 9:00 a.m. as a virtual meeting.

14j. Report of the Disaster Preparedness Task Force – Director Casey. The Task Force met virtually on March 30, 2021; next meeting May 25, 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

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16. Director's Comments

- Director Torng commented about employee compensation. He commented about a resident issue with Security.
- Director Casey commented that the Treasurer should not Chair the Finance Committee
- Director Bastani commented about Resident Services.
- Director Asgari commented that stealing of items have increased in the community. She commented that the board is divided and asked that the President bring the board together.
- Director Armendariz praised President Margolis on her leadership skills.
- Director Ardani commented about the thief in the community and resident services.
- Director Addington praised President Margolis for her hard work.
- Director Randazzo asked the CEO to comment about the stealing and resident services.
- Jeff Parker-CEO will check with the Security Department about the thief. Items stolen should be reported to Security. Regarding Resident Services, the department was reopened two weeks ago by appointment only.

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 12:13 p.m. into the Closed Session.

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

During the March 9, 2021, Regular Closed Session, the Board:

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) February 9, 2021 – Regular Closed Session

Discussed and Considered Litigation and Legal Matters

Discuss and Consider Contractual Matters

Discussed Personnel Matters

Discuss Member Disciplinary Matters

18. Adjourn

The meeting was adjourned at 2:41 p.m.

DocuSigned by:

Neda Ardani

Neda Ardani, Secretary of the Board
United Laguna Woods Mutual

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Village Management Services, Inc.

Malware Recovery Update

April 21, 2021





Malware Recovery Summary

- Attack type explanation, how it penetrated previous security measures
- Recovery process status, what still must be resolved/repaired
- What went right/wrong during malware attack, recovery process
- Security changes per incident response, forensic audit teams
- How community is protected against prevent future malware events/other malicious attacks



Overview of Malware Incident

- Initial attack via a phishing email with an older-version Excel spreadsheet (.xls vs .xlsx); malicious code executed via a “macro” in spreadsheet that infected first PC (patient zero)
- Secondary attack via a phishing email with same malicious code that infected second PC
- Original two infected PCs executed a macro on an Excel spreadsheet that started broadcasting to other network computers



Overview of Malware Incident cont'd

- Once network communication was established, virus spread by unpacking itself for evasion, obfuscation and anti-analysis (Smart Virus)
- Once all PCs and most servers were infected, ransomware was executed; all data processing and access to data ceased



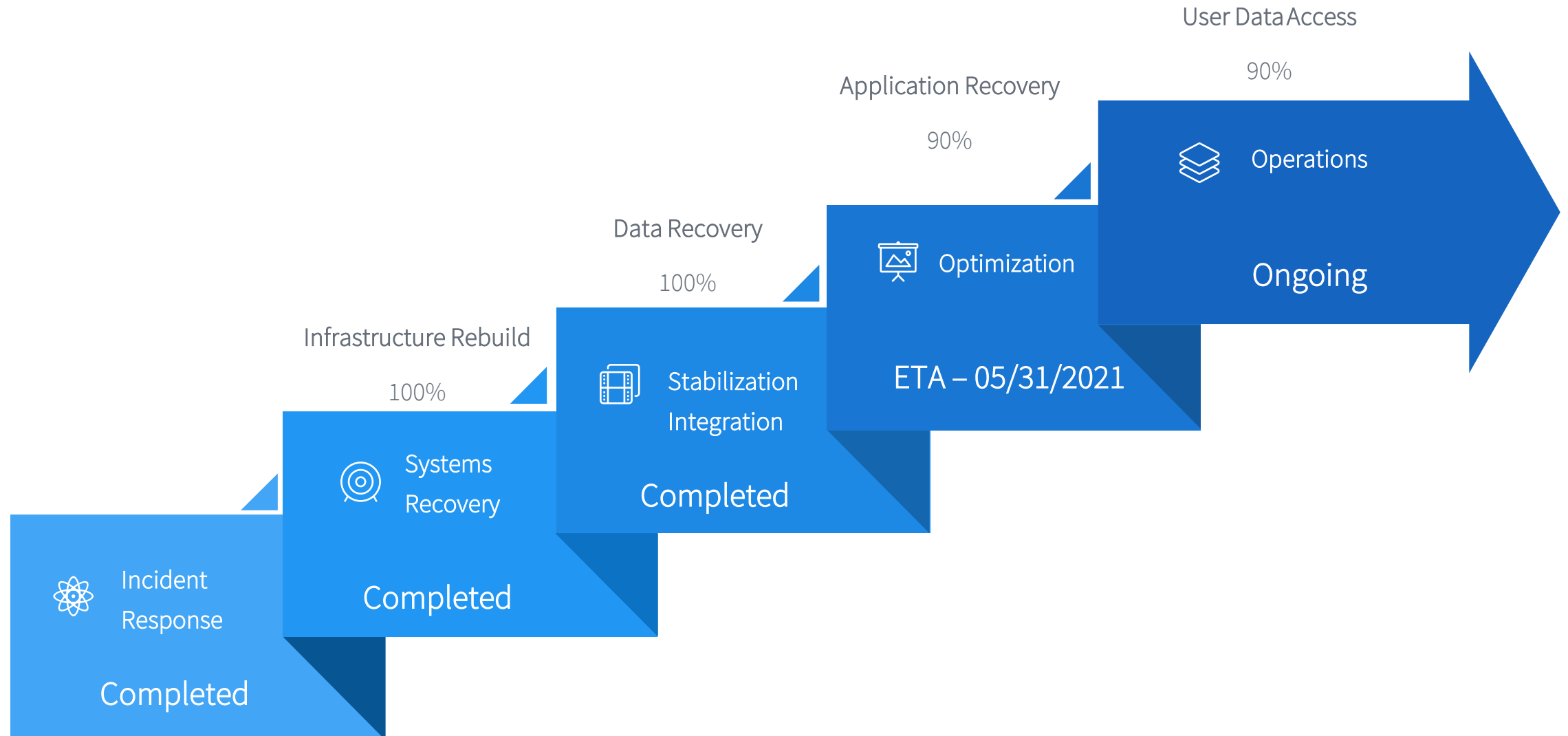




Malware Recovery Status

- Shut down all servers and workstations, block services (e.g., email, web applications, financial applications, internet access) to contain malware incident, contact law enforcement, engage emergency response team, deploy incident response plan
- Eradicate/isolate malware presence, including reconnecting systems/networks and rebuilding compromised systems from scratch or known good backups
- Restore data confidentiality, integrity, availability on infected systems; reverse containment measures
- Identify infected/noninfected systems, recover applications according to priority per incident response plan (communications, financials, maintenance, resident-facing systems)
- Allow users maximum data access with greatest scrutiny, restrictions

Malware Recovery Status





Malware Lessons Learned

- Purchase cyberinsurance to mitigate risk exposure to residents by offsetting recovery effort costs related to cyberattacks or other cyber-based crimes
- Update, move backups from file-based on-premise technology to cloud-based “immutable” backups that resist tampering
- Move all systems, business units into separate virtualized networks to prevent domino effect of future malicious attacks; our flat network structure enabled virus to spread without stopgaps
- Moving to cloud to aid in modernization and disaster recovery efforts is a company technology initiative; malware attack exposed what we knew: internal, in-house developed programs were most vulnerable to attack and recovery



Malware Lessons Learned

- Expert, round-the-clock monitoring, extended detection and response, advanced intruder protection and cutting-edge security appliances must take priority in the 21st century
- Auditing, monitoring of security controls checks condition, administration of security software and appliances to ensure compliance, minimize risks and assist in preventing further malware attacks
- Introduction to cybersecurity training for employees during onboarding, regular cyberawareness training is first-line defense against a cyberattack; this training best tactic to prevent, respond to and recover from an attack



Malware Recommendations

- Apply latest patches to all systems
 - Implement enterprise-wide password reset; review all accounts for validity
 - Review accounts for admin privileges and limits based on business needs
 - Review all security control configurations, including security appliances, effectiveness
 - Invest in endpoint detection, response technology
- Strategic Recommendations
 - Consider performing official security assessment using nationally recognized framework
 - Formulate vulnerability and patch management program
 - Update cyberincident response team, incident response plans
 - Utilize security monitoring services
 - Review backup, recovery strategy
 - Implement user awareness training

Malware Prevention

- Organize documentation, cyberincident response team so all team members are aware of roles, responsibilities
- Use third-party tools to prevent ransomware from entering, attacking systems; best to catch ransomware *before* it inflicts damage
- Detect where ransomware has attacked via automated monitoring tools so that surgical remediation can be made vs a build-from-scratch scenario
- Decide what must be recovered first and when
- Data recovered once ransomware has been neutralized, cannot reinfect data



STAFF REPORT

DATE: May 11, 2021
FOR: Architectural Control and Standards Committee
SUBJECT: Variance Request: Ali Shahnazi of 2085-B (Cordoba Pacifica, AB04_1)
Bathroom Addition in Existing Enclosed Atrium Alteration

RECOMMENDATION

United ACSC recommends the Board approve the request for a Bathroom Addition in the existing enclosed atrium alteration. Should the Committee recommend approval to the Board, Staff suggest it should be with the conditions listed in Appendix A.

BACKGROUND

Ali Shahnazi of 2085-B Ronda Granada, a Cordoba style unit, requests Board approval of a variance to install a non-standard Bathroom Addition in the existing alteration enclosed atrium.

There is currently an Architectural Standard #03 for a Bathroom Split to Cordoba style units, however the Cordoba AB04 plan already features a similar 1 and $\frac{3}{4}$ bathroom layout as standard.

Preliminary design drawings have been submitted for review (Attachment 1).

DISCUSSION

The proposed full bathroom is 5'-6" x 11'-6", similar in size to the Architectural Standard #03, taking space from the "study" (enclosed atrium). The entry door is proposed to be directly accessible from the master bedroom, forming a master suite, with two lavatories, a toilet and a shower. The addition does not increase the square footage of the unit.

The addition of the bathroom reduces the "study" from 15'-6" x 10'-8" to 9'-0" x 10'-8", a significant reduction in size of roughly 42%. However, the reduction in size of the "study" from 165 square feet to 96 square feet does not inhibit the use of the space.

Staff's opinion is the additional plumbing fixtures should not be a concern as far as overloading the existing waste lines. Due to the plumbing being located within interior walls and subflooring, there should be no significant noise to neighboring units sharing a common wall.

There is currently no open Mutual Consent for Unit 2085-B.

A City of Laguna Woods building permit final would verify compliance with all applicable building codes.

A Neighbor Awareness Notice was sent to Units 2085-A, 2085-C, and 2085-D due to sharing common walls and the proximity to the work being performed.

Prepared By: Richard de la Fuente, Alterations Inspector II

Reviewed By: Gavin Fogg, Inspections Supervisor
Robbi Doncost, Manor Alterations Manager

ATTACHMENT(S)

Appendix A: Conditions of Approval
Attachment 1: Scope of Work
Attachment 2: Variance Request, February 27, 2021
Attachment 3: Photos
Attachment 4: Map
Attachment 5: Resolution 01-21-xx

APPENDIX A

CONDITIONS OF APPROVAL

1. No improvement shall be installed, constructed, modified or altered at Unit **2085-B**, ("Property") within the United Laguna Woods Mutual ("Mutual") without an approved Mutual Consent for Alterations application for the improvement has been made to, and approved, in writing, by, the Village Management Services, Inc. ("VMS, Inc."), Alterations Division ("Division"), or, in the event of a Variance from the Mutual's Alteration Standards, the Architectural Control and Standards Committee ("ACSC"). In the event written permission is given for the installation, construction, modification or alteration of any improvement(s) upon the Property, the Shareholders ("Shareholder ") agrees to comply with the Mutual's Governing Documents and any specific terms or conditions imposed, and that the installation, construction, modification or alteration shall be in strict compliance with the terms of the approval.
2. A Variance for Alterations has been granted at **2508-B** for a **bathroom addition**, subject to the attached plans stamped approved and is subject to a final inspection by the Division. Any variations to the approved attached plans are not allowed and could result in a stop work notice and/or severe fines to the Shareholder.
3. All costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Shareholder at **2508-B** and all future Mutual Shareholders at **2508-B**.
4. Prior to the issuance of a Mutual Consent for Alterations, a complete set of unit specific plans prepared by a licensed architect or structural engineer depicting the proposed improvement must be submitted to the Division office located in the Laguna Woods Village Community Center. The plans must depict any required structural modifications ensuring the structural integrity of the building is maintained upon completion of the proposed improvement.
5. Parking of contractors or other invitees' vehicles is prohibited in covered resident parking, open resident spaces, handicapped spaces or fire lanes. Contractors or other invitees must park on the street. To the extent possible contractors' or other invitees' vehicles should be limited in number.
6. A City of Laguna Woods permit may be required, which may include the requirement to obtain clearance from the South Coast Air Quality Management District (Asbestos Hot Line at (909) 396-2336). Prior to the issuance of a Mutual Consent for Alterations, the appropriate City of Laguna Woods permit number(s) must be submitted to the Division office located in the Laguna Woods Village

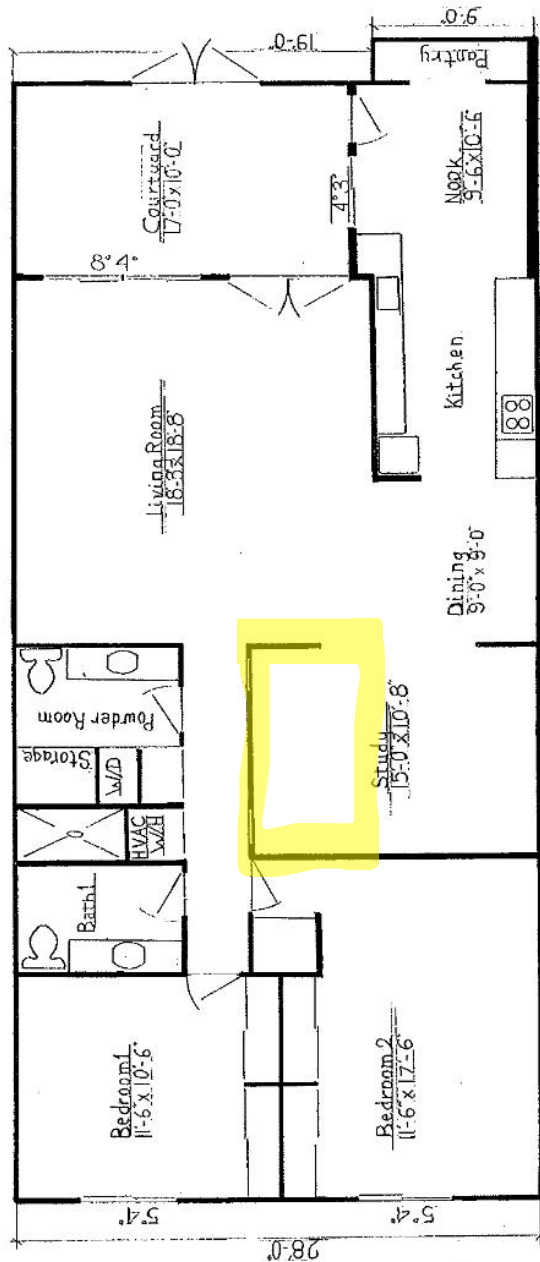
Community Center. The City permit must be finalized within the prescribed timeframe, and a copy of the final permit must be submitted to the Division within two weeks.

7. Prior to the issuance of a Mutual Consent for Alterations, any altered exterior surface should match the Building color; vinyl fence/gate will be either white or taupe, tubular steel or wrought iron fence/gate will be black or white; the approved colors and materials are identified as "United Laguna Woods Mutual Color Selections" at Resident Services, located at the Community Center first floor.
8. Shareholder hereby consents to and grants to the Mutual and the Maintenance and Construction Department, and their representatives, a right of entry upon the Property at any time to be used to inspect the Property and the improvements thereon and for the Mutual and the Department, and their representatives and contractors to remedy any violation upon the Property, including, but not limited to, removing trash, removing any improvement installed without approval or modifying an improvement to bring the same into compliance with the terms of the approval
9. Shareholder shall be responsible for all activity by contractors, subcontractors, material suppliers and their employees and agents and any others who perform work on the Property, including any violation of the Mutual's Governing Documents, including, but not limited to, traffic and parking violations, maintenance of a clean job site at all times, damage to Mutual property, and use of Mutual property for storage of equipment or materials without prior approval. Shareholder acknowledges and agrees that all such persons are his/her invitees. Shareholder shall be responsible for informing all his/her invitees of the Mutual's Rules and Regulations. Shareholder shall be liable for any violation of the Mutual's Governing Documents by any invitee, including any fine, assessment or other charge levied in connection therewith.
10. Shareholder is responsible for following the gate clearance process (<http://www.lagunawoodsvillage.com>) in place to admit contractors and other invitees.
11. Shareholder's contractors and other invitees shall travel to and from the job site by the most direct route available and are not authorized to use Mutual recreational facilities or other amenities while they are in the Village for performance of work in connection with the Property.
12. All improvements must be installed in accordance with the California State Building Code, and the published Mutual Architectural Alterations Standards, Policies and Guidelines. See <http://www.lagunawoodsvillage.com>.

13. During construction, work hours established by the Mutual and the Noise Ordinance set forth in the City of Laguna Woods Municipal Code must be adhered to at all times.
14. During construction, both the Mutual Consent for Alterations and the City Building Permit must be on display for public view at all times in a location approved by the Division.
15. It is mandatory that no waste or materials associated with the construction be dumped in the Village trash bins; such waste or materials associated with the construction must be disposed of offsite by the contractor.
16. A dumpster is approved for placement at the location identified by Security Staff by calling 949-580-1400. All dumpsters must conform to the Policy for Temporary Containers. Dumpsters must be ordered from the approved City of Laguna Woods waste hauler and must be maintained at all times.
17. Dumpsters must be ordered from the approved City of Laguna Woods waste hauler and must be maintained at all times.
18. A portable bathroom is approved for placement at the location identified by Security Staff by calling 949-580-1400.
19. The Mutual Consent for Alterations expires six months after the date of approval, unless an application is submitted with fees and approved by the Division for an extension. Only one extension for a maximum of an additional six months may be granted.
20. Violations of the forgoing conditions or the Mutual's Governing Documents (See <http://www.lagunawoodsvillage.com>), including, but not limited to, unpaid assessments, work outside the approved plans, excessive noise, illegal dumping, or working after hours, will result in disciplinary action, which could result in a stop work notice, loss of privileges and/or severe fines to the Shareholder. Such fines left unpaid will result in forfeiture of a portion or all of the Conformance Deposit required above or other legal remedy.
21. Mutual Shareholder shall indemnify, defend and hold harmless United and its officers, directors, committee Shareholders and agents from and against any and all claims, demands, costs, fines, judgments, settlements and any other costs, expenses, amounts and liabilities arising from Mutual Shareholder's improvements and installation, construction, design and maintenance of same.

Shahnazi Family Residence
2085 Ronda Granada Unit B
Laguna Woods, CA 92637

<u>DRAWN BY</u>	<u>SCALE</u>	<u>DATE</u>	<u>PAGE</u>
ALI SHAHNAZI	1"=5'		1/2

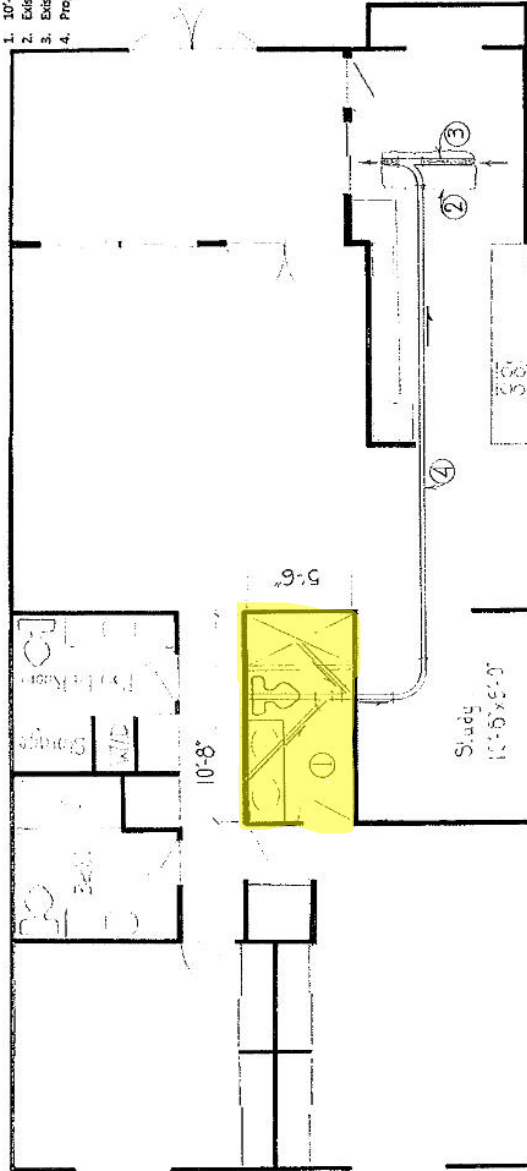


EXISTING FLOOR PLAN
Cordoba floor plan w/existing alteration

ATTACHMENT 1 – SCOPE

Description of work for variance review

1. 10'-8" X 5'-6" proposed new Master Bath
2. Existing excavation performed by HOA contractor
3. Existing 4" main drain line exposed by HOA contractor
4. Proposed drain line serving the new Master bath



Shah Nazi Family Residence
2085 Ronda Granada Unit B
Laguna Woods, CA 92657

PROPOSED NEW MASTER BATH PLUMBING PLAN FOR VARIANCE REVIEW

- 10'-8" X 5'-6" new Master Bath
- 3" X 5'-6" Shower
- 21" X 5'-6" Vanity

NOTES

- The new drain line serving the proposed Master Bath will tie to the existing 4" main drain as shown on plan.
- The existing 4" main drain in kitchen was repaired in Feb. 2021 by the HOA contractor and remains accessible.
- See attached photo
- Portion of the floor in the Kitchen was excavated by the HOA contractor to access the existing 4" main drain line.
- See attached photo
- The existing 4" main drain was exposed by the HOA contractor and was located 36" to 40" below finished floor.
- See attached photo
- Based on the depth of the existing 4" main drain the proposed lateral drain line will have ample slope to drain.
- See drawings for the proposed master bath
- Clean outs and vents will be installed in the existing wall behind the proposed toilet.
- The proposed Master Bath will be served by connecting to the existing hot and cold water lines located in attic.

DRAWN BY	SCALE	DATE	PAGE
ALI SHAHNAZI	1"=5'		1/1

ATTACHMENT 2 - APPLICATION



Laguna Woods Village

MANOR # 2085 B

☒ ULWM

☐ TLHM

Variance Request Form

SA

Model: <u>Cordoba</u>	Plan:	Date: <u>Feb 27, 2021</u>
Member Name: <u>ALI SHAHNAZI</u>	Signature: <u>Ali Shahnazi</u>	
Contractor Name/Co: <u>TBD To Be Determined</u>	Phone:	Email:

Description of Proposed Variance Request ONLY:

Add bathroom with shower in the existing enclosed atrium

Dimensions of Proposed Variance Alterations ONLY:

10 ft 8 inches x 5 ft 6 inches interior floor dimensions

FOR OFFICE USE ONLY

RECEIVED BY: LA DATE RECEIVED: 3/8/21 Check# _____ BY: _____

<u>Alteration Variance Request</u>	<u>Complete Submittal Cut Off Date:</u>
Check Items Received: <input type="checkbox"/> Drawing of Existing Floor Plan <input type="checkbox"/> Drawing of Proposed Variance <input type="checkbox"/> Dimensions of Proposed Variance <input type="checkbox"/> Before and After Pictures <input type="checkbox"/> Other: _____	Meetings Scheduled: Thrd AC&S Committee: _____ United AC&S Committee: _____ Board Meeting: _____ <input type="checkbox"/> Denied <input type="checkbox"/> Approved <input type="checkbox"/> Tabled <input type="checkbox"/> Other: _____

v.8.17

ATTACHMENT 3 - PHOTOS

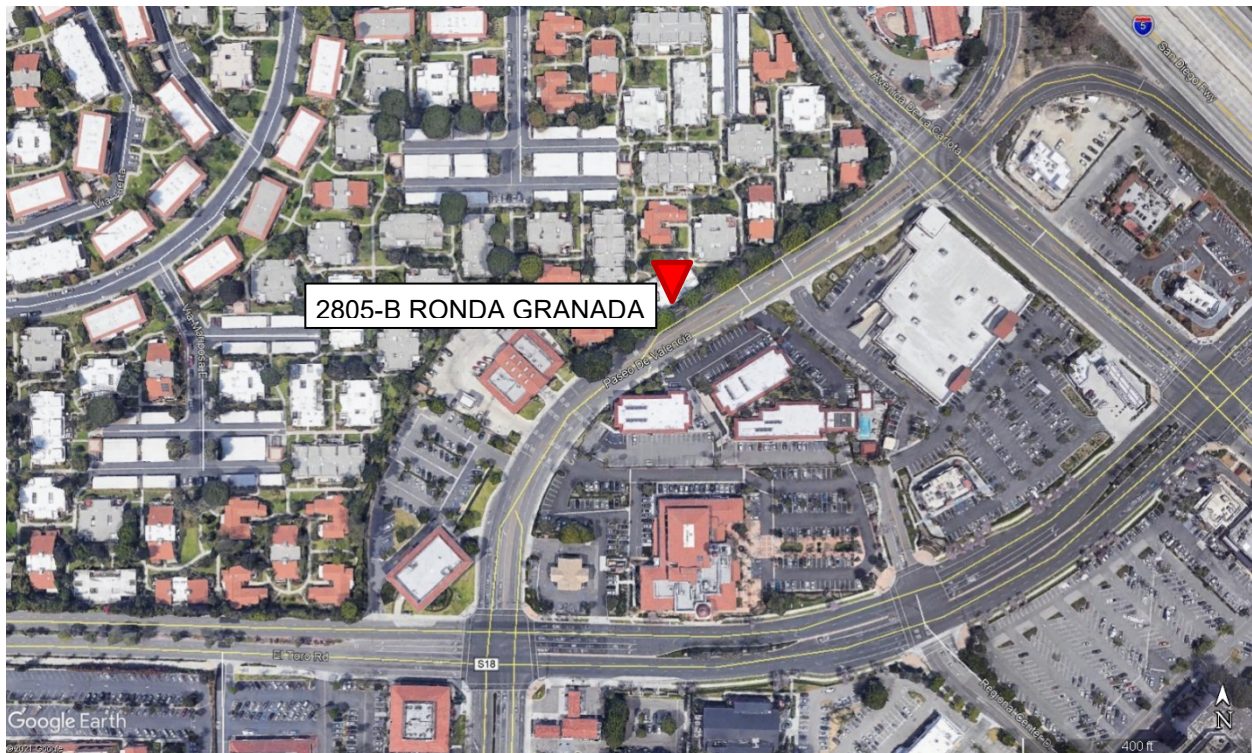


View from Kitchen to Study



View of Study

ATTACHMENT 4 - AERIALS



ATTACHMENT 5 – RESOLUTION

RESOLUTION 01-21-XX

Variance Request

WHEREAS, Mr. Ali Shahnazi of 2085-B Ronda Granada, a Cordoba style unit, requests Board approval of a variance to install a non-standard Bathroom Addition in the existing alteration enclosed atrium.; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on April 5, 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 April 19, 2021.

NOW THEREFORE BE IT RESOLVED, on May 11, 2021, the Board of Directors hereby approves the request to a variance to install a non-standard Bathroom Addition in the existing alteration enclosed atrium;

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 2085-B Ronda Granada and all future Mutual members at 2085-B Ronda Granada;

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

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RESOLUTION 01-21-XX

Approve Removal of One Bottle Brush Tree 703-C Calle Aragon

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 April 8, 2021, the Landscape Committee reviewed a request to remove Bottle Brush tree from the Member at 703-C, who cited the reasons as overgrown and structural damage, 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 Bottle Brush tree located at 703-C Calle Aragon.

NOW THEREFORE BE IT RESOLVED, May 11, 2021, the Board of Directors approves the request for the removal of one Bottle Brush 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 947-377-81; 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, May 11, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-377-81 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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RESOLUTION 01-21-XX

Recording of a Lien

WHEREAS, Member ID 947-402-20; 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, May 11, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-402-20 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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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 April 30, 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 Elsie Addington

Print Name Elsie Addington

Title United Director

Date 29 April 2021

UNITED LAGUNA WOODS MUTUAL

Signature _____

Print Name _____

Title _____

Date _____

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 April 30, 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

Elsie Addington

Print Name

Elsie Addington

Title

Director, United

Date

29 April 2021

UNITED LAGUNA WOODS MUTUAL

Signature

Print Name

Title

Date



STAFF REPORT

DATE: May 11, 2021
FOR: Board of Directors
SUBJECT: Deny a reimbursement for an Alteration Heater/AC System Repair

RECOMMENDATION

The M&C Committee recommends that the Board deny the reimbursement request from Ms. Harriet Himmelstein, owner occupant of 205-A Avenida Majorca, for the cost to repair her alteration heating and air conditioning system.

BACKGROUND

On February 3, 2021 the Mutual's contractor replaced the outdated pushmatic sub-panel with a new electrical sub-panel at unit 205-A. The City inspector visited the site, and signed off that the work was completed in compliance with current codes and standards.

On February 4, 2021 the Mutual's contractor informed staff that Ms. Himmelstein's circuit breaker for her alteration heater trips and disconnects when the system is turned on.

DISCUSSION

The Mutual's contractor determined that the alteration heater/AC unit in manor 205-A was installed with wire rated for a 20-amp breaker, however, a 30-amp breaker was placed in the sub-panel. The alteration system worked when it was connected to the older Pushmatic panel, as those breakers were known to take more electrical load than they should, which made them a fire hazard.

When the Pushmatic electric sub-panel was replaced, the Mutual's contractor could not install another 30amp breaker when the wire size to the alteration heater/AC unit would not support it. By code, a 20-amp breaker was installed. When the alteration heater was turned on, the breaker tripped, confirming that the new sub-panel is performing as designed.

Per the Mutual's policy, repair and maintenance of all alterations are the responsibility of the Shareholder. Staff and the Mutual's contractor explained the issue to Ms. Himmelstein and her son so that a solution could be determined. Ms. Himmelstein had a good relationship with her installer and contacted them to perform the necessary repair.

On February 25, 2021, Director Cash Achrekar submitted an invoice to staff on behalf of Ms. Himmelstein (Attachment 1) and requested that the Mutual issue a reimbursement in the amount of \$450.00. This request is not in accordance with Mutual policy and was brought forward for the Committee's review and recommendation to the Board.

FINANCIAL ANALYSIS

None.

Prepared By: Laurie Chavarria, Executive Assistant

Reviewed By: Ernesto Munoz, Maintenance & Construction Director

ATTACHMENT(S)

Attachment 1 – Invoice for Alteration Heat Pump Repair at 205-A

205-A Reimbursement Request for Heater Repair

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding breaker and wire sizes; the alteration policy; and why the alteration could not be supported by the new panel.

By consensus, staff was directed to edit the report so the reason is clear as to why the alteration Heater/AC unit could not be supported by the new electric panel, and forward it to the Board with a recommendation to deny the reimbursement request.

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Attachment 1 – Invoice for Alteration Heat Pump Repair at 205-A

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STAFF REPORT

DATE: May 11, 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.

On April 13, 2021, the board reviewed the proposed update to the Financial Qualifications Policy. Director Addington made a motion to introduce a resolution updating the Financial Qualifications Policy. Director Armendariz seconded the motion. President Margolis called for the vote of the motion with the contingency that Governing Documents Committee will review Article 7 “Subletting Prohibited” for a change in title. The motion passed to introduce the resolution for 28-day review by unanimous vote. The Governing Documents Committee will review Article 7 “Subletting prohibited” for a change in title at its May 20, 2021 meeting.

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

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



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 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

1. To make the necessary arrangements for the final inspection of the unit, email Resale Inspections at ResaleInspections@vmsinc.org or send a fax to 949-268-2403 a minimum of five days prior to the close of escrow.
2. For an update regarding outstanding payments, late charges and service charges, email Accounting at escrowfinalupdate@vmsinc.org.
3. 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.
4. Following the board of directors' waiver of purchase and Resident Services' authorization to close escrow, the following are required:
 - a. Escrow Closing Notification (in duplicate)
 - b. 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: ResalesRequirements@vmsinc.org

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

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

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 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 denied .	The board of directors of this mutual corporation has reviewed this application. Based on the information provided, the application is approved .
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

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

Your assistance is appreciated.

Sincerely,
Escrow Officer

Name of escrow/Realty company/Representative: _____

Escrow phone number: _____

Escrow email: _____



Escrow Closing Notification and Remittance Report

Escrow number:	
Escrow company:	Unit number:
Escrow officer:	Date:
Escrow phone number:	Email:
Closing date:	
Please be advised escrow has closed. Attached are payments, charges and/or fees due per your demand.	
1.	Depository account: Separate check, made payable to Laguna Woods Village , representing the following:
	a. Monthly assessment due for the period (date): \$
	b. Late charges \$
	c. Other \$
	Total \$
2.	Agency account: Separate check, made payable to Golden Rain Foundation , 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: \$
	Total \$
3.	Supplemental property tax: Separate check, made payable to United Mutual Total \$
4.	In addition, we enclosed the following: <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.	Date final inspection was completed by Resale Inspections Dept. Date:
6.	Seller forwarding address Name(s): Street: City, State Zip: Phone number:
7.	Lender information Company Name: Date: Street: Loan number: City, State Zip: Phone number:
8.	If unit financing is involved in the resale of a cooperative , 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. <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a



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 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.			
I affirm, under penalty of perjury, that the information provided in this application is true and correct.			For Community Services office use only
1. Name (print)	Signature	Date	
2. Name (print)	Signature	Date	

Read attached membership and occupancy requirements.

Rev 3-4-2020



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

Rev 3-4-2020



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			
Purchase information						
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				
Annual income after purchase of stock certificate for unit – attach verifications						
	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.

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

Rev 3-4-2020



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

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



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

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

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. 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

Rev 3-4-2020



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

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

2. Modification of recital
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.

3. Modification of general conditions
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.

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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

Rev 3-4-2020



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	
Attach verification of valid age: Driver's license / passport / birth certificate / military ID							
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"/>		
2.							
	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	
Shareholder/Co-occupant acknowledgements							
<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>							
** All shareholders and occupants must initial the "no rent paid or collected" agreement _____							
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	
Community Services Dept. use only							
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 _____							
Action by mutual board of directors							
Application denied				Application approved			
The board of directors of this mutual corporation has reviewed this application. Based on the information provided, the application is denied.				The board of directors of this mutual corporation has reviewed this application. Based on the information provided, the application is approved.			
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

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

DATE: May 11, 2021
FOR: Board of Directors
SUBJECT: Temporary Borrowing by the Operating Fund from the Reserve Fund

RECOMMENDATION

Staff recommends the Board entertain a motion to approve the temporary borrowing of \$6,100,000 by the Operating Fund from the Reserve Fund to meet cash-flow needs resulting from the payment of property taxes. Payback of the borrowed monies to the advancing fund is planned for three months but is not to exceed one year from the date of approval.

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. Having implemented several procedural changes based on past reviews, the board requested a review interfund borrowings.

DISCUSSION

Based on the review performed by staff it was confirmed that timing differences, or payment of expenditures not aligning with collections of monthly assessments, was the root cause for operating fund cash balances to be, at times, insufficient to meet operating fund cashflow requirements. To address the temporary shortfall of operating fund cashflow, a temporary borrowing from the reserve fund has been applied until the scheduled resident assessments have been collected. The two largest contributors for timing differences are property tax and insurance payments.

Property Taxes

The Orange County Tax Collector requires the equivalent of six months of property taxes to be paid no later than April 10th. By April, only four months of resident property tax contributions have been collected resulting in an operating fund cash deficit of \$1,965,425 (\$990,291 x 2 months: May and June) specific to property taxes.

The table below illustrates the inflow of property tax contributions from residents and outflow of payments to the Orange County Tax Collector:

	Contributions	Payment	Rolling Balance
January 2021	990,291	-	990,291
February	990,291	-	1,980,582
March	990,291	-	2,970,873
April	990,291	(5,926,589)	(1,965,425)
May	990,291	-	(975,134)
June	990,291	-	15,156

Insurance

The annual deficit resulting from the early payment of property taxes noted above was compounded by United starting the 2021 calendar year with less cash in the operating fund due to a significant increase in insurance expense. The higher insurance rates for the policy year of October 2020 through September 2021 resulted in a \$687,656 year-over-year increase for the insurance prepayment leaving the pre-paid insurance account balance at \$2,279,317 as of December 31, 2020.

Similar to the property tax cash flow table, an insurance cash flow table is shown below. The table illustrates how outgoing operating fund cash payments exceed the incoming insurance contributions from resident assessments until August of 2021 when the operating cash returns to a positive balance.

	Contributions	Payment	Rolling Balance
2020 Prepayment		(2,279,317)	(2,279,317)
January 2021	319,835	(24,957)	(1,984,439)
February	319,835	(24,957)	(1,689,561)
March	319,835	(42,076)	(1,411,802)
April	319,835	(24,957)	(1,116,924)
May	319,835	(24,957)	(822,046)
June	319,835	(24,957)	(527,168)
July	319,835	(24,957)	(232,290)
August	319,835	-	87,545
September	319,835	-	407,380
October	319,835	(3,672,053)	(2,944,838)
November	319,835	(25,706)	(2,650,709)
December	319,835	(187,435)	(2,518,309)

Note: The insurance payments listed above for October through December are estimates based on a 3% increase over current year expenses.

FINANCIAL ANALYSIS

To provide sufficient funding to pay the April 10, 2021 property tax payment, staff projected the April 10, 2021 Reserve Fund borrowings of \$2,767,518 using March 31st balances, net of operating cash:

	Staff Projection
Balances as of March 31, 2021	
Payable to Reserve Fund	(6,037,470)
Operating Cash	7,911,372
Property Tax Payment Due April 10, 2021	(5,926,589)
Anticipated Cash Receipts	
Resident Property Tax Contribution: April	990,291
Resident Insurance Contribution: April	319,835
Insurance Payments: April	(24,957)
Projected Reserve Borrowing Net	(2,767,518)
Projected outbound cashflow	(3,332,482)
Projected Reserve Borrowing Gross	(6,100,000)

Based on an anticipated monthly assessment contribution of \$990,291 for property taxes and \$319,835 for insurance, offset by a monthly insurance payment of \$24,957, a \$6,100,000 temporary borrowing is necessary from the Reserve Fund. The \$3,332,482 difference between the \$6,100,000 borrowing and the \$2,767,518 projection is due to operating funds necessary to process day-to-day transactions. The \$6,100,00 borrowing is planned to be paid back within 3 months, but no later than one-year.

<u>Repayment</u>	<u>Tax & Insurance Contribution</u>	<u>Insurance Payment</u>	<u>Rolling Balance</u>
April 2021 Borrowing			(2,788,442)
May	1,310,126	(24,957)	(1,482,349)
June	1,310,126	(24,957)	(197,180)
July	1,310,126	(24,957)	1,087,989

Prepared By: Steve Hormuth, Controller

Reviewed By: Betty Parker, Chief Financial Officer
Jeff Parker, Chief Executive Officer

Attachment 1 Resolution 01-21-xx Temporary Borrowing by the Operating Fund
from the Reserve Fund

RESOLUTION 01-21-XX

Temporary Borrowing by the Operating Fund from the Reserve Fund

WHEREAS, pursuant to Civil Code Section 5515, the Board of Directors may authorize the temporary transfer of moneys from a reserve fund to an Association's general operating fund to meet short- term cash-flow requirements or other expenses, if the Board of Directors has provided notice of the intent to consider the transfer in a Board meeting notice provided pursuant to Section 4920.

WHEREAS, the notice required pursuant to Section 4920 has been provided in the agenda for this Board of Directors meeting.

WHEREAS, it has become necessary to transfer moneys from the reserve fund to the operating fund due to timing differences in when property tax assessments are collected and the corresponding amounts are required to be paid and also due to short term cash flow shortfalls in the operating fund.

WHEREAS, the amount of funds needed to be transferred from the reserve fund to the operating fund has been determined to be \$6,100,000 and the repayment of such funds from the operating fund to the reserve fund is anticipated to be provided by future property tax assessment collections and positive cash flow results from operations.

WHEREAS, it is planned and anticipated that sufficient cash flow will be generated in the operating fund to repay the \$6,100,000 to the reserve fund in three months and therefore a special assessment will not be needed.

NOW THEREFORE BE IT RESOLVED, May 11, 2021 that the transfer of up to \$6,100,000 as a temporary transfer from the reserve fund to the operating fund for the reasons stated herein, and with the plan to repay the funds in three months, but no later than one year from this date, is hereby authorized.

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

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STAFF REPORT

DATE: May 11, 2021
FOR: Board of Directors
SUBJECT: 2021 Election Schedule, Annual Meeting of Members, and Inspector of Election Services

RECOMMENDATION

Approve the proposed 2021 election schedule, set the annual Meeting of Members, and appoint UniLect Corporation as the inspector of elections for the election of directors.

BACKGROUND

Civil Code §5110 requires the association to select an independent third party as inspector of elections. In accordance with Civil Code §5110, §5115, §5120, and §5125, the inspector of elections performs several tasks during an election, including but not limited to print, collate, mail, receive, register, store and safeguard secret ballots and required inner (ballot envelope) and outer envelope (mailing envelope) and provide election day services such as ballot counting, tabulation, validation, and certification of election results.

Article V Section 2 of the United Laguna Woods Mutual Bylaws states in part that the annual Meeting of Members shall be held on the Second Tuesday of October of each year at 9:30 a.m. unless the Board of Directors fixes another time and/or date and so notifies the Members as provided in Article V Section 4 of the Bylaws. The annual election schedule is typically constructed to complete the tabulation of ballots prior to the annual Meeting of Members on the second Tuesday of October.

DISCUSSION

The proposed 2021 election schedule reflects the timeline required by Civil Code §5115 for the annual election process and the Membership Elections and Voting Policy approved by the board of directors on June 9, 2020 (Resolution 01-20-26). The proposed election schedule has been approved by legal counsel and contains the dates upon which action must be taken by staff and the inspector of elections. Key milestones include the following:

Milestone	Date
Nominations open	June 30, 2021
Nominations close	July 30, 2021
Mail ballot package	August 30, 2021
Ballots due	September 30, 2021
Tabulation of ballots	October 1, 2021
Annual meeting of Mutual Members	October 12, 2021

Following an extensive search to identify a specialized contractor with proven expertise in homeowner association elections and Davis-Stirling Act compliance, UniLect Corporation was appointed as inspector of elections for the 2019 annual election. Based on the firm's satisfactory performance during the 2019 cycle, the board of directors appointed UniLect Corporation to serve during the 2020 election. Staff recommends that the board appoint UniLect Corporation to again serve as Inspector of Election in 2021 based on continued satisfactory performance during the 2020 election.

FINANCIAL ANALYSIS

The proposal submitted by UniLect Corporation for the 2021 Election of the Directors is \$24,680 excluding postage. Funding for annual inspector of election services is included in the annual operating budget.

Prepared By: Siobhan Foster, COO

Reviewed By: Cheryl Silva, Corporate Secretary

ATTACHMENT(S)

ATT 1: 2021 Election Schedule

ATT 2: Resolution 01-21-XX, Approve Inspector of Election Services



United Election Schedule 2021

Staff Report to Approve Election Schedule & Resolution to Appoint Inspector of Elections	May 11, 2021
Mailing of Annual Election and Call for Candidates (postcard)	June 25, 2021
Member Right to Review Mailing List	June 25, 2021
Record Date for Mailing Lists	June 30, 2021
Nominations Open	June 30, 2021
Nominations Close (5 p.m.)	July 30, 2021
Candidate Statements Due to Inspector of Elections	July 30, 2021
Deadline for Election by Acclamation	August 2, 2021
Deadline to Withdraw Candidacy	August 3, 2021
Copy of Mailing List to Inspector of Elections	August 3, 2021
Ballot Information to Inspector of Elections	August 3, 2021
General Notice of Candidate List/Information	August 4, 2021
Mail Ballot Package	August 30, 2021
Meet the Candidates and Candidate Video Filming	September 10, 2021
Replay Meet the Candidates	TBA
Notice Tabulation Meeting	September 27, 2021
Notice Annual Meeting	September 27, 2021
Ballots Due Back: <ul style="list-style-type: none"> – 11 a.m. Inspector's Post Office box – 5 p.m. Community Center Ballot Box 	September 30, 2021
Tabulation Meeting; Counting of Ballots by Inspector of Elections	October 1, 2021
Notice of Organizational Meeting	October 7, 2021
Annual/Organizational Board Meeting Date	October 12, 2021, 9:30 a.m., Board Room

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RESOLUTION 01-21-xx
Approve Inspector of Election Services

WHEREAS, Civil Code §5110 requires an association to select an independent third party or parties as an inspector of elections; and

WHEREAS, in accordance with Civil Code §5110, §5115, §5120, and §5125, the inspector of elections performs several tasks during an election, including but not limited to print and mail voter packages, inspect and tabulate ballots, and certify results;

NOW THEREFORE BE IT RESOLVED, May 11, 2021, that the Board of Directors of United Laguna Woods Mutual hereby approves single-sourcing a contract to UniLect Corporation to perform inspector of election services for the 2021 annual Meeting of the Members; and

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

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STAFF REPORT

DATE: April 28, 2021
FOR: Maintenance and Construction Committee
SUBJECT: Revised Non-Emergency Maintenance Chargeable Services List & Resolution

RECOMMENDATION

Review and approve the revised list of non-emergency maintenance chargeable services and the updated Resolution 01-21-XX (Attachments 1 and 2).

BACKGROUND

The Mutual performs repair services as provided under the General Conditions of the Occupancy Agreement. However, since 2004, the Mutual has provided non-emergency maintenance chargeable services as an added benefit to the Shareholders.

On March 10, 2020 the Board adopted Resolution 01-20-22 which, for the first time, allowed maintenance to be performed on certain alterations.

In January 2021, staff discovered that some non-emergency chargeable services were provided to members that weren't on the approved list. In order to provide an all-encompassing list of services, additional non-emergency maintenance chargeable services have been added for appliances, electrical, carpentry, plumbing and painting, as referenced on the attached list.

DISCUSSION

The Mutual has historically planned for various levels of work as non-emergency maintenance chargeable services. These chargeable service repairs are typically items of work for which the Mutual is not responsible; such repairs have been included in the annual budgeted service levels as a courtesy to members. Chargeable services are provided at no cost to the Mutual.

Labor is prorated to the tenth of an hour and applied at the current billing rate for the relevant department; materials are passed through at cost; and a flat rate \$10.00 service charge is applied.

The addition of other non-emergency chargeable services may alter the staffing level required to accommodate the increase in requested work. Careful consideration must be given to staffing levels if the number of non-emergency maintenance chargeable services is increased, so these hours, and potentially new positions, may be reflected in subsequent budget proposals.

The estimated number of staff hours to complete the additional chargeable services is unknown at this time, and will depend on direction provided by the Board relative to new services.

FINANCIAL ANALYSIS

None.

Prepared By: Laurie Chavarria, Executive Assistant

Reviewed By: Ernesto Munoz, Maintenance & Construction Director

ATTACHMENT(S)

Attachment 1 – Proposed Non-Emergency Maintenance Chargeable Services
Attachment 2 – Resolution 01-21-XX

Endorsements to Board (4 pages):

Revisions to Non-Emergency Maintenance Chargeable Services List

The Mutual performs repair services as provided under the General Conditions of the Occupancy Agreement. However, since 2004, the Mutual has provided non-emergency maintenance chargeable services as an added benefit to the Shareholders.

On March 10, 2020 the Board adopted Resolution 01-20-22 which, for the first time, allowed maintenance to be performed on certain alterations.

In January 2021, staff discovered that some non-emergency chargeable services were provided to members that weren't on the approved list. In order to provide an all-encompassing list of services, additional non-emergency maintenance chargeable services have been added for appliances, electrical, carpentry, plumbing and painting, as referenced on the attached list.

Discussion ensued regarding burner pans; stove/oven heater coils; estimated costs; interior doors replacements; reasons for water shut off request and repair of broken valve replacements.

By consensus, staff was directed to amend the list of services to specify what interior doors can be replaced and to add a note at the bottom of the list to notify residents that costs are estimates only and may fluctuate.

A motion was made to recommend that the Board approve the revised list of non-emergency maintenance chargeable services and the updated Resolution 01-21-XX, as amended by the Committee.

By a vote of 3/1/0 (Director Bastani opposed), the motion passed.

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Non-Emergency Maintenance Chargeable Services

The Board of Directors of the United Laguna Woods Mutual passed **Resolution 01-21-XX** on **June 8, 2021**, to approve the following updated schedule of non-emergency maintenance chargeable services. This program has been implemented for the convenience of the Shareholders of United Mutual.

Trade	Description of Service	*Limitations	*Cost
Appliance	Install Alteration Dishwasher (Plug-in Only, No Modifications)	Resident Supplied	\$195.00
	Install Alteration Stove Top (Hard Wired, No Modifications)	Resident Supplied	\$160.00
	Install Alteration Oven (Hard Wired, No Modifications)	Resident Supplied	\$230.00
	Install Alteration Wall Mounted Microwave (No Modifications)	Resident Supplied	\$160.00
	Install or Replace Ice Maker Tubing for Refrigerator	Resident Supplied	\$75.00
	Replace or Clean Alteration Range Hood Filter	Resident Supplied	\$55.00
	Remove/Replace Alteration Appliances Moved for Repairs	N/A	\$150.00
	Replace Alteration Stove Top Burner Pans	Resident Supplied	\$30-45.00
	Repair Upgraded or Alteration GE Appliances - excludes non-GE brands (ex. pump in dishwasher, fan motor for fridge, door gaskets, etc.)	Mutual Supplied	Varies
Electrical	Replace Alteration Ceiling Light (like for like)	Resident Supplied	\$170.00
	Replace Alteration Ceiling Fan (like for like)	Resident Supplied	\$235.00
	Replace Alteration Switch (Dimmer okay, No Relocation)	Resident Supplied	\$80.00
	Replace Alteration Outlets (GFCI okay, No Relocation)	Resident Supplied	\$80.00
	Replace Alteration Light Sockets/Ballasts	Resident Supplied	\$160.00
	Replace Light bulbs (Fixtures and/or Appliances)	Mutual Supplied	\$30-80.00
Carpentry	Replace Alteration Entry Door Dead Bolt Lock (excludes keyless systems)	Resident Supplied	\$55.00
	Install or Replace Entry Door Peep Holes, Mail Slots and Entry Door Screens (applicable to alteration doors only)	Resident Supplied	\$69.00
	Replace Broken or Cracked Alteration Windows (like for like replacement, excludes any windows requiring high reach equipment such as aerial lifts)	Resident Supplied	\$1,200.00
	Repair Small Interior Drywall Holes (does not include painting)	Mutual Supplied	\$70.00
	Install New or Replace Existing Alteration Towel Bars or Grab Bars (installed in drywall only, not in fiberglass or tile)	Resident Supplied	\$40.00
	Replace or Install Alteration Door Stops/Bumpers	Resident Supplied	\$69.00
	Size Interior Doors for New Alteration Flooring	Mutual Supplied	\$69.00
	Repair Alteration Sliding Glass Doors/Screens	Resident Supplied	\$69.00
	Repair Alteration Sliding Windows/Screens	Resident Supplied	\$69.00
	Repair/Replace Alteration Entry Screen Doors	Resident Supplied	\$69.00
	Repair Alteration Sliding Closet/Wardrobe Door	Resident Supplied	\$69.00
	Repair/Replace Alteration Chopping Board/Bread Board	Resident Supplied	\$69.00
	Repair/Replace Alteration Baseboards and Moldings	Resident Supplied	\$69.00
	Repair/Replace Alteration Drawer Guides	Resident Supplied	\$69.00
	Install Alteration Entry Door w/ Lock (Requires an approved Mutual Consent)	Resident Supplied	\$450.00
	Repair Alteration Carport Condensation Panels	Resident Supplied	\$96.00
	Removal Alteration Carport Condensation Panels (includes painting)	Resident Supplied	\$458.00
	Replace Interior Bedroom or Bathroom Doors (does not include jam/framing)	Resident Supplied	\$150.00

Plumbing	Repair Alteration Garbage Disposal	Resident Supplied	\$55.00
	Replace an Alteration Garbage Disposal	Resident Supplied	\$90.00
	Repair/Replace Alteration Shower Head	Resident Supplied	\$90.00
	Repair/Replace Valve for Ice Maker Line (as long as there is no active leak)	Resident Supplied	\$90.00
	Repair/Replace Alteration Faucet (cartridge style)	Resident Supplied	\$90.00
	Repair/Replace Alteration Sink/Basin Spray Heads, Drain Traps, Basin Stoppers, Pull-Rods, Hoses, Supply Lines (as long as there is no active leak)	Resident Supplied	\$80-160.00
	Repair/Replace Alteration Kitchen Sink & Bathroom Basin (like for like)	Resident Supplied	\$160.00
	Repair/Replace Alteration Fitting/Flange/Valves (as long as there is no active leak)	Resident Supplied	\$90.00
	Repair/Replace Alteration Toilets (as long as there is no active leak)	Resident Supplied	\$90.00
	Repair/Replace Toilet Seat	Resident Supplied	\$70.00
	Replace Alteration Shower Mixing Valve	Resident Supplied	\$90.00
	Replace Alteration Water Heater (as long as there is no active leak)	Resident Supplied	\$230.00
	Water Shut-off/on – Resident Request for Alteration Repair/Replace	N/A	\$25-45.00
	Camera Sewer Line for Alteration Permit	N/A	\$45-105.00
Painting	Interior Touch-up Painting (partial wall)	Resident Supplied	\$80.00
	Interior Touch-up Painting (full wall)	Resident Supplied	\$130.00
	Exterior Entry Door Paint (full paint – off program. Requires Board approved variance.)	Resident Supplied	\$120-250.00
*LIMITATIONS	Estimated cost includes a \$10 service charge, labor and materials (as noted above). Most parts are to be provided by the Resident.		
	The costs provided above are ESTIMATES only. Actual charges may vary.		
	All Mutual supplied parts will be standard brand only.		
	All Mutual supplied parts will be limited to parts in stock.		
	All Mutual provided parts and labor carry a 30-day warranty, unless specified otherwise.		
	Resident Supplied = Resident to supply the replacement or repair parts at the time of service.		
	Failure to be present at the time of service will result in a \$50.00 Missed Maintenance Appointment Fee.		
	Where applicable, a \$25 permit fee for the City of Laguna woods will be charged.		

Attachment 2 - Resolution 01-21-XX

Resolution 01-21-XX, Non-Emergency Maintenance Chargeable Services

WHEREAS, the Board established a “Chargeable Maintenance Services Policy” by way of Resolution 01-04-28; and

WHEREAS, the Board amended the policy on June 12, 2007 to remove single fixture stoppages as a chargeable service; and

WHEREAS, the Board amended the policy further by way of Resolution 01-17-104 to establish a charge of \$50.00 for a Missed Maintenance Appointment to be charged to resides who are a no-show during their scheduled appointment time frame or do not cancel/reschedule 24 hours prior to their scheduled appointment; and

WHEREAS, the Board added additional services by way of Resolution 01-20-22 to include non-emergency maintenance chargeable services to authorized member alterations; and

WHEREAS, in order to provide a complete list of non-emergency maintenance chargeable services, the list has been revised again to account for services that have been provided to members for many years, that weren’t previously on the chargeable services list; and

WHEREAS, additional non-emergency maintenance chargeable services have been included for appliances, electrical, carpentry, plumbing and painting, as referenced on the attached, approved list.

NOW THEREFORE BE IT RESOLVED, June 8, 2021, that the Board of Directors hereby approves the attached new policy and list of non-emergency maintenance chargeable services; and

RESOLVED FURTHER, that the service charge for all Maintenance chargeable services shall remain \$10; and

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

RESOLVED FURTHER, the \$50 service charge for when the Mutual Member (or representative) is not home for a scheduled appointment and fails to cancel in advance shall remain in effect; and

RESOLVED FURTHER, that Resolution 01-20-22 adopted on April 10, 2020 is hereby superseded and cancelled; and

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

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Financial Report

Preliminary as of March 31, 2021



INCOME STATEMENT (in Thousands)		ACTUAL
Assessment Revenue		\$11,318
Non-assessment Revenue		\$39
Total Revenue		\$11,357
Total Expense		\$9,838
Net Revenue/(Expense)		\$1,519

Financial Report

Preliminary as of March 31, 2021



OPERATING ONLY INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$8,434
Non-assessment Revenue	\$338
Total Revenue	\$8,772
Total Expense ¹	\$8,057
Operating Surplus	\$715

1) excludes depreciation

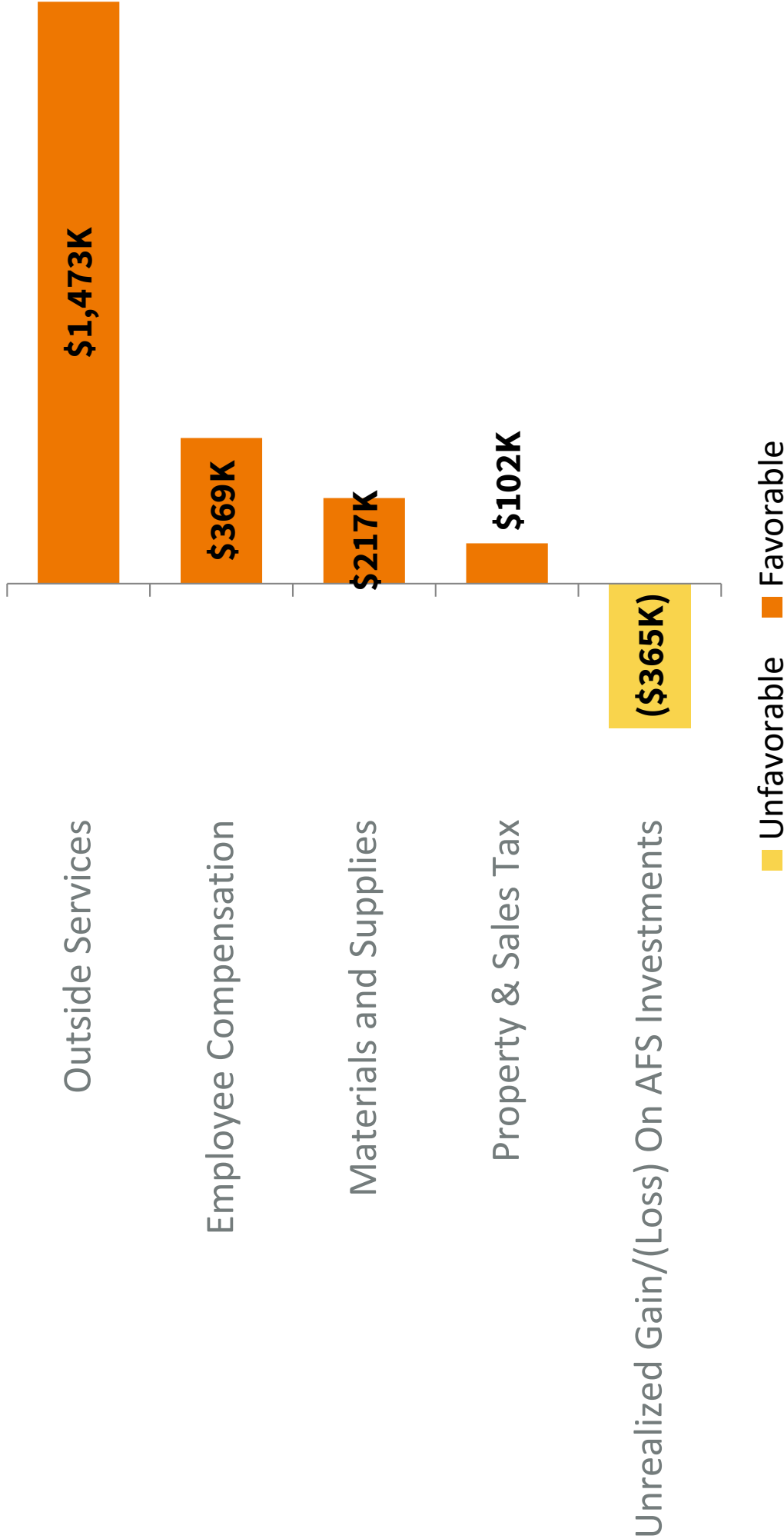
Financial Report

Preliminary as of March 31, 2021

INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE B/(W)
Assessment Revenue	\$11,318	\$11,314	\$4
Non-assessment Revenue	\$39	\$448	(\$409)
Total Revenue	\$11,357	\$11,762	(\$405)
Total Expense	\$9,838	\$12,042	\$2,204
Net Revenue/(Expense)	\$1,519	(\$280)	\$1,799

Financial Report

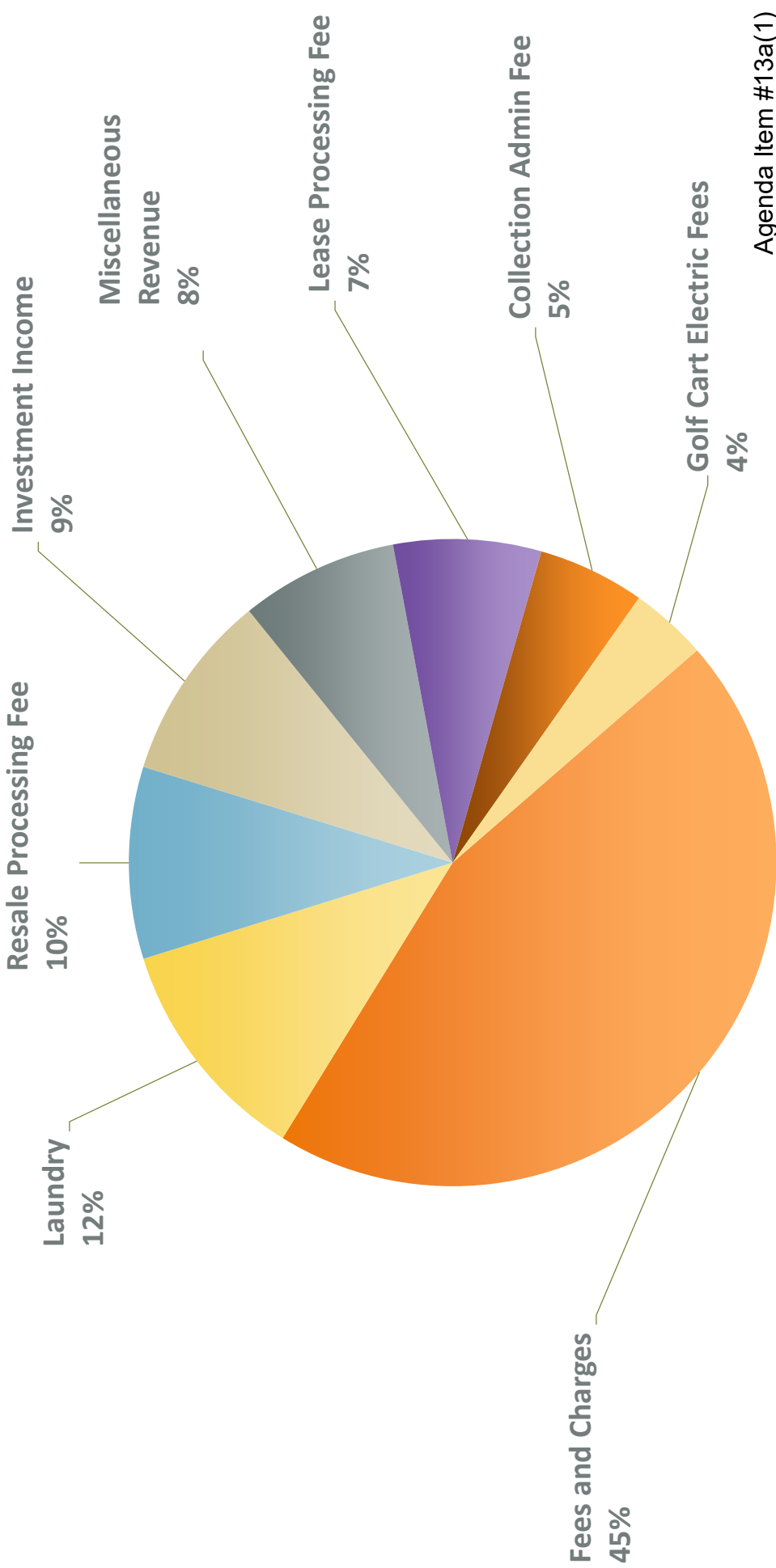
Preliminary as of March 31, 2021



Financial Report

Preliminary as of March 31, 2021

Total Non Assessment Revenues \$373,373 excluding Unrealized Loss on AFS Investments

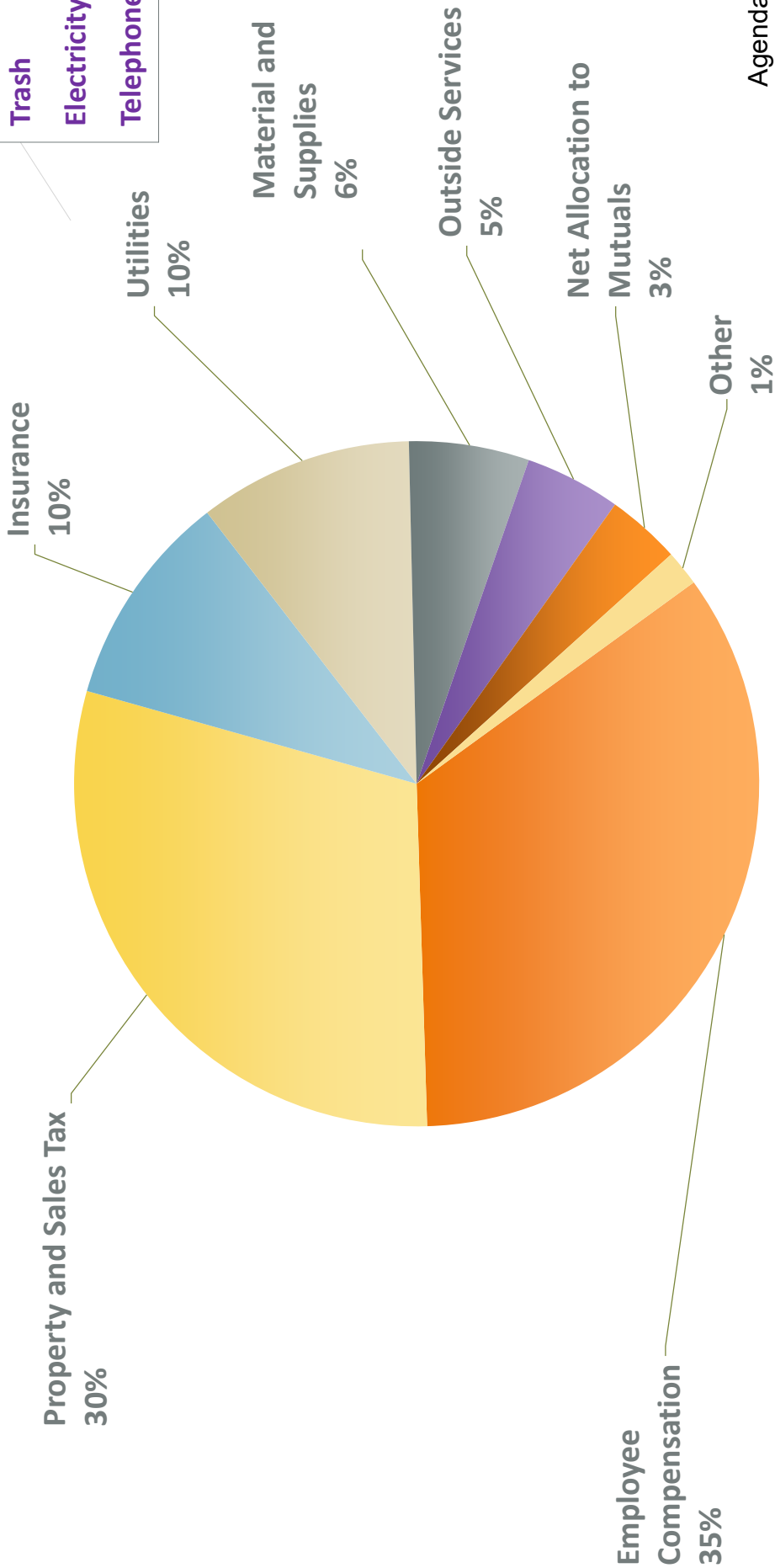


Financial Report

Preliminary as of March 31, 2021



Total Expenses \$9,838,055

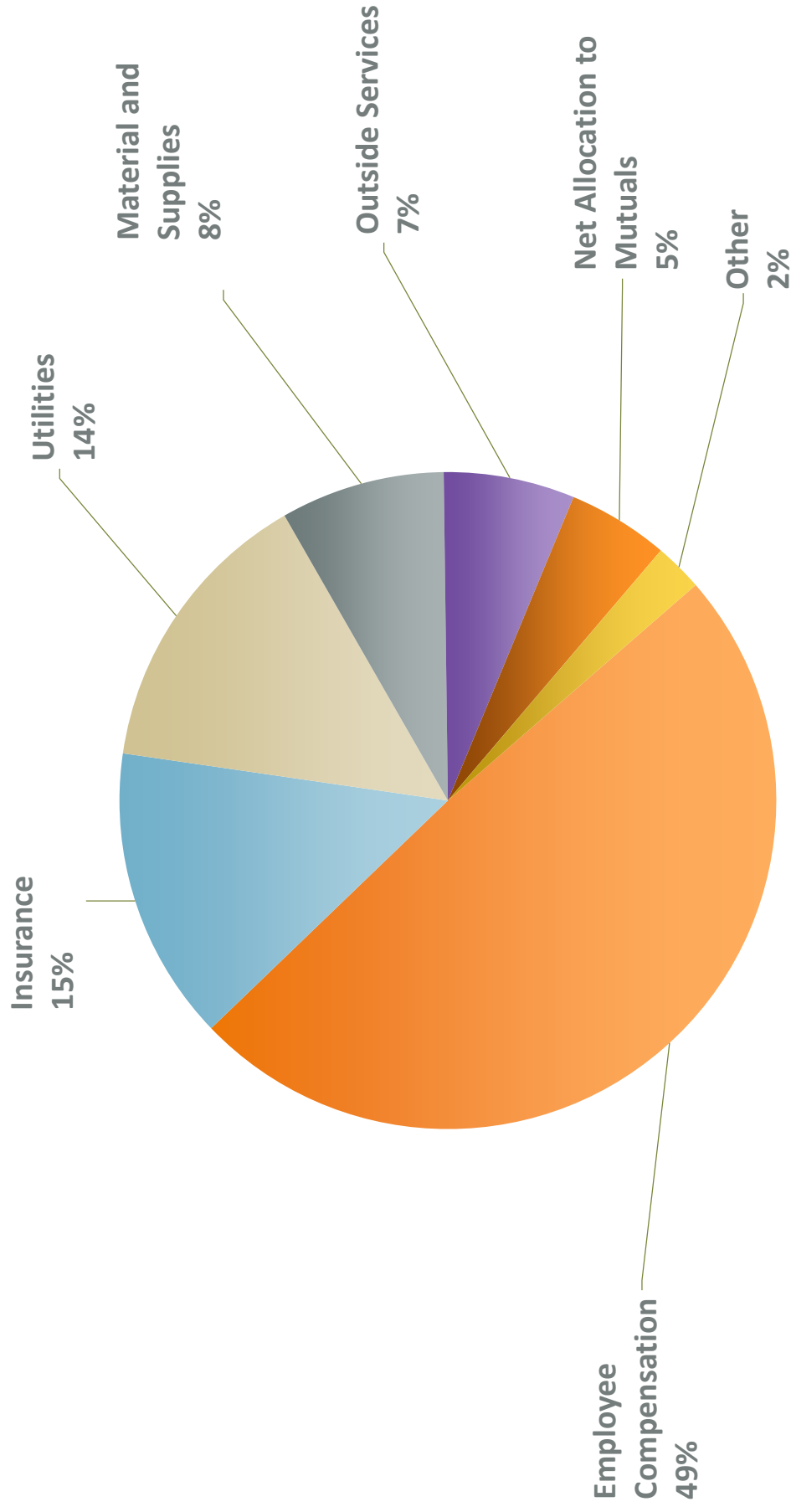


Sewer	\$439,613
Water	\$390,938
Trash	\$112,798
Electricity	\$51,148
Telephone	\$162

Financial Report

Preliminary as of March 31, 2021

Total Expenses Excluding Property and Sales Tax \$6,900,810



Financial Report

Preliminary as of March 31, 2021

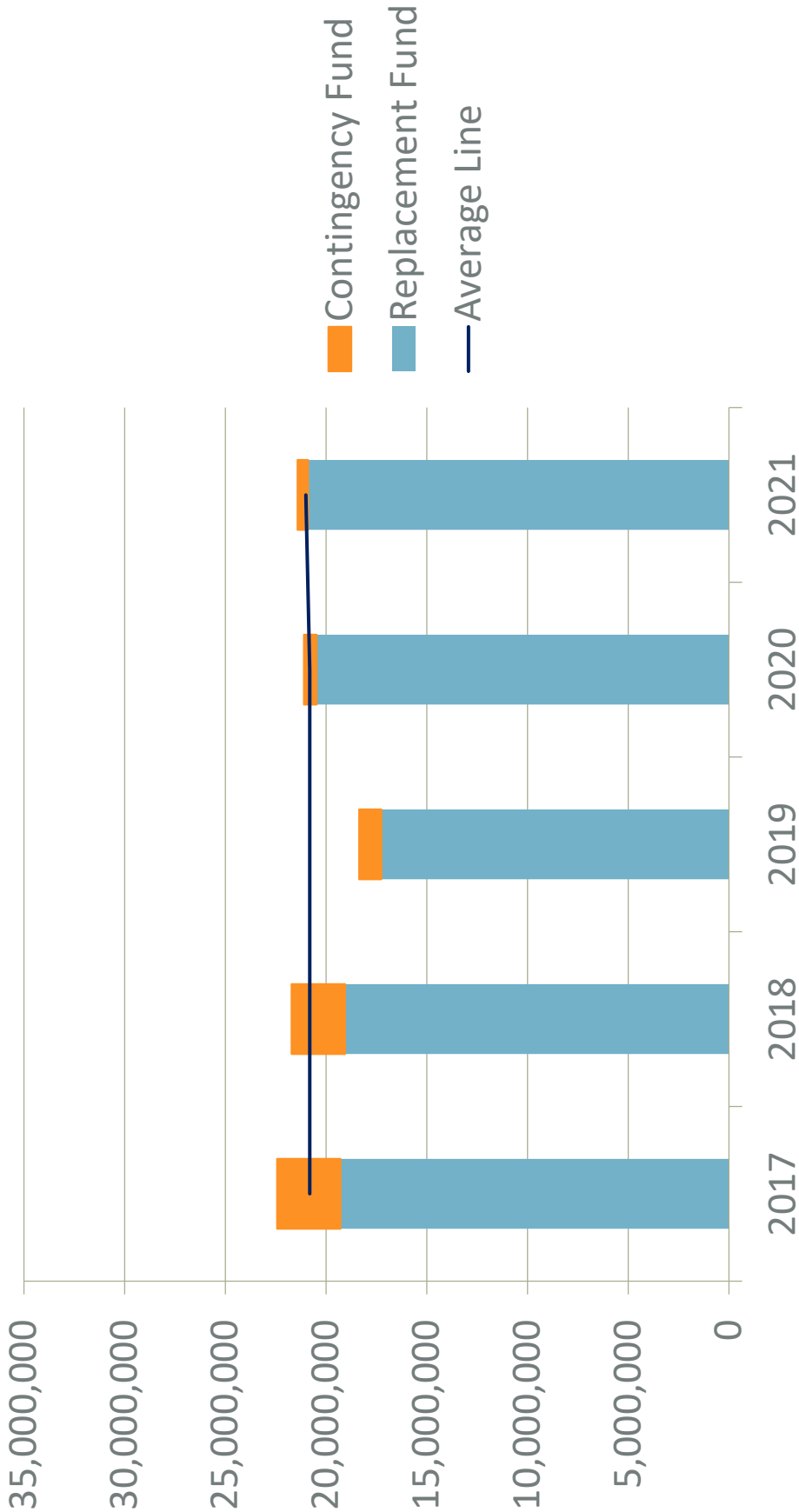


NON-OPERATING FUND BALANCES (in Thousands)	CONTINGENCY	RESERVE
Beginning Balances: 1/1/21	\$371	\$20,196
Contributions & Interest	172	2,412
Expenditures	16	1,716
Current Balances: 3/31/21	\$527	\$20,892

Financial Report

Preliminary as of March 31, 2021

FUND BALANCES – United Mutual



Financial Report

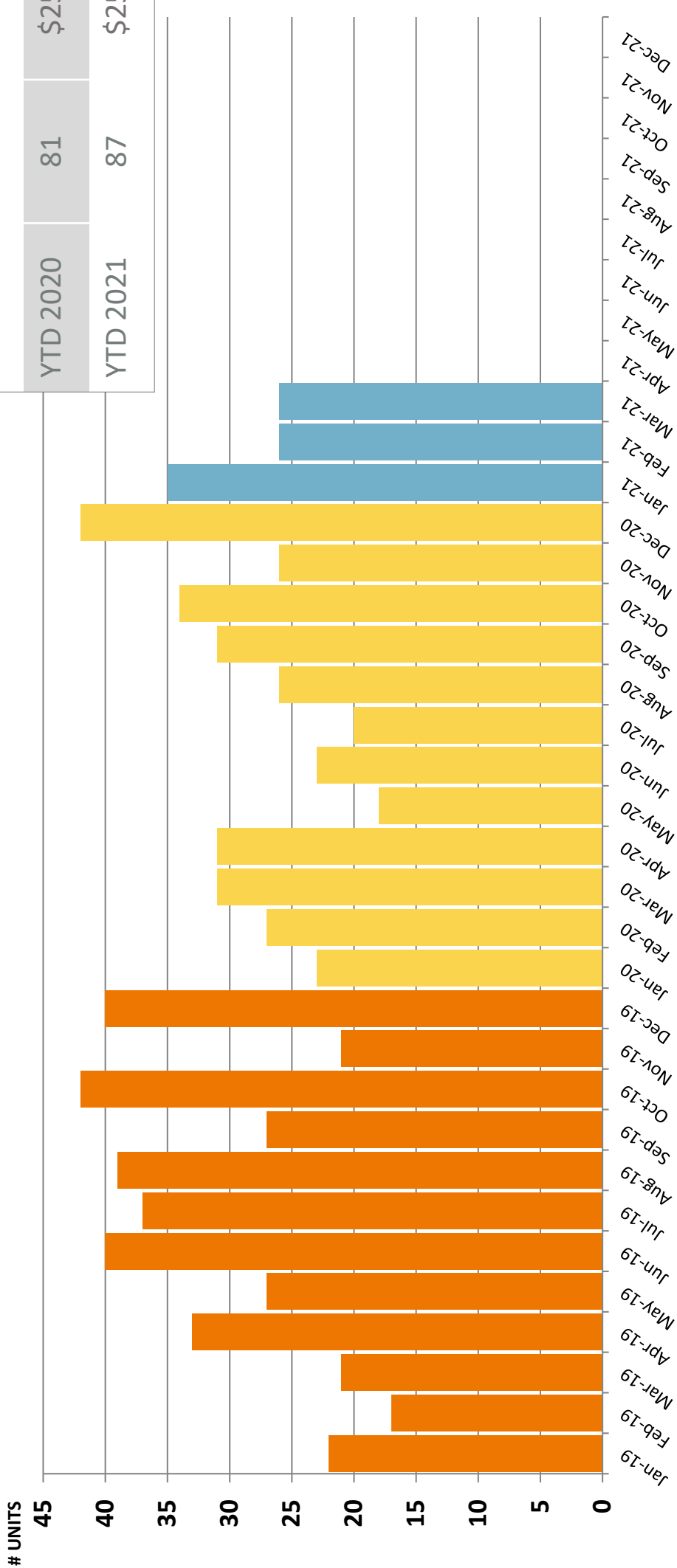
Preliminary as of March 31, 2021

RESALE HISTORY – United Mutual



UNITED LAGUNA WOODS
— M U T U A L —

	NO. OF RESALES	AVG. RESALE PRICE
YTD 2019	60	\$264,360
YTD 2020	81	\$251,670
YTD 2021	87	\$259,681



United Laguna Woods Mutual
Statement of Revenues & Expenses - Preliminary
3/31/2021
(\$ IN THOUSANDS)

	ACTUAL	CURRENT MONTH BUDGET	VARIANCE	ACTUAL	YEAR TO DATE BUDGET	VARIANCE	PRIOR YEAR ACTUAL	TOTAL BUDGET
Revenues:								
Assessments:								
1 Operating	\$2,811	\$2,810	\$1	\$8,434	\$8,430	\$4	\$7,606	\$33,721
2 Additions to restricted funds	961	961		2,884	2,884		3,073	11,535
3 Total assessments	3,773	3,771	1	11,318	11,314	3	10,679	45,256
Non-assessment revenues:								
4 Merchandise sales				1			2	
5 Fees and charges for services to residents	46	52	(6)	168	155	13	110	629
6 Laundry		23	(22)	42	68	(25)	64	270
7 Investment income	14	20	(6)	35	59	(24)	71	234
8 Unrealized gain/(loss) on AFS investments	(130)	10	(140)	(334)	31	(365)	236	125
9 Miscellaneous	41	45	(4)	127	135	(8)	116	541
10 Total non-assessment revenue	(28)	149	(178)	39	448	(409)	599	1,799
11 Total revenue	3,744	3,921	(177)	11,357	11,762	(405)	11,278	47,055
Expenses:								
12 Employee compensation and related	1,177	1,286	109	3,395	3,764	369	3,364	15,045
13 Materials and supplies	197	255	58	558	775	217	511	3,087
14 Utilities and telephone	352	318	(35)	995	941	(53)	924	4,359
15 Legal fees	10	29	19	37	87	50	44	350
16 Professional fees	37	38	1	37	49	13	36	116
17 Equipment rental	6	2	(4)	16	5	(11)	4	20
18 Outside services	119	619	500	445	1,919	1,473	1,548	9,229
19 Repairs and maintenance	3	5	2	9	12	3	8	49
20 Other Operating Expense	8	16	8	22	56	34	34	206
21 Property and sales tax	977	1,013	37	2,937	3,040	102	2,876	12,158
22 Insurance	333	320	(13)	1,000	959	(40)	507	3,838
23 Investment expense		3	3	3	3		2	11
24 Uncollectible Accounts	(2)	8	10	(8)	8	16	13	30
25 (Gain)/loss on sale or trade	16	16		49	49		(12)	
26 Depreciation and amortization	112	126	14	344	375	31	50	196
27 Net allocation to mutuals							371	1,484
28 Total expenses	3,345	4,053	708	9,838	12,042	2,204	10,279	50,177
29 Excess of revenues over expenses	\$399	(\$132)	\$531	\$1,519	(\$280)	\$1,799	\$999	(\$3,122)



Statement of Revenues & Expenses - Preliminary Variance Explanations as of March 31, 2021

SUMMARY

United financial results were better than budget by \$1,799K as of March 31, 2021, primarily resulting from timing. Explanations for categories with significant variances are found below.

REVENUE

► **Unrealized gain/(loss) on AFS Investments** [Line 8](#) (\$365K)

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](#) – \$369K

Favorable variance resulted primarily in M&C departments and Landscape. Savings occurred in Landscape where shrub-bed maintenance was outsourced creating savings in labor hours. Primarily impacted areas in M&C were in paint programs and carpentry services due to a reduction in staff required resulting from a change from a budgeted 10-year paint cycle to a 15-year cycle. Electrical, Damage Restoration, and Interior components work centers also had favorable variances due to open positions.

► **Materials and Supplies** [Line 13](#) – \$217K

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

► **Outside Services** [Line 18](#) – \$1,473K

Waste Line Remediation – \$529K

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.

Building Structures – \$286K

Favorable variance due to timing of expenditures compared to budget spread. Signed vendor contracts for building structures maintenance operations were received in April with work scheduled to begin immediately. Building structures replacement job is favorable due to lower amount of buildings inspected requiring structural repairs than anticipated.



Statement of Revenues & Expenses - Preliminary
Variance Explanations as of March 31, 2021

Damage Restoration – \$187K

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.

Tree Maintenance – \$126K

Favorable variance due to timing of program; The budget is spread evenly throughout the year, but work is scheduled to begin April 26, 2021.

► **Property and Sales Tax [Line 21](#) \$102K**

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

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OPEN MEETING

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

Tuesday, April 27, 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: United - Manuel Armendariz, Elsie Addington

VMS – Juanita Skillman

Select Audit Task Force Representative – Elizabeth Roper

MEMBERS ABSENT: None

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

Call to Order

Director Asgari, Treasurer, 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 as presented.

Approval of the Regular Meeting Report of March 30, 2021

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

- Revert Chair Remarks to original statement sent by Chair.

Chair Remarks

(Insert Chair Remarks that will be sent by Azar.)

Member Comments (Items Not on the Agenda)

Director Torng commented on the project contract proposal and the financial analysis associated with them.

Department Head Update

Betty Parker, Chief Financial Officer, provided updates on the 2022 budget process, banking services, collections services, 2020 audit, insurance, property tax refunds and reserve payment approvals.

Review Preliminary Financial Statements dated March 31, 2021

The committee reviewed financial statements for March 31, 2021 and questions were addressed. Staff will provide a mapping of the General Ledger to the committee including a breakdown of the GRF Non-Controlling Interest line item on United's balance sheet.

Compensation and Outside Services

The committee reviewed the report. No actions were requested or taken.

2020 Audit Bridge Report

The committee reviewed the 2020 audit bridge report. Questions were addressed and per the request of Director Asgari a revised report will be sent out eliminating the supplemental details after the section titled Final Board Financials for December 31, 2020.

Temporary Borrowing from Operating and Reserves

The committee discussed the memo from staff on the practice of temporary borrowing from Operating and Reserve Funds with borrowings increasing during months of large payments such as property taxes and prepaid insurance. Increased borrowings are caused by the timing of payments differing from timing of assessments. No action was taken yet the original temporary borrowing staff report is to be presented to the board including the memo as a supplemental attachment.

Mutual Owned Appliance Record

Ernesto Munoz, Director of Maintenance and Construction, was unable to attend the committee meeting. The topic was moved to Future Agenda Items.

Future Agenda Items

Mutual Owned Appliance Record

Committee Member Comments

None.

Date of Next Meeting

Tuesday, May 25, 2021 at 1:30 p.m. and will be held virtually.

Recess to Closed Session

The meeting recessed to closed session at 4:35 p.m.

DRAFT

Azar Asgari, Chair

Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

United

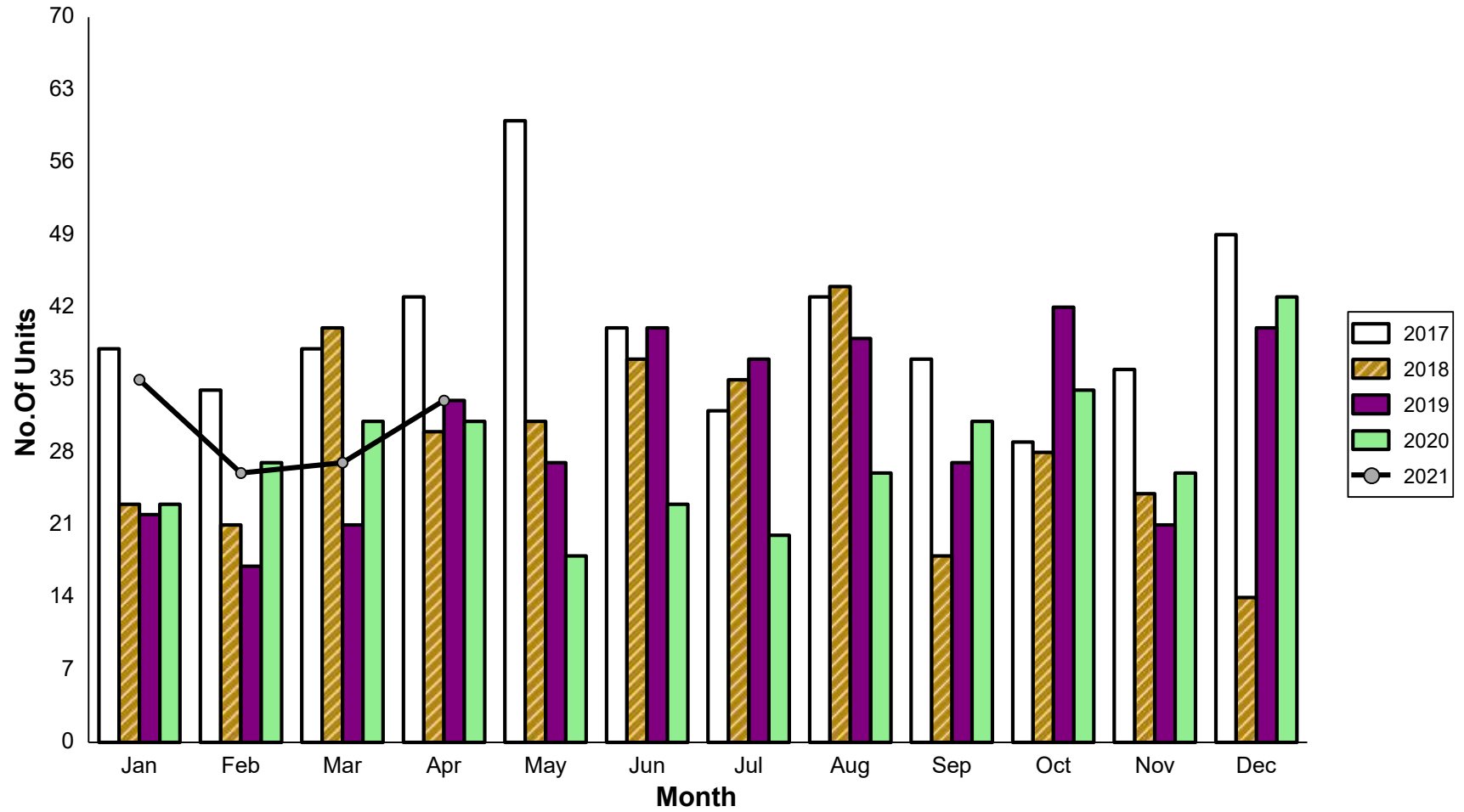
April, 2021

MONTH	NO. OF RESALES		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	27	31	\$6,979,900	\$7,863,500	\$258,515	\$253,661
April	33	31	\$8,785,499	\$7,209,488	\$266,227	\$232,564
May		* 18		* \$4,523,500		* \$251,306
June		* 23		* \$6,174,899		* \$268,474
July		* 20		* \$5,274,500		* \$263,725
August		* 26		* \$6,909,300		* \$265,742
September		* 31		* \$7,774,500		* \$250,790
October		* 34		* \$9,982,400		* \$293,600
November		* 26		* \$6,469,388		* \$248,823
December		* 43		* \$10,896,560		* \$253,408
TOTAL	121.00	112.00	\$31,609,152	\$27,548,488		
MON AVG	30.00	28.00	\$7,902,288	\$6,887,122	\$261,284	\$246,894
% CHANGE - YTD	8.0%		14.7%		5.8%	

% 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

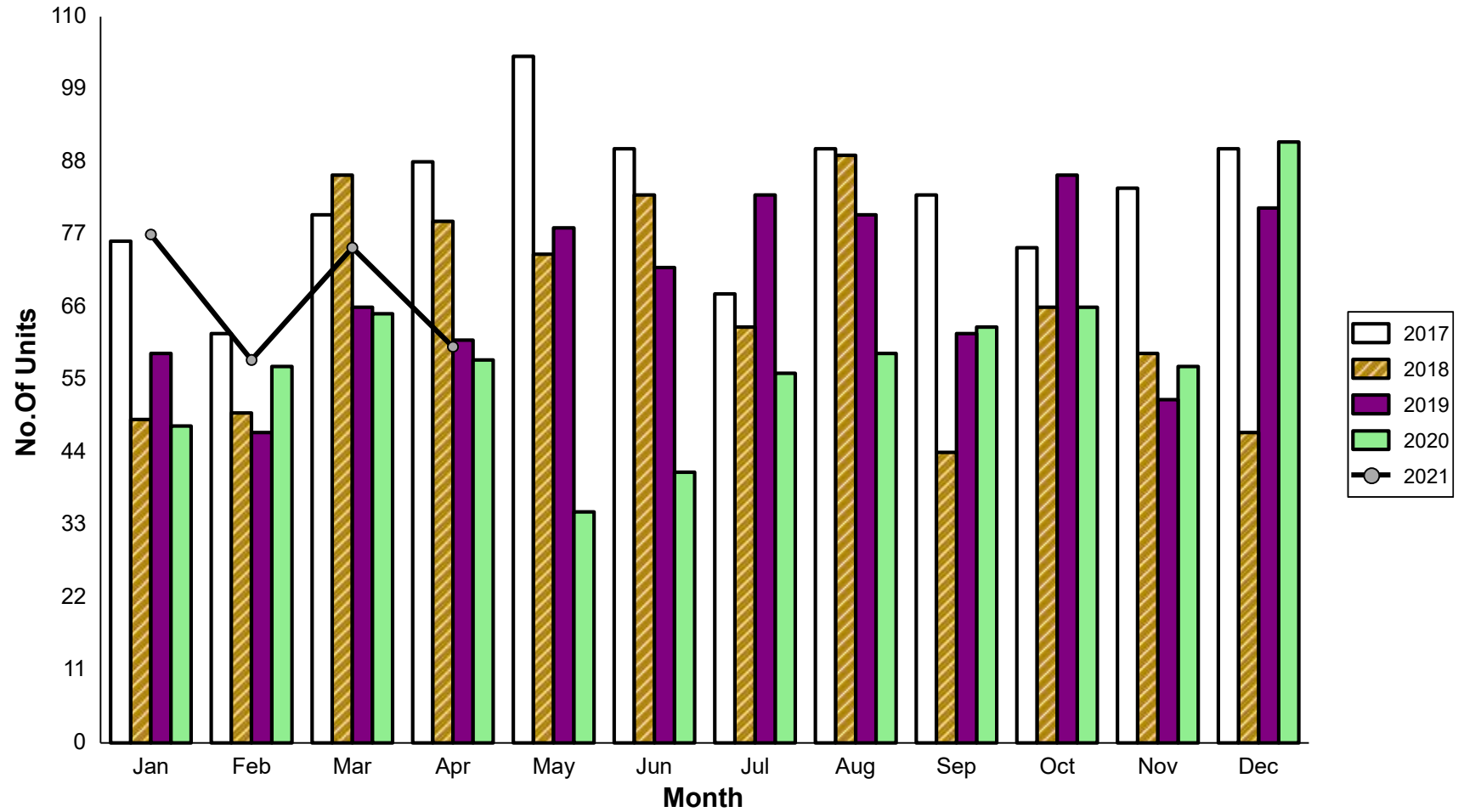
April, 2021

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	75	65	\$28,286,000	\$21,969,916	\$377,147	\$337,999
April	60	58	\$21,679,399	\$18,200,321	\$361,323	\$313,799
May		*	35		*	\$293,643
June		*	41		*	\$300,376
July		*	56		*	\$366,335
August		*	59		*	\$364,784
September		*	63		*	\$351,311
October		*	66		*	\$317,618
November		*	57		*	\$314,442
December		*	91		*	\$324,125
TOTAL	270.00	228.00	\$94,212,402	\$75,181,747		
MON AVG	67.00	57.00	\$23,553,101	\$18,795,437	\$348,279	\$329,770

* Amount is excluded from percent calculation

Year to-date totals now include Mutual Fifty

Resales - 5 Year Comparison



Resales Report

United Laguna Woods Mutual

April, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
04/16/2021	3-G	1	\$260,000	Majorca	HomeSmart Evergreen	Century 21 Rainbow	Granite Escrow
04/26/2021	36-C	1	\$278,000	Majorca	Laguna Premier Realty, Inc	Legacy 15 Real Estate	Blue Pacific Escrow
04/15/2021	40-U	1	\$187,000	Casa Blanca	Re/Max Select One	Berkshire Hathaway	Corner Escrow Inc.
04/30/2021	50-C	1	\$328,000	San Sebastian	Century 21 Rainbow	Century 21 Rainbow	Corner Escrow Inc.
04/20/2021	88-A	1	\$340,000	Barcelona	Laguna Premier Realty, Inc	TBD	Granite Escrow
04/27/2021	93-B	1	\$290,000	Valencia	Realty One Group West	Douglas Elliman Real Estate	Granite Escrow
04/29/2021	180-A	1	\$320,000	San Sebastian	HomeSmart Evergreen	Century 21 Rainbow	Corner Escrow Inc.
04/21/2021	184-N	1	\$140,000	Cadiz	Century 21 Rainbow	Laguna Premier Realty, Inc	Granite Escrow
04/16/2021	200-C	1	\$369,000	Seville	Presidential Real Estate	Village Real Estate	Granite Escrow
04/09/2021	202-G	1	\$235,000	Granada	California Freedom Real Estate	Century 21 Rainbow	Generations Escrow
04/08/2021	218-A	1	\$250,000	Barcelona	ReMax First Class	Century 21 Rainbow	Escrow Experts
04/12/2021	223-E	1	\$190,000	Majorca	Century 21 Rainbow	Regency Real Estate	Granite Escrow
04/23/2021	273-C	1	\$230,000	Majorca	Laguna Premier Realty, Inc	Century 21 Award	Blue Pacific Escrow
04/21/2021	374-B	1	\$298,999	Seville	HomeSmart Evergreen	Faith Global Realty Group	Escrow Options Group
04/16/2021	375-N	1	\$174,000	Casa Blanca	Charles Ryan & Associates	Century 21 Rainbow	Corner Escrow Inc.
04/09/2021	375-Q	1	\$197,000	Casa Blanca	Century 21 Rainbow	Realty One Group West	Granite Escrow
04/15/2021	379-Q	1	\$115,000	Cadiz	H & M Realty Group	Laguna Premier Realty, Inc	Corner Escrow Inc.
04/09/2021	386-G	1	\$405,000	Granada	Laguna Premier Realty, Inc	New Star Realty & Investment	Blue Pacific Escrow
04/09/2021	441-B	1	\$310,000	Cordoba	Compass	HomeSmart Evergreen	Corner Escrow Inc.
04/22/2021	549-C	1	\$388,000	Seville	Mehdi Sheikholeslami	Golden Orange Realty	Corner Escrow Inc.
04/05/2021	560-Q	1	\$162,000	Casa Blanca	Azoulay Real Estate	Azoulay Real Estate	Granite Escrow
04/02/2021	579-N	1	\$389,000	Casa Linda	Coldwell Banker Residential	Seven Gables Real Estate	Blue Pacific Escrow
04/28/2021	614-C	1	\$247,500	Castilla	Century 21 Rainbow	Laguna Premier Realty, Inc	Granite Escrow

Resales Report

United Laguna Woods Mutual

April, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
04/20/2021	621-A	1	\$190,000	Casa Linda	Realty One Group West	Laguna Premier Realty, Inc	Blue Pacific Escrow
04/12/2021	752-A	1	\$228,000	San Sebastian	Realty Quest	Realty Quest	Blue Pacific Escrow
04/01/2021	754-C	1	\$300,000	San Sebastian	HomeSmart Evergreen	Turning Point	Escrow Options Group
04/19/2021	784-A	1	\$148,500	Cadiz	Laguna Woods Village Realty	Charles Ryan & Associates	Corner Escrow Inc.
04/22/2021	813-N	1	\$183,000	Casa Contenta	HomeSmart Evergreen	New Star Realty & Investment	Escrow Options Group
04/16/2021	901-P	1	\$310,000	Casa Linda	HomeSmart Evergreen	Village Real Estate	Escrow Options Group
04/21/2021	915-C	1	\$385,000	Seville	Barela Investments, Inc	Barela Investments, Inc	Blue Pacific Escrow
04/16/2021	956-D	1	\$285,000	Monterey	Re/Max Select One	New Star Realty & Investment	Corner Escrow Inc.
04/20/2021	2034-B	1	\$262,500	Seville	Laguna Premier Realty, Inc	HomeSmart Evergreen	Blue Pacific Escrow
04/15/2021	2054-D	1	\$390,000	Monterey	H & M Realty Group	Regency Real Estate	Corner Escrow Inc.

Number of Resales: 33

Total Resale Price: \$8,785,499

Average Resale Price: \$266,227

Median Resale Price: \$262,500

Monthly Resale Report United Mutual

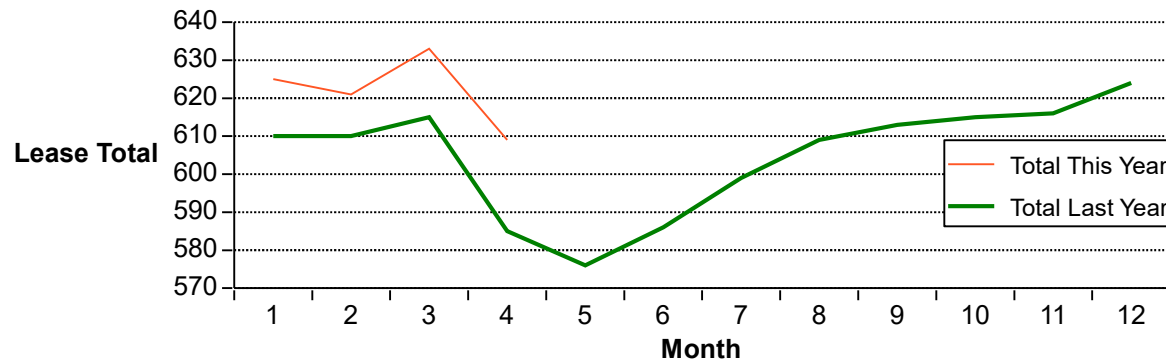
PREPARED BY
Community Services Department

Apr-21

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	27	31	21	40	\$6,979,900	\$7,863,500	\$6,355,000	\$11,156,600	\$258,515	\$253,661	\$302,619	\$278,915
April	33	31	33	30	\$8,785,499	\$7,209,488	\$9,292,051	\$8,824,600	\$266,227	\$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	121	112	93	114	\$31,609,152	\$27,548,488	\$25,185,351	\$32,054,840				
MON AVG	30	28	23	29	\$7,902,288	\$6,887,122	\$6,296,338	\$8,013,710	\$261,284	\$246,894	\$268,664	\$280,775
% CHANGE-YTD	8.0%	20.4%	-18.4%	-26.0%	14.7%	9.4%	-21.4%	-13.9%	5.8%	-8.1%	-4.3%	16.0%

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

Monthly Active Leasing Report 2021 Period 4 (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	% Leased Last Year	% Change	Total Renewals	Total Expirations
2021	January	19	27	149	430	625	610	9.9	9.6	0.3	0	27
2021	February	12	23	162	424	621	610	9.8	9.6	0.2	7	13
2021	March	14	25	176	418	633	615	10.0	9.7	0.3	47	36
2021	April	11	26	177	395	609	585	9.6	9.3	0.3	29	45
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

Monday, April 19, 2021 - 9:30 AM
Laguna Woods Village Community Center (Virtual Meeting)
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

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

DIRECTORS PRESENT:

COMMITTEE MEMBERS ABSENT: Michael Mehrair

ADVISORS PRESENT: Walter Ridley, Juanita Skillman, Dick Rader

STAFF PRESENT: Richard DeLaFuente, Robbi Doncost, Lauryn Varnum

1. Call to Order

Chair Addington called the meeting was called to order at 9:30am.

2. Acknowledgement of Media

Zoom platform.

3. Approval of Agenda

The committee approved the agenda as presented by consensus.

4. Approval of Meeting Report for March 18, 2021

Director Torng requested a clarification on the meeting report regarding the collection of fees. Staff Officer Doncost clarified the comment in regards to increased assessment fees. The committee approved the meeting report as presented by consensus.

5. Chair's Remarks

None.

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

None.

7. Manor Alterations Division Manager Update



Mr. Doncost summarized the impact of new staff, including the increased capacity of the Manor Alterations (“MA”) with the onboarding of a new inspector, expeditious usage of the conveyor system, and soon the ability to add tasks back into the purview of MA. A small number of positions are still vacant but Mr. Doncost hopes to fill these shortly.

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 Counts

Mr. Doncost presented the status of the Mutual Consents; within March 2021, MA has processed 99 Mutual Consents from United Mutual, and a total of 582 Mutual Consents throughout 2021. Mr. Doncost pledged to provide an email on status components to the ACSC.

Director Torng requested a trend analysis of MA’s workload and the creation of KPIs. Mr. Doncost confirmed that current VMS staff and software systems will not facilitate this, and an outside vendor must be utilized.

Variance Requests:

- A. Variance Request – Mr. Ali Shahnazi 2085-B (Cordoba Pacifica, AB04-1) – Request for Bathroom Addition in Existing Enclosed Atrium Alteration

Staff Officer DeLaFuente summarized the Staff Report and discussion ensued. Committee members discussed the resulting floorplan impact, the epoxy coating being noted to the contractors, addressing the exposed drain line, and the committee approved the recommendation to the United Board.

Items for Discussion

9. Contractor News Bulletin Topics

Mr. Doncost encouraged ACSC member to submit topic ideas for future bulletins. Director Randazzo recommended the archival of the News Bulletin within the Laguna Woods website. Director Addington raised the potential for a United Mutual Recommended Contractor List similar to the version provided by Third Mutual.

10. Contractor Communication

Mr. Doncost explained the relevance of the attachment, clarifying that members may have a perception that MA is delayed in approval process of Mutual Consents, however many times a Mutual Consent will be lacking in COI or other paperwork components. This communication log serves as an example of the length’s contractors will take to deliver accurate and appropriate information.



11. Permitless Alteration Rejections

Mr. Doncost summarized the edits made to the Permitless Form, including a series of checks to ensure only United Mutual Members can complete the form. Chair Gilmore inquired if the City of Laguna Woods has coordinated with MA on the Permitless process, Mr. Doncost confirmed a letter would be sent to them by Tuesday April 20.

12. Permit Processing Map and Legend

Chair Gilmore complimented the graphic, and Mr. Doncost confirmed a simplified version will be printed within an issue of the News Bulletin. Director Torng inquired if the MA process could include a follow up procedure for open Mutual Consents. Mr. Doncost confirmed that it is not a possibility at this time due to the software limitations of the VMS programs.

13. Asbestos Meeting Update

Mr. Doncost stated that CEO Jeff Parker had connected with AQMD, a tentative date has been set for April 30, but not confirmed. Chair Gilmore proposed a preliminary meeting involving Mutual Directors and VMS Staff, and Director Randazzo supported the proposal.

Chair Bastani inquired if the point-count method was approved by MA. Mr. Doncost confirmed the point-count method is approved, a previous News Bulletin detailed this process, and clarified that questions have arisen based on the testing of homogeneous materials which will be addressed at the Asbestos Meeting.

14. Permit Processing Costs

Mr. Doncost summarized the process experienced thus far for cost adjustments, but stated that the new Permit Costs will be addressed with the 2022 budget.

15. KPI Status

Mr. Doncost confirmed that the KPIs desired by the ACSC are not possible given the current staff and systems utilized at VMS. An outside vendor must be engaged, and this must be addressed at the governance level. Mr. Doncost explained the process to initiate this evaluation, and Chair Gilmore encouraged Director Torng to generate an email outlining the KPI parameters.

Director Ardani posed a question regarding a Permitless Alteration, Mr. Doncost and Director Randazzo clarified that the Permitless Alteration only qualifies if the alteration does not involve any alterations to drywall, plumbing, electrical systems and is a like-for-like replacement.

Items for Future Discussion:

- Standard Details Update – Cost Estimates
- Director Bastani raised the topic of conversion of a patio into a closed room and the creation of standardized drawings.

Concluding Business:



16. Committee Member Comments:

Director Addington complimented the ACSC and MA team on excellent progress, as did Director Ardani and Director Randazzo.

17. Date of Next Meeting – May 20, 2021 9:30am

18. Adjournment – 11:34am

DRAFT

X _____

Brian Gilmore, Chair

Robbi Doncost, Staff Officer

Telephone: (949) 268-2281



OPEN MEETING

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

Thursday, April 15, 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, and Diane Casey

MEMBERS ABSENT: Reza Bastani

ADVISORS PRESENT: Dick Rader, Juanita Skillman, Bevan Strom and Mary Stone

ADVISORS ABSENT: None

STAFF PRESENT: Francis Gomez, Blessilda Wright, Siobhan Foster, Catherine Laster and Paul Nguyen

CALL TO ORDER

Chair Addington called the meeting to order at 1:40 p.m.

ACKNOWLEDGEMENT OF PRESS

The media was not present.

APPROVAL OF THE AGENDA

President Margolis made a motion to approve the agenda as presented. Without objection the motion carried.

APPROVAL OF MEETING REPORTS

President Margolis made a motion to approve the meeting report from the March 18, 2021 meeting with changes.

Without objection the motion carried.

CHAIR'S REMARKS

Chair Addington mentioned that staff found language in the Occupancy Agreement that contradicts AB3182. President Margolis will confirm with Legal Counsel pertaining to the language.

MEMBER COMMENTS ON NON-AGENDA ITEMS

Mr. Elliot Alhadeff of manor 2045-O Via Mariposa East made a comment about language contained in the Membership Certificate via email. The matter is already being handled by the CEO's Office.

Director Casey made comments about married couples purchasing properties separately.

RESPONSE TO MEMBER COMMENTS ON NON-AGENDA ITEMS

Advisor Skillman responded to the cost of replacing a lost Membership Certificate; Advisor Rader commented about the conflicting language; and staff was directed to follow up with Mr. Alhadeff.

REPORTS

None

ITEMS FOR DISCUSSION AND CONSIDERATION

Goals for 2021:

The Committee discussed status of the Goals for 2021.

Francis Gomez, Compliance Manager, gave a status update Operating Rules. The Committee members made comments and asked questions.

Advisor Stone and President Margolis discussed Committee Chair Guidelines and SOP's. The Committee members made comments and asked questions.

Ms. Gomez discussed Resolution Index. The Committee members made comments and asked questions.

President Margolis made a motion to direct staff to provide a document on the website with a list of resolutions prior to 2006 with no links to the actual document; and review and update each resolution, as needed, that is active prior to 2006.

By unanimous vote, the motion carried

Committee Member Comments

The Committee discussed term limit for member re-election.

Future Agenda Items

- Director SOP
- Tighten Subleasing Requirements
- Review Financial Requirements for Members
- One Page Explanation of Resident Procedure
- Leasing (Use power point from Cash presentation)

Date of Next Meeting

The next meeting is scheduled for Thursday, May 20, 2021 at 1:30 p.m. via virtual meeting.

Adjournment

With no further business before the Committee, the Chair adjournment the meeting at 3:22 p.m.

Elsie Addington

[Elsie Addington \(May 6, 2021 10:16 PDT\)](#)

Elsie Addington, Chair

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OPEN MEETING

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

Thursday, April 8, 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: Director Armendariz, Siobhan Foster

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

Chair Torng made a motion that two items be added to the agenda; Workload: KPI Review and Landscape Budget Preparation Overview. Director Ardani made a motion to approve the agenda, with these additions. The committee was in unanimous support.

Some discussion ensued.

4. Approval of the Meeting Report for March 11, 2021

Chair Torng made a motion to approve the report. The committee was in unanimous support.

Chair Torng and Advisor Frost requested the Landscape Department Standard Operating Procedures (SOPs) for Landscape staff as well as horticultural training updates.

Mr. Wiemann reported that there is scheduled training every month. There is one-on-one training when we see staff doing anything incorrectly.

Agenda Item #13e

Chair Torng would like to put SOPs onto the website. Mr. Wiemann stated that what is on the website is up to the General Manager.

5. Chair's Remarks

Chair Torng said he is trying to accomplish things this year while he is the committee chair and he only has one year. That is why he asks for a lot of information.

He requested a cost/benefit comparison of all improvements.

He stated there was a lot of money spent on drought tolerant area. What is the benefit? We still have the same maintenance. Mr. Wiemann stated that customer satisfaction is the purpose of any improvements and the drought tolerant areas do save on water use.

Advisor Frost stated that drought tolerant areas are not getting maintained as often as other areas and debris gets into those areas.

Mr. Wiemann said the drought tolerant areas receive the same maintenance frequency as other areas. He stated that, in the past, there were some poor locations chosen for the drought tolerant areas, such as under pine trees.

He stated that they are in the process of putting in an irrigation system into nursery which will free up man hours. He will apply some of those hours to maintaining newly planted drought tolerant areas.

Weeds are more obvious in drought tolerant areas because everything grows very slowly there. While there are some cost savings in water and labor, sometimes the only benefit is nicer looking landscaping.

Advisor Frost asked who is monitoring rules in the landscape manual. Discussion ensued.

6. Department Head Update

None.

a. Project Log

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

The committee requested to add the contract numbers to the project log.

b. Irrigation Water Usage Report

The committee requested that cost be added to this graph for future meetings.

c. Landscape Staffing Update

Mr. Wiemann said there are no changes to staff.

d. Landscape Website Format Update

Chair Torng said the website can be confusing. Mr. Wiemann stated that he is working on having a dedicated page for the Landscape department.

7. Member Comments (Items not on the agenda)

None.

8. Response to Member Comments

None.

Items for Discussion and Consideration

9. Request to Keep Potted Plants in Common Area (Zhao) – 329-D (Tabled at 2/11/21 meeting and again at 3/11/21 meeting)

Advisor Zipkin reported that she met with the resident. The resident would like to maintain her shrub bed and keep her decorative pots. Ms. Zipkin will help her make the area more visually appealing.

Chair Torng stated that he and Advisor Zipkin will work with the resident to make sure she is following rules about items on common area.

Mr. Wiemann stated that he needs a drawn plan for what area will look like after she make changes and will need to document what she is allowed into a resolution.

Director Armendariz commented to say that she must get the signatures of her neighbors before her plan may be approved.

The committee stated that the resident must confirm her future design and must get neighbors' approval.

There will be a meeting set up to finalize that plans.

This item was tabled until the next meeting.

10. Tree Removal Request: 703-C Calle Aragon (Passehl) - One Bottle Brush tree

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

Budget Preparation

11. Performance Improvement: Increase Service Levels

Mr. Wiemann reviewed this report with the committee and answered questions. Discussion ensued.

Chair Torng moved to recommend to the Board to approve the supplemental allocation of \$267,480 to increase shrub bed maintenance service levels to five cycles. Chair Ardani voted yes. Director Gilmore did not respond. The motion passed.

Quality & Improvements

12. Repeated issue review and discussion

Chair Torng requested the top five issues Members call into Resident Services about regarding landscaping. Mr. Wiemann reported that he will include it in his regular quarterly KPI report for the next meeting.

13. Landscape Equipment Update – New Mowers

Chair Torng stated that he wants to know training planned, the SOPs, etc.

Mr. Wiemann reported that the training budget is used for primarily re-certification.

Chair Torng inquired as to what is done for quality management. Mr. Wiemann said if that is the direction of the Committee, he would add additional funds to the next budget cycle.

Financial

14. Reserve Expenditure Report

Chair Torng asked about how the budget is figured. The majority of landscaping budget is labor. Mr. Wiemann said he looks at total labor hours per task and aligns the budgeted hours with the goals of the department.

Discussion ensued.

Manny thinks it would be helpful to come up analysis of ticket by CDS and task for them to see for budgeting. That would give us a lot of good information.

Mr. Wiemann replied that we did do that analysis and we found out 70% were within 30 days of scheduled maintenance. By going to five cycles, we will end some of those tickets.

For the first quarter of this year, we have 25 percent fewer tickets for same quarter last year.

15. Operating Expenditure Report

The committee was adjourned at 11:45; there was insufficient time to discuss this item or any other remaining items on the agenda.

Future Agenda Items

16. Landscape Equipment Review

17. Shrub Bed Maintenance Cycle Report – Quarterly

18. Pine Tree Removal Project

Concluding Business:

19. Committee Member Comments

20. Date of Next Meeting – Thursday, May 13, 2021 at 9:30 a.m.

21. Adjournment at 11:45 a.m.

Susan Margolis for Andre Torng
Susan Margolis for Andre Torng (Apr 21, 2021 15:28 PDT)

Andre Torng, Chair

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FINANCE COMMITTEE MEETING
REPORT OF THE REGULAR OPEN SESSION

Wednesday, April 21, 2021 – 1:30 p.m.
Virtual Meeting

MEMBERS PRESENT: James Hopkins, Chair; Gan Mukhopadhyay, Steve Parsons, Robert Mutchnick, Azar Asgari, Carl Randazzo, Advisor: Rosemarie diLorenzo

MEMBERS ABSENT: Al Amado

STAFF PRESENT: Betty Parker, Steve Hormuth, Jose Campos, Christopher Swanson, Chris Laugenour

OTHERS:

VMS – Juanita Skillman, Diane Phelps

GRF – Bunny Carpenter, Yvonne Horton, Joan Milliman

United – Elsie Addington, United Advisor – Dick Rader

Third – Debbie Dotson, John Frankel, Craig Wayne

Call to Order

Director James Hopkins, Treasurer, chaired the meeting and was called to order at 1:33pm.

Acknowledgement of Media

The meeting was streamed online via Granicus.

Approval of Meeting Agenda

The meeting agenda was approved without exception.

Approval of the Regular Meeting Report of February 17, 2021

The meeting report was approved without exception.

Chair Remarks

Director Hopkins commented on the potential of transitioning from one banking institution to another. He further commented that the incoming CFO would be tasked with performing the cost benefit analysis and reporting back to the board.

Member Comments (Items Not on the Agenda)

Janet Powers commented on the corporation's investment policy, the current investment portfolio and pending legislation (AB1101) that may provide further guidance on investments.

Chris Powers commented on the difference between bonds and bond funds.

Department Head Update

Betty Parker, CFO, commented on the completion of the 2020 Audit, the annual spring mailing, 2022 Business Planning Workshops recordings and ongoing banking analysis.

Review Preliminary Financial Statements dated March 31, 2021

The committee reviewed the financial statements dated March 31, 2021. Questions were addressed.

GRF Vehicle Replacements Procedure

Chris Laugenour, General Services Director, presented a strategy that was shared with the Vehicle and Maintenance Committee for vehicle replacements. Discussion ensued. No action was taken.

Future Agenda Items

Biannual Presentation of Investment Portfolio

Microgrid Financial Impact

EV Project Financial Impact

Committee Member Comments

None.

Date of Next Meeting

Wednesday, June 23, 2021 at 1:30 p.m.

Recess to Closed Session

The meeting recessed to closed session at 3:11 p.m.

DRAFT

James Hopkins, Chair

OPEN MEETING

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

Thursday, April 8, 2021 – 1:30 p.m.
Virtual Zoom Webinar

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

MEMBERS ABSENT: Ryna Rothberg

OTHERS PRESENT: Dick Rader

STAFF PRESENT: Brian Gruner, Jackie Kupfert

Call to Order

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

Acknowledgement of Media

There was no press present.

Approval of Agenda

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

Approval of Committee Report for March 11, 2021

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

Chair's Remarks

Chair Pearlstone stated he will present a shared fee analysis and input is encouraged, but more meetings will be necessary to complete this analysis. This analysis is being completed in order to establish a framework of fees, revenues and budgets that are fair to all residents in today's financial situation and challenges.

Report of the Recreation and Special Events Director

Mr. Gruner stated he will give a complete COVID update under agenda item #10 and encouraged the community to remain vigilant with COVID recommended precautions. He stated the following Orange County statistics: 95 new cases yesterday; adjusted daily case rate is 3 per 100,000; test positivity rate is at 1.6%; health equity quartile positivity rate is at

2.1%; administering 300 tests per day per 100,000 county residents. Orange County is currently in the orange tier with a state target date of reopening on June 15.

Mr. Gruner reported golf operations has implemented the foreUp tee time reservation system and the point of sale system in which both are working well. The golf operations team has done a tremendous job inputting resident information allowing our residents to book online reservations. The Equestrian Center arena footing project has been approved and modifications to the existing trail ramp where slippage has been an ongoing issue are being reviewed by staff. The Library plexiglass has been ordered with installation to happen within the next couple of weeks allowing this amenity to be open to residents on a limited basis.

Director Torng inquired as to hiring a consultant in regards to the foreUp reservation system to save money as there are four staff working overtime which equated to over \$7200 this month. Chair Pearlstone stated this will be discussed during the shared fee analysis portion of the meeting.

Member Comments (Items Not on the Agenda)

Member was called to speak on reservations for singles golf players within the new online reservation system. Mr. Gruner stated due to the volume of current tee times booked, we are not able to accommodate single player reservations at this time. Staff is grouping these single players into a threesome to maximize golf play and this has been communicated to the resident. Staff will continue to review for modifications and follow up with the resident.

Director Torng inquired as to hosting golf twosome or threesomes to assist in accommodating singles golf play. Director Karimi inquired as to the new system for reservations being permanent. Mr. Gruner stated this is permanent. He stated any new system presents difficulties and we must allow users time to adjust to the new system.

Advisor Boudreau stated Mr. McCray is fielding all resident inquiries regarding the new reservation system. Director Dotson inquired as to user instructions on the website. Mr. Gruner stated a tutorial video is being created.

Director Blackwell stated she was able to use the new system through practicing prior to the reservation time and also stated the first Greens Committee meeting went well today.

Staff was directed to update the committee via email on golf reservations.

CONSENT

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

Chair Pearlstone requested a financial report showing a full quarter as this month includes only February.

REPORTS

COVID Tier Presentation – Mr. Gruner presented current COVID tier information including what amenities are currently offered and what the community can expect once Orange County moves to the yellow tier and beyond. Mr. Gruner stated more amenities will be introduced once allowed by state and county guidelines and we have appropriate staffing levels in the Recreation Department.

Director Torng inquired as to golf fivesomes needing ten versus eight minutes in between tee times. Mr. Gruner stated the eight-minute tee time is appropriate at this time to keep tee times punctual.

Director Karimi inquired as to enforcing the indoor requirements of COVID safety. Mr. Gruner stated reservable clubhouse rooms may not be open until June 15 and tier guidance states no more than three households while indoors. Chair Pearlstone stated we are following state and county guidelines and addressing the staffing issue.

Shared Fee/Financial Analysis Update – Chair Pearlstone presented the financial analysis completed to date. Chair Pearlstone stated a proposal will be presented when complete, but does not propose any fee sharing changes at this time. Director Carpenter inquired as to the due date of newly proposed fees and as to limiting amount of increase due to lack of offerings with closures. Mr. Gruner stated staff is currently working on capitals for 2022 and then will transition to operating budget for 2022. The General Manager's office will review prior to entering the GRF board approval process beginning in June. Fee changes are not feasible until 2023 due to approved resolutions. Director Carpenter stated golf fees are not based on shared cost fees and increases for any fees are based on a formula that may be reviewed at future CAC meetings as done with Equestrian fees.

Discussion ensued.

Staff was directed to change weekly utilization to monthly; change to 3% each year over the next 5 years in the header; include fitness when available.

Chair Pearlstone would like to present a framework that ties in the fee schedule and what it generates at next CAC meeting.

ITEMS FOR DISCUSSION AND CONSIDERATION

Garden Center 2 Speed Bumps – Mr. Gruner stated the recommendation to review and provide staff direction as to whether to seek supplemental funding for the removal and replacement of the existing Garden Center 2 speed bumps with less intrusive bumps at a cost of \$14,180.

Discussion ensued.

Staff was directed to meet with Director Horton and Director Addington at Garden Center 2 to research removal of a section of the speed bumps or total removal of the speed bumps and to inquire the use of asphalt to minimize the impact of the speed bumps.

ITEMS FOR FUTURE AGENDAS

Laguna Woods Village Pre-reserved Golf Tee Times - Mr. Gruner stated the Greens Committee met today and will continue to meet to ensure an equitable resolution is presented.

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 – Mr. Gruner met with Security Department and IT Department to review the gates at Garden Center 2. The vendor determined the motors are not operable due to non-use and compromised wires. Staff will continue to work on making the gates operable.

2021 Recreation Department Financial Forecast - Mr. Gruner stated staff will review the financial forecast with consideration of the COVID closure impact regarding potential revenue sources and anticipated expenditures for this year.

CONCLUDING BUSINESS

Committee Member Comments

Advisor Skillman inquired as to opening the Community Center Fitness Center. Mr. Gruner stated the Community Center is only accessible on a limited basis and reopening of the Fitness Center is being reviewed.

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, May 13, 2021.

Adjournment

There being no further business, the Chair adjourned the meeting at 3:54 p.m.

Jon Pearlstone

Jon Pearlstone, Chair



OPEN MEETING
THE GOLDEN RAIN FOUNDATION
MEDIA AND COMMUNICATIONS COMMITTEE
Monday, April 19, 2021, at 1:30 p.m.
Laguna Woods Village Community Center
Virtual Meeting
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

MEMBERS PRESENT: Chair Joan Milliman; Directors Elsie Addington, Neda Ardani, Maggie Blackwell and Lynn Jarrett; Advisors Tom Nash, Carmen Pacella, Lucy Parker and Juanita Skillman; Alternates Bunny Carpenter and Deborah Dotson

MEMBERS ABSENT: Directors Annie McCary and Ryna Rothberg; Advisor Theresa Frost

OTHERS PRESENT: Richard Rader, Doug Rook, James Hopkins, Arlene OC-CA

STAFF PRESENT: Eileen Paulin, Susan Logan-McCracken, Paul Ortiz and Ellyce Rothrock

1. **Call to Order**
Meeting was called to order at 1:30 p.m. and a quorum established by Chair Milliman.
2. **Acknowledgement of Media**
None present.
3. **Approval of the Agenda**
Approved by unanimous consent.
4. **Approval of Meeting Report from February 22, 2021**
Approved by unanimous consent.
5. **Chair's Remarks**
Chair Milliman commented on the VMS year-in-review video presentation, the updated Media and Communications Committee charter and a reopening plan for Village amenities.

6. Member Comments (Items Not on the Agenda)

Richard Rader and Director Addington asked how to access the VMS year-in-review video presentation.

7. Director and Staff Responses to Member Comments

Ms. Rothrock and Mr. Ortiz answered Mr. Rader and Director Addington on how to navigate to the video on the Village Television YouTube channel, which is at this link: <https://www.youtube.com/watch?v=Z6txjMzwnZc>

REPORTS:

8. Media and Communications Report – Eileen Paulin

Ms. Paulin announced that Mr. Ortiz accepted the position of General Manager of Broadband Services.

Ms. Paulin also highlighted projects her department worked on last month:

- VMS Year-in-Review video presentation
- Vaccination program
- Launch of the bi-weekly Manor Alterations newsletter

Ms. Paulin mentioned that subscriptions have grown steadily for the weekly "What's Up in the Village" email newsletter.

9. Broadband Update – Paul Ortiz

Mr. Ortiz gave a PowerPoint presentation that included:

- Cable operations report and budget update through February 2021
- Overview of expiring programming contracts
- Pay subscription report
- Programming legislation report

After his presentation, Mr. Ortiz invited questions.

Director Addington asked about expiring programming. Mr. Ortiz explained how the process works and how contracts are negotiated on residents' behalf.

Director Dotson asked about internet bandwidth to support smart TVs and streaming services. Mr. Ortiz referenced The Broadband Group report recommendations on whether to split the nodes or install fiber to the curb, and a discussion ensued.

ITEMS FOR DISCUSSION AND CONSIDERATION:

10. Recommendations from The Broadband Group Cable System Assessment

Referencing The Broadband Group Cable System Assessment and Business Case Scenarios study, Ms. Paulin discussed with the committee these recommendations:

- Succession planning for tech team
- The technicians' fleet needs air-conditioned vehicles
- The radio tower maintenance
- Splitting the nodes vs. fiber to the curb
- Content caches from West Coast Internet
- Franchise fees

Director Carpenter asked about the Broadband Ad Hoc Committee. Chair Milliman listed the names of directors who are on this committee: James Hopkins, Jon Pearlstone, Richard Rader, Lynn Jarrett, Annie McCary, Debbie Dotson and Joan Milliman.

Ms. Paulin mentioned the possibility of a second-phase study by The Broadband Group and a discussion ensued.

11. Distribution of Resident Telephone Directories

Members of the committee discussed the policy that regulates visitors entering the Village and distributing publications and other printed materials, such as the resident telephone directories. Chair Milliman thanked everyone for their feedback and said these points will be taken into consideration.

ITEMS FOR FUTURE AGENDAS:

- The Broadband Group recommendations
- Survey of Village residents
- Continued town halls by CEO Jeff Parker

CONCLUDING BUSINESS:

12. Committee Member Comments

Advisor Parker commended the meeting and mentioned new television delivery technology and how that likely will impact Village residents in the future.

Director Dotson mentioned that education will be key in adapting to the new technology.

Director Addington commended the meeting and thanked everyone involved.

Advisor Pacella commended the meeting and congratulated Mr. Ortiz. He also mentioned the value of CEO Jeff Parker's town-hall-style communications with the Village and recommended they continue after the pandemic and be added to future agendas.

Director Jarrett congratulated Mr. Ortiz, commended the meeting and thanked everyone involved.

Chair Milliman congratulated Mr. Ortiz and thanked everyone involved in the meeting.

13. Date of Next Meeting – Monday, May 17, 2021, at 1:30 p.m.

14. Adjournment

3:12 p.m.


Joan Milliman, Chair
Media and Communications Committee

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OPEN MEETING

**REPORT OF REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION
MOBILITY AND VEHICLES COMMITTEE**

**Wednesday, April 7, 2021 – 2:30 p.m.
Laguna Woods Village Community Center Board Room
24351 El Toro Road, Laguna Woods, CA 92637**

MEMBERS PRESENT: Don Tibbets-Chair, Elsie Addington, Margaret Bennett,
Egon Garthoffner, Reza Karimi, Joan Milliman
(Alternate), Craig Wayne

ADVISORS:

MEMBERS ABSENT: Reza Bastani

OTHERS PRESENT:

STAFF PRESENT: Chris Laugenour, Francisco Perez, Elizabeth Cortez,
Kelli Newton

- 1. Call to Order**
Chair Tibbetts called the meeting to order at 1:31 p.m.
- 2. Acknowledgment of Media**
No media present.
- 3. Approval of the Agenda**
The agenda was approved by consensus.
- 4. Approval of Meeting Report for February 3, 2021**
The Regular Meeting Report of February 3, 2021 was approved by consensus.
- 5. Chair's Remarks**
None.
- 6. Member Comments (Items Not on the Agenda)**
Director Bennett questioned the requested financial information related to the Transportation programs.
- 7. Response to Member Comments**

In response to Director Bennett, Mr. Laugenour informed the committee an overview of expenditures for 2020 and 2021 year to date is provided in the Director's report. Staff is in the process of generating actuals by Transportation program.

Reports:

8. Director's Report

Ridership decreased substantially after March 2020, due to State required social distancing requirements and the closures of Clubhouses and GRF facilities. Ridership in all Transportation programs have stayed relatively the same since then, with the exception of Journey that has increased steadily.

Staff provided the committee with a copy of the GRF vehicle inventory and an overview of an annual vehicle replacement strategy based on vehicle age, maintenance cost, and mileage.

Also included in the Director's report is a list of recent surplus vehicles and financial expenditures for the Transportation department and Vehicle Maintenance department.

Items for Discussion and Consideration:

9. Vehicle Purchase – Four F350 Trucks

Staff presented to the committee a recommendation to purchase four F350 vehicles due to unanticipated regulatory requirements in lieu of purchasing four budgeted F-250 vehicles and authorize the utilization of funding from the Miscellaneous Vehicles capital account to cover the remaining balance.

After discussion, Director Addington made the motion to recommend to the GRF board the purchase of four F-350 vehicles. Director Karimi second the motion. Chair Tibbetts called for a vote, the motion was passed by unanimous consent.

Items for Future Agendas:

10. Alternative Fuel Vehicles

11. DOJ 5310 Grant

Concluding Business:

12. Committee Member Comments

None

13. Date of Next Meeting – Wednesday June 2, 2021 1:30 PM

14. Adjournment

The meeting was adjourned at 2:47 p.m.

Don Tibbetts

Don Tibbetts (Apr 8, 2021 22:01 PDT)

Don Tibbetts, Chair
GRF Mobility & Vehicles Committee

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REPORT OF THE REGULAR MEETING OF THE
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
SECURITY AND COMMUNITY ACCESS COMMITTEE

The Regular Meeting of the Security and Community Access Committee was held on Monday, April 26, 2021 at 1:30 p.m. 24351 El Toro Road, Laguna Woods, California.

MEMBERS PRESENT: Don Tibbetts (Chair), Maggie Blackwell, Cush Bhada, Manuel Armendariz, Reza Bastani

MEMBERS ABSENT: Bert Moldow, Craig Wayne, Donna Rane-Szostak, Margaret Bennett

ADVISORS PRESENT: None

ADVISORS ABSENT: None

OTHERS PRESENT: Mike Epstein

STAFF PRESENT: Carlos Rojas, Tom Siviglia, Jayanna Hendley, and Vanessa Ayala

CALL TO ORDER

Don Tibbetts, Chair, called the meeting to order at 1:54 p.m.

ACKNOWLEDGEMENT OF PRESS

The Media was not present.

APPROVAL OF AGENDA

By way of consensus, the Committee approved the agenda as presented.

APPROVAL OF MEETING REPORT

By way of consensus, the Committee approved the February 22, 2021 meeting report.

CHAIRMAN'S REMARKS

Chair Tibbetts had no comments.

MEMBER COMMENTS ON NON-AGENDA ITEMS

No member comments were received

RESPONSE TO MEMBER COMMENTS ON NON-AGENDA ITEMS

None

REPORTS

Disaster Preparedness Task Force Report Director of Security, Carlos Rojas, reported that a Good Neighbor Captain training will be present by the Red Cross on May 4th.

RV Update Carlos Rojas reported the vacancies within the RV Lots as 17 vacancies in Lot A, and 7 vacancies in Lot B.

Noteworthy Incidents Carlos Rojas reported that a Security Patrol Officer received a commendation for assisting a resident and taking action, which prevented potential further harm to the resident. Chief Rojas also reported that several Security Staff received commendations for taking action in stopping a theft in progress.

Security Statistics Carlos Rojas reported that the Security Statistics Report has returned as a regular agenda item, and he shared details and insights on these statistics. Members made comments and asked questions.

ITEMS FOR DISCUSSION AND CONSIDERATION

Emergency Equipment Update

Carlos Rojas stated that a Vehicle Replacement Plan is being activated in which company vehicles are replaced at 75,000 miles. Chief Rojas also reported that the Fire Avert Device Report will be discussed with United Mutual and Third Mutual for approval.

Gate Access System (RFID)

Carlos Rojas recommended that the committee accepts this report as a receive and file. Chief Rojas stated that there are more cons to having vehicle decals re-instated than there are pros. Members made comments and asked questions.

Access Key Hardware Device (AMAZON)

Chief Rojas discussed the process in which these devices would allow a more secure entry for verified Amazon deliveries. Chief Rojas also explained that this program will be implemented by Amazon at no cost to GRF, and it will need to be approved by the GRF Board. Members made comments and asked questions.

Gate 12 Update

Carlos Rojas recommended that this report be included in the 2022 Capital Improvement Projects. The committee approved this motion 4 to 1. Don Tibbetts, Maggie Blackwell, Manuel Armendariz, and Cush Bhada all voted in favor of the motion. Reza Bastani voted against the motion. Members made comments and asked questions.

ITEMS FOR FUTURE AGENDAS

None

CONCLUDING BUSINESS

Manuel Armendariz stated that he hopes the next meeting has a smoother start.

Don Tibbetts questioned why the Gate 5 arm was broken down for a while. Carlos Rojas advised that he was unaware of the specifics but believed it was due to waiting on a part to be delivered. Tom Siviglia confirmed this information.

Cush Bhada questioned the progress of the pedestrian sensors at the gates. Carlos Rojas stated that 6 have been replaced, and that the other 6 will be replaced upon determining the best support mechanism for the sensors. Chief Rojas stated he would send an email to Cush regarding which gate sensors have been replaced so far.

DATE OF THE NEXT MEETING

The next meeting is scheduled for Monday, June 28, 2021, at 1:30 p.m. in a virtual meeting.

ADJOURNMENT

There being no further business to come before the Committee, Chair Tibbetts adjourned the meeting at 2:53 p.m.

Don Tibbetts

Don Tibbetts (Apr 28, 2021 12:38 PDT)

Apr 28, 2021

Don Tibbetts, Chair

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REPORT OF THE LAGUNA WOODS VILLAGE
TRAFFIC HEARINGS COMMITTEE

April 21, 2021

The Regular Meeting of the Laguna Woods Village Traffic Hearings Committee was held on Wednesday April 21, 2021 at 9:00 A.M., Virtual

MEMBERS PRESENT: Chair: John Frankel, Yvonne Horton, Neda Ardani

MEMBERS ABSENT: Debbie Dotson, John Carter

STAFF PRESENT: Jayanna Hendley, Vanessa Ayala, Eulalio Diaz, Paul Nguyen

Call to Order

John Frankel, Chair, called the meeting to order at 9:19 A.M.

Approval of Agenda

Chair Frankel made a motion to approve agenda as presented. Director Horton seconded the motion.

By unanimous vote, the motion passed.

Approval of Meeting Reports

Chair Frankel made a motion to approve the meeting report from March 17, 2021. Director Horton seconded the motion.

By unanimous vote, the motion passed.

Traffic Hearings

- a. 9:00 a.m. Traffic Violation #2101045 (Unauthorized Charging) – Guilty, Reduced Fine \$25.00
- b. 9:00 a.m. Traffic Violation #2101704 (Unauthorized Charging) – Guilty, Reduced Fine \$25.00

Traffic Consent Calendar

Chair Frankel made a motion to approve the consent calendar. Director Horton seconded the motion.

By unanimous vote, the motion passed.

Date of Next Meeting

The next meeting is scheduled for Wednesday May 19, 2021, at 9:00 A.M., via virtual meeting.

Adjournment

With no further business before the Committee, the meeting was adjourned at 9:42 A.M.

john frankel
John Frankel (Apr 23, 2021 10:19 PDT)

Apr 23, 2021

John Frankel, Chair

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