



## **OPEN MEETING**

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

**Tuesday, July 13, 2021- 9:30 a.m.  
BOARD ROOM/VIRTUAL MEETING**

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

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

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

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- 1. Call to Order / Establish Quorum – Sue Margolis, President**
- 2. Pledge of Allegiance to the Flag – Director Achrekar**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of the Meeting Minutes**
  - a. June 8, 2021 – Regular Open Meeting
- 6. Report of Chair**
- 7. Open Forum (Three Minutes per Speaker) - *At this time Members may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can join the Zoom meeting by clicking on the link <https://zoom.us/j/95563492734> or call (949) 268-2020 or email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) to request to speak.***
- 8. Responses to Open Forum Speakers**
  - a. Director Randazzo – to give an update to the Open Forum comments from the June 8, 2021 board meeting.
- 9. Update from VMS – Director Skillman**

## 10. CEO Report

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

- a. Accept the Review of the United Sub-Leasing and Transfer of Trust Documents Approved in June, 2021, and such review is hereby ratified.
- b. Approve a Resolution to Update the Committee Appointments
- c. **Recommendation from the Finance Committee:**
  - (1) Approve a Resolution for Recording of Lien against Member ID# 947-392-08
  - (2) Approve a Resolution for Recording of Lien against Member ID# 947-360-02

## 12. 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 May 2021, such review is hereby ratified.
- b. Entertain a Motion to Adopt a Resolution to Change the Conditions in Article 7 of the Occupancy Agreement to Subletting Conditionally Permitted (**JUNE 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 a Resolution to Make Permit-less Alteration Policy Permanent

## 13. New Business

- a. Entertain a Motion to Introduce a Resolution to Update the Financial Requirements for Members (**JULY Initial Notification—Must postpone 28-days for Member review and comment comply with Civil Code §4360**)

## 14. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Asgari. The Committee met on June 30, 2021; next meeting July 27, 2021, 1:30 p.m. in the board room and 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 June 17, 2021; next meeting July 19, 2021, at 9:30 a.m. in the board room and as a virtual meeting.
- c. Report of Member Hearings Committee – Director Achrekar. The Committee met on June 24, 2021; next meeting July 22, 2021 at 9:00 a.m. in the board

room and as a virtual meeting.

- d. Report of the Governing Documents Review Committee – Director Addington. The Committee met on June 17, 2021; next meeting July 15, 2021, 1:30 p.m. in the board room and as a virtual meeting.
- e. Report of the Landscape Committee – President Margolis. The Committee met on April 8, 2021; next meeting July 8, 2021 at 1:30 p.m. as a virtual meeting.
- f. Report of the Maintenance & Construction Committee – Director Randazzo. The Committee met on June 23, 2021; next meeting August 25, 2021, 9:30 a.m. in the board room and as a virtual meeting.
- g. Report of the Communication Committee – Director Ardani. The next committee meeting TBA.

#### **15. GRF Committee Highlights**

- a. Report of the GRF Finance Committee – Director Asgari. The Committee met on June 23, 2021; next meeting August 25, 2021, 1:30 p.m. in the board room and as a virtual meeting
- b. Report of the GRF Strategic Planning Committee—Director Torng. The Committee met on June 28, 2021; next meeting August 23, 2021, 9:30 a.m. as a virtual meeting.
- c. Report of the Community Activities Committee – Director Addington. The Committee met on July 8, 2021; next meeting August 16, 2021, 1:30 p.m. in the board room and as a virtual meeting.
- d. Report of the GRF Landscape Committee – Director Armendariz. The Committee met on June 9, 2021; next meeting August 11, 2021 at 1:30 p.m. in the board room and as a virtual meeting.
- e. Report of the GRF Maintenance & Construction Committee – Director Randazzo. The Committee met on June 9, 2021; next meeting August 11, 2021, 9:30 a.m. in the board room and as a virtual meeting.
- (1) Clubhouse (Facilities) Ad Hoc Committee – Director Randazzo. The Ad Hoc Committee met July 9, 2021; next meeting TBA.
- f. Report of the Media and Communication Committee – Director Ardani. The Committee met on May 17, 2021; next meeting July 19, 2021, 1:30 p.m. in the board room and as a virtual meeting.
- g. Report of the Mobility and Vehicles Committee – Director Addington. The Committee met on June 2, 2021; next meeting August 4, 2021, 1:30 p.m. in the board room and as a virtual meeting.

- h. Report of the Security and Community Access Committee – Director Bastani. The Committee met on June 28, 2021; next meeting August 23, 2021 at 1:30 p.m. in the board room and as a virtual meeting.
  - i. Laguna Woods Village Traffic Hearings – Director Ardani. The Hearings were held on June 16, 2021; next hearings will be held July 21, 2021, at 9:00 a.m. in the board room and as a virtual meeting.
  - j. Report of the Disaster Preparedness Task Force – Director Casey. The Task Force met on May 25, 2021; next meeting July 27, 2021 at 9:30 a.m. in the board room and as a virtual meeting.
  - k. Report of the Insurance Ad Hoc Committee—Director Margolis. The Committee met on February 18, 2021; next meeting TBA.
- 16. Future Agenda Items – All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting.**
- a. 360 Investigation
  - b. Recommend to Approve Tree Removal Request: (64-F) – One Carolina Laurel Cherry tree (**June Initial Notification--Vote Postponed**)
- 17. Directors' Comments**
- 18. Recess - At this time, the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.**

**CLOSED SESSION NOTICE AND AGENDA**

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) June 8, 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*

**19. Adjourn**



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

**Tuesday, June 8, 2021, 9:30 a.m.  
Open Session, Virtual Meeting  
24351 El Toro Road, Laguna Woods, California**

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

Directors Absent: None

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Ellyce Rothrock, Brian Gruner, Steve Hormuth, Grant Schultz and Cheryl Silva

Others Present: VMS: Norman Kahn, Juanita Skillman, Cynthia Rupert

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

President Margolis called the meeting to order at 9:31 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**

President Margolis asked for corrections to the agenda.

Director Armendariz made scrivener corrections to the staff reports for agenda items 4a, 11a and 12a and 12c. Director Torng requested to add a change to committee assignments as agenda item 10e.

Hearing no objection, the board approved the agenda as corrected by unanimous consent.

**4. Approval of Minutes**

a. May 11, 2021 – Regular Open Meeting

President Margolis asked for a motion to approve the minutes.

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Hearing no objection, the board approved the minutes of May 11, 2021 as corrected without objection.

## **5. Report of the Chair**

President Margolis commented about agenda and resolution process. She sent her condolences to former director Anthony Liberatore for a loss in the family.

## **6. Open Forum (Three Minutes per Speaker)**

*At this time Members may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can join the Zoom meeting by clicking on the link <https://zoom.us/j/95563492734> or call (949) 268-2020 or email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) to request to speak.*

Ellyce Rothrock read the member comments received.

- A Member thanked the board for properly managing the money.

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

There were no responses from the board.

**7a.** Director Addington gave an update from the last meeting.

- Recycling container in each laundry room. The cost is \$30 each, \$5,250 is not included in the budget.
- Temporary borrowing from the reserve fund to the operating fund. Recent opinion letters in the press create negative and incorrect information. Property taxes are due in April and only 1/3 of the taxes have been paid by the members by April. Therefore, in accordance with Civil Code §5115, the mutual is allowed to borrow from the reserve fund as long as the money is returned to the operating fund in one year.

## **8. Update from VMS – Director Rupert**

VMS Director Rupert showed a presentation from the VMS Board.

- 2021 Customer service calls
- Security Department update

Director Rupert answered questions from the board.

## **9. CEO Report**

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

- VMS is making plans to reopen the recreation facilities and special events. The Governor has announced that California will reopen on June 15 without restrictions.

Jeff Parker-CEO showed a presentation on reopening the Village:

- Clubhouse 1 (modified hours TBA): No restrictions/reservations indoor/outdoor gym; indoor mini gym (badminton, pickleball, volleyball); indoor archery; shuffleboard; game rooms; billiards; drop-in lounge

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- Clubhouse 2: Indoor recreation classes and Bingo.
  - Clubhouse 4: No restrictions and reservations.
  - Clubhouse 5: Game room, indoor recreation classes, gym and monday movies
  - Guest: Pools (15 and older), prohibited at golf courses.
  - Paddle Tennis: No restrictions or reservations.
  - Pickleball: No reservations required M-F 7a.m. – 3 p.m., Kourts reservations required for other hours.
  - Bocce: No restrictions or reservations.
  - Tennis (daily): No reservations required for courts 1-6, Kourts reservations required for courts 7-10.
  - Pool 2: Reservations via Kourts; check-in monitored by lifeguards.
  - Pools 4 – 6 (expanded hours): no restrictions.
  - Community Center (modified hours TBD): Table tennis, Mac & PC clubs, fitness center
  - Resident Services & Manor Alterations: Schedule appointments 949-597-4600.
  - Real Estate: Open houses may resume.
  - Clubhouse 7: Bridge room reopens July 6, 2021.
  - Clubhouse reservations: Resume for Village clubs, private parties begin making reservations.
  - Equestrian Center: anticipated completion of the arena project.
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- Summer Movie Series will continue on the second and fourth Mondays in June, July and August at 11 a.m. and 4 p.m. at Clubhouse 5.
  - Fourth of July Independence Day golf cart parade will start at 9 a.m. from Clubhouse 1.
  - New resident orientation will be virtual. Contact Becky Jackson at [becky.jackson@vmsinc.org](mailto:becky.jackson@vmsinc.org) to make reservations.
  - Next bulky item pickup will be held on the third Saturday of the month. Waste Management will begin offering twice-weekly trash services to your manor.
  - Laguna Woods Library will be reopening to regular hours.

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

#### **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.*

#### **10a. Recommendation from the United Architectural Control and Standards Committee:**

- (1) Recommendation to Approve the Request for Room Addition on Existing Front Patio and Enlarged Kitchen Window (690-A, Cordoba, 1A4R)

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**RESOLUTION 01-21-33**  
**Variance Request**

**WHEREAS**, Mr. McGee of 690-A Avenida Sevilla, a Cordoba style manor, is requesting Board approval of a variance to add a room addition on the front patio and an enlarged kitchen window, and,

**WHEREAS**, a Neighborhood Awareness Notice was sent to Owners of affected units May 19, 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 May 26, 2021.

**NOW THEREFORE BE IT RESOLVED**, on May 26, 2021, the Board of Directors hereby approves/denies the request to add a room addition on the front patio and an enlarged kitchen window;

**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 690-A Avenida Sevilla and all future Mutual members at 690-A Avenida Sevilla;

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

- 10b.** Accept the Review of the United Sub-Leasing and Transfer of Trust Documents Approved in May, 2021 and such review is hereby ratified.
- 10c. Recommendation from the United Finance Committee:**  
(1) Approve a Resolution for Recording of Lien against Member ID# 947-445-00

**RESOLUTION 01-21-34**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-445-00; 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**, June 8, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-445-00 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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(2) Approve a Resolution for Recording of Lien against Member ID# 947-399-24

**RESOLUTION 01-21-35**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-399-24; 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**, June 8, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-399-24 and;

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution  
(3) Approve a Resolution for Recording of Lien against Member ID# 947-376-74

**RESOLUTION 01-21-36**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-376-74; 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**, June 8, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-376-74 and;

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

(4) Approve a Resolution for Recording of Lien against Member ID# 947-444-03

**RESOLUTION 01-21-37**  
**RECORDING OF A LIEN**

**WHEREAS**, Member ID 947-444-03; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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

**NOW THEREFORE BE IT RESOLVED**, June 8, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-444-03 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

President Margolis asked for a motion to approve the Consent Calendar.

Director Asgari had an objection to agenda item 10d tree removal. Director Armendariz had an objection to agenda item 10e.

Discussion ensued among the directors.

Hearing no objection, the Consent Calendar as amended and agenda items 10a-10c passed by unanimous consent.

**This item was removed from the Consent Calendar.**

**10d. Recommendation from the United Landscape Committee:**

- (1) Recommendation to Approve Tree Removal Request: (64-F) – One Carolina Laurel Cherry tree

**RESOLUTION 01-21-xx**  
**Approve Removal Of**  
**One Carolina Laurel Cherry tree**  
**64-F Calle Cadiz (Kalb)**

**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**, staff reviewed a request to remove one Carolina Laurel Cherry tree from the Member at 64-F, who cited the reasons as overgrown, and poor condition, and;

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**WHEREAS**, staff determined that the tree meets the guidelines established in Resolution 01-13-17, and thereby recommends approving the request for the removal of one Carolina Laurel Cherry tree located at 64-F Calle Cadiz.

**NOW THEREFORE BE IT RESOLVED**, June 8, 2021, the Board of Directors approves the request for the removal of one Carolina Laurel Cherry tree;

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

President Margolis requested this item be removed from the agenda to be voted on at the next board meeting. By consensus, the board agreed to remove this item without objection.

**This item was added to the Consent Calendar**

**10e.** IT Steering Committee added to the Committee Assignments with Director Torng and Stephens as representatives.

President Margolis called for the vote and the item passed by a vote of 10-1-0 (Director Armendariz opposed)

**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 May 2021; such review is hereby ratified.

Directors Asgari and Casey has reviewed the preliminary financial for the month of May 2021 and made a motion to approve this item.

Discussion ensued among the directors.

President Margolis called for the vote and the motion passed by a vote of 9-1-1 (Director Armendariz opposed; Director Torng was absent for the vote).

**11b.** Entertain a Motion to Adopt a Resolution and the Revised Non-Emergency Maintenance Chargeable Services List.

Director Randazzo read the following resolution:

**RESOLUTION 01-21-38**  
**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

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**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.

MAY Initial Notification

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

Director Randazzo made a motion to approve a resolution to revise non-emergency maintenance chargeable services list. Director Addington seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote and the motion passed by a vote of 10-1-0 (Director

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Bastani opposed).

**11c. Entertain a Motion to Adopt a Revised Temporary Borrowing from Reserve Fund Authorization**

Steve Hormuth, Director of Financial Services, read the following resolution:

**RESOLUTION 01-21-39**  
**Temporary Borrowing by 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 ~~\$1,300,000 \$6,100,000~~ and the repayment of such funds from the operating fund to the reserve fund is anticipated to be ~~more than~~ provided by future property tax assessment collections (~~\$1,015,000 property tax and \$320,000 insurance~~) ~~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 ~~\$1,300,000 \$6,100,000~~ to the reserve fund in three months and therefore a special assessment will not be needed.

**NOW THEREFORE BE IT RESOLVED**, ~~June 8 May 11~~, 2021 that the transfer of up to ~~\$1,300,000 \$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 ~~one 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.

MAY Initial Notification

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

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Director Asgari made a motion to adopt a policy of temporarily borrowing monies from the reserve fund to pay for operating expenditures. Director Achrekar seconded the motion.

Discussion ensued among the directors.

Steve Hormuth answered questions from the board.

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

## **12. New Business**

### **12a. Entertain a Motion to Approve a Resolution for Appointment of Officers to Update Assistant Treasurer ex Officio**

Director Margolis read the following resolution:

#### **RESOLUTION 01-21-40** **Appointment of Officers**

**RESOLVED**, on June 8, 2021, pursuant to United Laguna Woods Mutual Bylaws Article 9 which sets guidelines, terms and responsibilities for the election of Officers to this Corporation the following persons are hereby elected to the office indicated next to their names to serve:

Sue Margolis	President
Manuel Armendariz	1 <sup>st</sup> Vice President
Reza Bastani	2 <sup>nd</sup> Vice President
Neda Ardani	Secretary
Azar Asgari	Treasurer

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

Jeff Parker	Vice President ex Officio
Siobhan Foster	Assistant Secretary ex Officio
<b>Steve Hormuth</b>	Assistant Treasurer ex Officio

**RESOLVED FURTHER**, that Resolution 01-21-07, adopted January 12, 2021, is hereby superseded and cancelled; and

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

President Margolis asked for a motion to approve the resolution.

By consensus, the board approved to update the resolution for appointment of officers to

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update assistant treasurer ex officio as Steve Hormuth.

Discussion ensued among the directors.

President Margolis called for the vote and the motion passed without objection (Director Torng was absent for the vote)

**12b. Entertain a Motion to Introduce a Resolution for a Board Member Social Media Policy**

Director Margolis read the following resolution:

**RESOLUTION 01-21-XX**  
**Board Member Social Media Policy**

**WHEREAS**, the board has recognized the need to adopt a Board Member Social Media Use Policy to provide a clear and consistent policy, regarding, among other things, the use of social media by members of its Board of Directors; and

**WHEREAS**, this policy is intended to provide guidance on the use of social media in light of potential legal and ethical implications for board members, and to provide a mechanism for addressing board members' use of social media; and

**WHEREAS** by expressing a policy to govern social media use by the board, consistent with the requirements of the law and the corporation's governing documents, the board seeks to address potential concerns regarding the fiduciary obligations of the directors; and

**WHEREAS**, this policy is intended to be adopted by the board in the exercise of its duty to maintain, protect and enhance the value and desirability of the community, as well as the interests of all shareholders; and

**NOW THEREFORE BE IT RESOLVED**, [Date], 2021 the Board of Directors of this Corporation hereby introduces the Board Member Social Media Policy, as attached to the official minutes of this meeting; 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.

**JUNE 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.

President Margolis asked for a motion to introduce the Board Members Social Media Policy for 28-day review.

Director Margolis made a motion to introduce a resolution for a Board Member Social Media Policy for 28-day review. Director Addington seconded the motion.

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Discussion ensued among the directors.

President Margolis called for the vote and the motion failed by a vote of 3-7-0 (Directors Armendariz, Asgari, Bastani, Achrekar, Gilmore, Ardani, and Torng opposed; Director Casey was absent for the vote)

**12c. Entertain a Motion to Introduce a Resolution to Revised Article 7 of the Occupancy Agreement to Subletting Conditionally Permitted**

Director Addington read the following resolution:

**RESOLUTION 01-21-XX**  
**Occupancy Agreement**  
**Terms and Conditions, Article 7**

**WHEREAS**, pursuant to its governing documents, the Board of Directors has the power and authority to adopt reasonable operating rules; and

**WHEREAS**, the Board of Directors desires to align the title as well as the provisions of Article 7 of the Occupancy Agreement with its historical practices and select legislative changes; and

**WHEREAS**, the Corporation's proposed changes to the text will improve the transparency of governance with respect to subletting activity; and

**WHEREAS**, such changes include re-titling the heading of Article 7 from "Subletting Prohibited" to "Subletting Conditionally Permitted," boldfacing the words "without the prior written consent of the Corporation" and replacing the word "shall" with "may" in the phrase "Rents under any sublease may be assigned to the Corporation..."

**NOW THEREFORE, BE IT RESOLVED**, [Date], 2021 that the Board of Directors hereby amends Article 7 of the Occupancy Agreement in accordance with its practices; and

**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.

**JUNE 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.

President Margolis asked for a motion to introduce the resolution for 28-day review.



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Director Addington made a motion to introduce a resolution to change the conditions in Article 7 of the Occupancy Agreement to Subletting Conditionally Permitted for 28-day review. Director Armendariz seconded the motion.

Discussion ensued among the directors.

President Margolis called for the vote and the motion passed by a vote of 10-1-0 (Director Torng opposed).

### **13. Committee Reports**

- 13a.** Report of the Finance Committee / Financial Report – Director Asgari showed a presentation on the Treasurer’s Report and reviewed the resale and lease reports. The committee met on May 25, 2021; next meeting will be June 30, 2021, 1:30 p.m. as a virtual meeting.
- 13b.** Report of the Architectural Control and Standards Committee – Director Addington. She commented about the Manor Alterations News Bulletin. The committee met on May 26, 2021; next meeting June 17, 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 May 27, 2021; next meeting June 24, 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 May 20, 2021; next meeting will be June 17, 2021, 1:30 p.m. as a virtual meeting.
- 13e.** Report of the Landscape Committee – The committee met on April 8, 2021; next meeting TBA.
- 13f.** Report of the Maintenance & Construction Committee – Director Randazzo gave a report from the last committee meeting. The committee met on May 4, 2021; next meeting June 23, 2021, 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 on April 21, 2021; next meeting will be June 23, 2021, 1:30 p.m. as a virtual meeting.
- 14b.** Report of the GRF Strategic Planning Committee – Director Torng. The committee met on March 17, 2021; next meeting TBA.

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**14c.** Report of the Community Activities Committee – Director Addington gave highlights from the last committee meeting. The committee met on May 13, 2021; next meeting June 10, 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.

**14d.** Report of the GRF Landscape Committee – Director Armendariz. The committee met on March 10, 2021; next meeting June 9, 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 April 14, 2021; next meeting will be 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.

**14f.** Report of the Media and Communications Committee – Director Ardani gave highlights from the last committee meeting. The committee met on May 17, 2021; next meeting will be June 21, 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 met on June 2, 2021; next meeting will be August 4, 2021, 1:30 p.m. as a virtual meeting.

**14h.** 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.

**14i.** Report of the Laguna Woods Village Traffic Hearings – Director Ardani. The hearings were held virtually on May 19, 2021; next hearings June 16, 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 May 25, 2021; next meeting July 27 2021, at 9:30 a.m. as a virtual meeting.

**14k.** Report of the Insurance Ad Hoc Committee – Director Margolis. The Committee met on February 18, 2021; next meeting TBA.

**15. Future Agenda Items**

**15a.** 360 Investigation

**16. Director's Comments**

- Director Asgari commented about a problem with the ventilation at the Community Center.
- Director Ardani commented about checking vacant units.
- Director Achrekar commented about an investigation.

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- Director Torng commented about an investigation and not being allowed to vote on items on the agenda.
- President Margolis commented every board member needs to take the harassment training.
- Jeff Parker-CEO commented he will look into the ventilation questions at the Community Center.

**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 12:07 p.m. into the Closed Session.

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

*During the May 11, 2021, Regular Closed Session, the Board:*

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) April 13, 2021 – Regular Closed Session*

*Discussed and Considered Litigation, Legal and Legislation Matters*

*Discuss and Consider Contractual Matters*

*Discussed Personnel Matters*

*Discuss Member and Board Disciplinary Matters*

*During the May 26, 2021, Special Closed Meeting, the Board:*

*Approval of Agenda*

*Discussed and Considered Contractual Matters*

**18. Adjourn**

The meeting was adjourned at 3:47 p.m.

DocuSigned by:  
*Neda Ardani*  
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Neda Ardani, Secretary of the Board  
United Laguna Woods Mutual

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**RESOLUTION 01-21-XX**  
**Board Member Social Media Policy**

**WHEREAS**, the board has recognized the need to adopt a Board Member Social Media Use Policy to provide a clear and consistent policy, regarding, among other things, the use of social media by members of its Board of Directors; and

**WHEREAS**, this policy is intended to provide guidance on the use of social media in light of potential legal and ethical implications for board members, and to provide a mechanism for addressing board members' use of social media; and

**WHEREAS** by expressing a policy to govern social media use by the board, consistent with the requirements of the law and the corporation's governing documents, the board seeks to address potential concerns regarding the fiduciary obligations of the directors; and

**WHEREAS**, this policy is intended to be adopted by the board in the exercise of its duty to maintain, protect and enhance the value and desirability of the community, as well as the interests of all shareholders; and

**NOW THEREFORE BE IT RESOLVED**, [Date], 2021 the Board of Directors of this Corporation hereby introduces the Board Member Social Media Policy, as attached to the official minutes of this meeting; 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.

**JUNE Initial Notification**

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

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# United Laguna Woods Mutual

*A California Non-Profit Corporation*

## BOARD MEMBER SOCIAL MEDIA POLICY

*Adopted \_\_\_\_\_, 2021*

### I. PURPOSE

United Laguna Woods Mutual ("Corporation") requires a clear and consistent policy, regarding, among other things, the use of social media by members of its Board of Directors.

### II. DEFINITIONS

1. "Approved by the Board of Directors" and "Approved by the Board" means an action approved by the Board, majority, in a duly noticed open or executive session meeting, at which a quorum is present.
2. "Board of Directors", "Board", "Board Members" and "Director(s)" means the officers and directors of United's Board of Directors.
3. "Board Member Social Media Policy" and "Policy" means this policy, as adopted by the Board of Directors.
4. "Confidential Information" means the following:
  - a. Information and documents only available to Directors from executive session Board meetings;
  - b. Information and documents only available to Directors, not Shareholders;
  - c. Information and documents pertaining to the following:
    - i. Discipline of an individual Member;
    - ii. Delinquency of an individual Member;
    - iii. Performance of an individual VMS Employee; and
    - iv. Attorney-Client privileged information and documents.
5. "Corporation Communications" means any communications, in any form, including letter, newsletter, email, posting, etc., that pertains to the Corporation, VMS or Laguna Woods Village.
6. "Governing Documents" means the Corporation's Bylaws, Articles of Incorporation, Occupancy Agreement, Rules and Regulations, and Board Policies and Resolutions.
7. "Members" and "Shareholders" mean the members and shareholders of the Corporation.
8. "Social Media" means social media platforms, including, but not limited to, Facebook, Twitter, Instagram, YouTube, Snapchat, Tumblr, Pinterest,

LinkedIn, Nextdoor, Dwelling Live, forums, blogs, instant messaging and any similar social media platforms. "Social media" does not include email communications.

9. "Social Media Communications" means communications made by directors through Social Media concerning business related to the Corporation and its operations.
10. "Unilateral Communications" means any communication, of any method, by a Director not Approved by the Board of Directors.
11. "VMS Employees" and "Employees" means individuals employed by Village Management Services, Inc.

### III. INTRODUCTION

This Policy is intended to provide guidance on the use of Social Media in light of potential legal and ethical implications for Board Members, and to provide a mechanism for addressing Board Members' use of Social Media.

By expressing a consistent policy to govern Social Media use by the Board, consistent with the requirements of the law and the Corporation's governing documents, the Board seeks to address potential concerns regarding the fiduciary obligations of the Directors. This Policy has been adopted by the Board in the exercise of its duty to maintain, protect and enhance the value and desirability of the community, as well as the interests of all shareholders.

### IV. BOARD RESPONSIBILITIES

The general duties for Directors are to enforce the Governing Documents, collect and preserve the Corporation's financial resources, insure the Corporation's assets against loss, and keep the common areas in a state of good repair. Directors must also act professionally with Shareholders, vendors and VMS Employees and conduct all dealings with honesty and fairness. In fulfilling these responsibilities, Directors must meet their fiduciary obligations of loyalty, due care, and confidentiality.

#### A. Confidentiality

The Board is responsible for protecting the Corporation's Confidential Information. Except when disclosure is Approved by the Board of Directors, or legally mandated, no Director may disclose Confidential Information. Directors can be held personally liable for acting outside the scope of their authority as a Director by releasing Confidential Information.

#### B. Accuracy of Information

Directors may not knowingly or negligently misrepresent facts concerning the Corporation and its affairs. All Corporation Communications must be accurate and truthful



and communicated only with Board authority or as authorized by this Policy. To ensure that the Board is meeting this obligation, collaboration is encouraged.

### **C. Professionalism**

Directors are obligated to act with proper decorum and conduct themselves with courtesy and respect toward other members of the Board, VMS Employees, vendors, Shareholders and residents. This responsibility extends to all communications, whether made in person, in writing or through Social Media.

### **D. Acting as a Whole**

Corporations Code Section 7210 requires a corporation's affairs to "be exercised by or under the direction of the board." The Board may delegate management activities, but, ultimately, the Corporation's affairs and all of the Corporation's corporate powers must be directed by the Board. The Board has one legal voice and must act as a whole, not unilaterally. Thus, Shareholders may assume that Social Media communications by a Director have been sanctioned by the Board when, in fact, they have not. When Directors take unilateral action, acting contrary to Board decisions, the Corporation and individual Board members are exposed to liability and financial harm.

## **V. SOCIAL MEDIA USE**

This Policy shall apply to all Social Media Communications (comments, videos, photos, website URLs, etc.) by members of the Board. It is not intended to prohibit the use of Social Media by Directors, in their professional or personal capacity; rather, it is intended to ensure that the Board is meeting its fiduciary obligations, while keeping the Shareholders adequately informed. The Board, therefore, adopts the following Policy:

1. Social Media Communications by the Board shall always be honest, impartial and dedicated to protecting the health, safety and welfare of the Corporation and community. Directors making Social Media Communications in their capacity of a Director, must act with proper professional decorum at all times. This includes, but is not limited to, abstaining from harassing, discriminatory, abusive or Unilateral Communications.
2. Directors may not engage in Social Media Communications without obtaining the Approval of the Board. Directors are prohibited from making Unilateral Communications on Social Media. When deciding to post on or communicate via Social Media, the Board shall exercise due diligence and with due regard for the rights, responsibilities, benefits, safety and health of the Shareholders. The Board shall not knowingly or recklessly make false or misleading statements about Corporation, VMS, Shareholders or other residents on Social Media.

3. Any director making Social Media Communications on Social Media, without The Approval of the Board, shall state:

**“My comments, statements and/or positions are being made on my own and without the knowledge and/or authority of the United Laguna Woods Mutual corporation.”**

4. Directors are prohibited from disclosing Confidential Information.
5. The Board and each of its Directors shall not respond to any question, complaint, or comment brought to their attention by Shareholders or others on any Social Media platform on behalf of the Board. Directors, as individual Shareholders, may engage in communications with Shareholders and others on Social Media, but only in their capacity as a Shareholder and subject to Paragraph 3 above.
6. The Board, in its discretion, may appoint one (1) Director to serve as a liaison to interface via Social Media with the Shareholders and residents.
7. Communications by the Board on Social Media shall not be used, nor interpreted to replace, the notice and enforcement procedures for violations of the Governing Documents, described under Article IV of the Bylaws and Civil Code Section 5855.
8. Social Media Communications Approved by the Board should conspicuously provide the following notice:

**“THIS STATEMENT HAS BEEN SANCTIONED BY THE BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL PURSUANT TO THE CORPORATION’S GOVERNING DOCUMENTS.”**

9. Any Social Media Communication or post by a Director, which does not contain the above notice, shall not be interpreted to create, control, represent, or endorse any opinions or statements by the Board.
10. If a majority of the members of the Board begin discussing Corporation business on Social Media, this shall NOT be construed to meet the quorum requirement under Article VII, Section 3(g) of the Corporation’s Bylaws. In other words, if a majority of the members of the Board are engaged in Social Media communications (i.e., under a single “post” or “comment”), an official, properly noticed Board meeting for the transaction of Corporation business has NOT been sanctioned or so ordered. (See Bylaws, Art. VII, § 3(l); see also Cal Civ. Code § 4090(a), defining “meeting” as “[a] congregation of a majority of the members of the board at the same time and place to hear, discuss, or deliberate upon any item of business that is within the authority of the board.”)

11. Pursuant to Civil Code Sections 4910(b), 4090(a), 4155, 4910(b)(2) and 4910(b), except for emergencies, Social Media may not be used by the Board to discuss, deliberate and make decisions on Corporation business items. Fewer than a majority of Directors may discuss or comment on an item of business, so long as the exchange on Social Media does not become a “series” of communications involving a majority of the Board.
12. Social Media shall NOT constitute legal notice to the Corporation of claims, complaints, or requests. Social Media is NOT a formal means of communication or delivery of notice to the Corporation per Civil Code Section 4035.
13. The Corporation is not liable for any injuries or damage, of any nature, resulting from unilateral, unauthorized communications made by a Director on Social Media.
14. Any director who violates this Policy may be subject to discipline, including, but not limited to, censorship, removal from office per Article IX, Section 3 of the Bylaws and other disciplinary action in the discretion of the Board as authorized by the Governing Documents and applicable law.

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## Sublease Review Confirmation Checklist

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

The undersigned Board members affirm that they have reviewed select sublease applications for the period ending June 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 Mutual

Date 29 June 2021

UNITED LAGUNA WOODS MUTUAL

Signature \_\_\_\_\_

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

Title \_\_\_\_\_

Date \_\_\_\_\_

## Membership Trust Transfer Review Confirmation Checklist

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

The undersigned Board members affirm that they have reviewed select membership trust transfer applications for the period ending June 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 E. Addington

Print Name Elsie Addington

Title Director United Mutual

Date 29 June 2021

UNITED LAGUNA WOODS MUTUAL

Signature \_\_\_\_\_

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

Title \_\_\_\_\_

Date \_\_\_\_\_



**Resolution 01-21-xx**

**United Laguna Woods Mutual Committee Appointments**

**RESOLVED**, July 13, 2021, that the following persons are hereby appointed to serve the Corporation in the following capacities:

**Architectural Control and Standards Committee**

Brian Gilmore, Chair

Carl Randazzo

Elsie Addington

Neda Ardani

Andre Torng

Reza Bastani

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

**Communications Committee**

Neda Ardani, Chair

Elsie Addington

Cash Achrekar

**Finance Committee**

Azar Asgari, Chair

Sue Margolis

Carl Randazzo

Andre Torng

Diane Casey

Advisor: Dick Rader

**Governing Documents Review Committee**

Elsie Addington, Chair

Sue Margolis

Diane Casey

Reza Bastani

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

**Landscape Committee**

Andre Torng, Chair

Brian Gilmore

Neda Ardani

Advisors: Theresa Frost, Mike Peters, Annie Zipkin

**Maintenance and Construction Committee**

Carl Randazzo, Chair

Reza Bastani

Brian Gilmore

Diane Casey

Non-voting Advisor: Ken Deppe, Walter Ridley

**Members Hearing Committee**

Cash Achrekar, Chair  
Elsie Addington  
Reza Bastani

**New Resident Orientation**

Per Rotation List

**Resident Advisory Committee**

Neda Ardani, Chair  
Andre Torng  
Reza Bastani

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

**RESOLVED FURTHER** Resolution 01-21-08, adopted February 9, 2021, is hereby superseded and canceled.

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





**Resolution 01-21-xx**

**Golden Rain Foundation Committee Appointments**

**RESOLVED**, July 13, 2021, that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, adopted September 29, 2014, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

**~~Business Planning Committee (Committee Dissolved)~~**

~~Sue Margolis-~~

~~Manuel Armendariz~~

~~Brian Gilmore, Alternate~~

**GRF Strategic Planning Committee**

Sue Margolis

Andre Torng

Cash Achrekar, Alternate

**Customer Experience Subcommittee**

Andre Torng (United)

**Facilities Ad Hoc Committee**

Carl Randazzo (United)

**GRF Community Activities Committee**

Elsie Addington

Andre Torng

Cash Achrekar, Alternate

**GRF Finance**

Azar Asgari

Carl Randazzo

Diane Casey, Alternate

**GRF Landscape Committee**

Andre Torng

Manuel Armendariz

Azar Asgari, Alternate

**GRF Maintenance & Construction**

Carl Randazzo

Brian Gilmore

Reza Bastani, Alternate

**Clubhouses (Facilities) Renovation Ad Hoc Committee**

Carl Randazzo

Diane Casey

~~Manuel Armendariz~~

Sue Margolis, Alternate

**GRF Media and Communications Committee**

Neda Ardani

Elsie Addington

~~Cash Achrekar, Alternate~~

**GRF Mobility and Vehicles Committee**

Elsie Addington

Reza Bastani

Neda Ardani, Alternate

**GRF Security and Community Access**

Manuel Armendariz

Reza Bastani

Andre Torng, Alternate

**Disaster Preparedness Task Force**

Diane Casey

Cash Achrekar

Reza Bastani, Alternate

**Laguna Woods Village Traffic Hearings**

Neda Ardani

Elsie Addington, Alternate

**Town Hall Meetings**

As Needed

**Budget Ad Hoc Committee**

Sue Margolis

Azar Asgari

Diane Casey

**Insurance Ad Hoc Committee**

Sue Margolis

Cash Achrekar

Non-Voting Advisors: Diane Fortner

**Purchasing Ad Hoc Committee**

Carl Randazzo

Cash Achrekar

**IT Steering Committee**

Andre Torng

Sue Margolis

**Service Improvement Ad Hoc Committee**

Andre Torng

**Investment Ad Hoc Committee**

Diane Casey

**RESOLVED FURTHER**, that Resolution 01-21-09, adopted February 9, 2021, is hereby superseded and cancelled.

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

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

### **Recording of a Lien**

**WHEREAS**, Member ID 947-392-08; 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**, July 13, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-392-08 and;

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

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

### **Recording of a Lien**

**WHEREAS**, Member ID 947-360-02; 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**, July 13, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-390-02 and;

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

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## STAFF REPORT

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**DATE:** July 13, 2021  
**FOR:** Governing Documents Review Committee  
**SUBJECT:** Occupancy Agreement, Article 7, Subletting Prohibited

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### **RECOMMENDATION**

Consider revising the subtitle from Subletting Prohibited to Subletting Permitted and editing one of the provisions found within Article 7.

### **BACKGROUND**

United Laguna Woods Mutual (United) is a stock cooperative housing development. One of its principal governing documents is comprised of an unrecorded Occupancy Agreement which memorializes the terms and conditions to which shareholders and United agree upon Board approval of applicant shareholders. The Agreement recognizes, among other material factors, that United owns all of the real property and it agrees to lease a specific dwelling unit to named individuals approved, in writing, by the Board of Directors. Individuals may vest their membership in a revocable living trust.

### **DISCUSSION**

At the Board meeting held April 13, 2021, it was suggested that directors consider making a change to the Article 7 subtitle of the Occupancy Agreement, Subletting Prohibited. Legislative action effective January 1, 2021 provides that leasing activity must be permitted with a minimum cap on such activity to no less than 25%. In order to avoid confusion and to provide more transparency, the Board may elect to revise the subtitle from Subletting Prohibited to Subletting Permitted (ATT 1).

The content of Article 7 provides general guidelines related to subletting, including a proviso that “rents under any sublease **shall** be assigned to the Corporation, the sublease shall be delivered to 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.” United has elected not to enforce the collection of all rental income generated from sublease activity. Therefore, it is further recommended that “shall” in the first instance be revised to “may” leaving the remaining text “as is” which mirrors language in the Sublease Application Packet (ATT 2).

The two revisions recommended above are considered administrative in nature and do not change any current practice or administration of United’s governing documents.

### **FINANCIAL ANALYSIS**

None.

**Prepared By:** Pamela Bashline, Community Swervices Manager

**Reviewed By:** Siobhan Foster, Chief Operating Officer  
Blessilda Wright, Compliance Supervisor

**ATTACHMENT(S)**

ATT 1 – Occupancy Agreement, Article 7 Redlined

ATT 2 – Assignment of Rents Letter

ATT 3 -- Resolution 01-21-xx United Occupancy Agreement, Article 7

## 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 Conditionally Permitted**

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~~ **may** 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.



THIS IS A SAMPLE OF THE LETTER WHICH WILL BE SENT TO THE SUBLESSEE IF SUBLESSOR BECOMES DELINQUENT IN PAYMENT OF MONTHLY HOMEOWNER'S ASSESSMENT PAYMENTS

EXHIBIT A

RE: NOTICE TO SUBLESSEE - ASSIGNMENT OF RENTS

Dear

Pursuant to Paragraph 7 of the Application for Permit to Sublease Premises (or Application for Permit Sublease Extension) which you executed on \_\_\_\_\_ as the Sublessee, with \_\_\_\_\_ as the Sublessor, for the premises located in United Laguna Woods Mutual, Unit Number \_\_\_\_\_, you are hereby notified that your monthly rental payment should be made directly to the Golden Rain Foundation, a California nonprofit corporation (hereinafter the "Corporation"), to cover the delinquent assessment payment which your Sublessor owes to the Corporation.

Until you are notified that you may resume making your monthly payments of rent to the Sublessor, you should make your monthly rent payments, commencing with the payment due on \_\_\_\_\_ to the following address:

VMS, Inc.  
Post Office Box 2220  
Laguna Hills, CA 92654-2220

Attn: Unit Payment Representative

**Please make your checks payable to Golden Rain Foundation (or GRF). Please be sure to mail to the P.O. Box address. Do NOT mail to the VMS street address.**

**If you have any questions in connection with this Notice, or the method of making your monthly rental payments to the Corporation, please contact the Unit Payments Representative at (949) 597-4221. A pre-addressed envelope is enclosed for your convenience.**

Sincerely,

Bryan English Accounting  
Supervisor Financial  
Services Division

cc: Sublessor  
Leasing Department

Sent by Certified Mail

P.O. Box 2220, Laguna Hills, CA 92654

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**RESOLUTION 01-21-XX**  
**Occupancy Agreement**  
**Terms and Conditions, Article 7**

**WHEREAS**, pursuant to its governing documents, the Board of Directors has the power and authority to adopt reasonable operating rules; and

**WHEREAS**, the Board of Directors desires to align the title as well as the provisions of Article 7 of the Occupancy Agreement with its historical practices and select legislative changes; and

**WHEREAS**, the Corporation's proposed changes to the text will improve the transparency of governance with respect to subletting activity; and

**WHEREAS**, such changes include re-titling the heading of Article 7 from "Subletting Prohibited" to "Subletting Conditionally Permitted," boldfacing the words "without the prior written consent of the Corporation" and replacing the word "shall" with "may" in the phrase "Rents under any sublease may be assigned to the Corporation..."

**NOW THEREFORE, BE IT RESOLVED**, July 13, 2021, that the Board of Directors hereby amends Article 7 of the Occupancy Agreement in accordance with its practices; and

**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.

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

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## STAFF REPORT

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**DATE:** July 13, 2021  
**FOR:** United Board of Directors  
**SUBJECT:** Permit-Less Alteration Policy

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### **RECOMMENDATION**

Adopt proposed resolution and the Component Replacement Permit-less Alterations Policy (Attachment 1) to reduce long wait times for review of like-for-like component replacements herein after called the Permit-Less Policy.

### **BACKGROUND**

Manor Alterations is constantly seeking more efficient processes to minimize the need for staff and better serve the Members. This like-for-like component notification ("LFL") process allows for a more efficient notification of component replacements with a website-based system. This greatly reduces the amount of time staff will spend on processing Mutual Consents. This system has had success in the United Mutual with the processing of approximately 15 to 20 automatic notifications every month. That number appears to be growing as a result of more publication of the availability of this Policy in the Village Breeze and Manor Alterations News Bulletin.

These LFL replacements do not involve modifications to existing plumbing, mechanical, or electrical connections beyond the wall surface. Implementing these LFL notifications would accelerate the procedure by: 1) reducing the amount of processing time and work volume to Manor Alterations; 2) eliminate Member wait time for approval to proceed with the replacements; and allow for a Grand-Fathering of past non-permitted alteration if filed within 6 months of the Resolution approval with the Board.

The shareholder would be allowed to easily submit a simple form with pictures (which will be assembled by Manor Alterations and the ACSC committee in the near future). The form would be submitted to Manor Alterations with photographic date to be archived into the database for their manor. The Member would not need to provide any further information or be granted any approval for the completed work. No other interaction or inspection from Manor Alterations staff would be necessary. An automatic reply of the submittal would be sent to the shareholder as validation of the submittal.

### **DISCUSSION**

A Permit-Less process has been adopted by United Mutual and is in its 6-month trial period at present, with the recommendation by the United Architectural Control & Standards Committee that the policy be made permanent. Thus far the process has been well received by the members

and has proven to benefit both members in ease of notification and Manor Alterations in reducing some workload.

This process places the responsibility of documentation and determination of the like-for-like (“LFL”) replacement on the member, which in turn reduces the need for Manor Alterations staff to review and approve permits of this component replacement category.

In following this format, Manor Alterations will no longer provide verification of the following:

- Contractor insurance and certificates of insurance naming both Mutual’s, VMS, and Golden Rain Foundation for general liability, worker’s compensation, and automobile liability insurance. This will be solely at the discretion and responsibility of the member. The member will be required to sign the waiver on the Form acknowledging member’s responsibility for these items.
- Permits from the City of Laguna Woods: There will not be any items requiring a City permit on the Permit-Less notification.
- The member will determine the LFL compliance.

## **FINANCIAL ANALYSIS**

Since the effort to now only log in data to the Manor Alterations software and no other review is required, a substantial savings in staff hours would be realized. The review of similar type mutual consents has been estimated and compared to the cost of data entry only, as shown in Attachment 2.

**Prepared By:** Robbi Doncost - MA Manager

**Reviewed By:** Gavin Fogg - MA Supervisor  
Ernesto Munoz, P.E. – Maintenance and Construction Director

**Committee Routing:** United Mutual Architectural Control & Standards Committee

## **ATTACHMENT(S)**

Attachment 1 – Proposed Component Replacement Permit-less Alteration Policy & Resolution  
01-21-XX

Attachment 2 – Financial Analysis

## **Attachment 1 – Proposed Component Replacement Permit-Less Alteration Policy**

The Architectural Controls and Standard Committee recognized the need to provide a more streamlined approach to some of the member alterations that are like for like replacements of existing components. The purpose of the Permit-less process is to allow the member to have available a submittal notification that instantaneously notifies Manor Alterations of the work without the need of a mutual consent burden.

For all the components listed below, no Mutual Consent (Manor Alteration permit) will be required. However, notification of the change-out using the specified form is required.

The Mutual requires notification of the Permit-Less like-for-like (“LFL”) replacements using a form provided by the Manor Alterations Division along with a signed waiver releasing the Mutual from liability. The Member will be responsible for contractor liabilities and securing insurance certificates. Items contained on the Permit-Less Policy will not require a City of Laguna Woods permit(s). This does not allow any replacements where asbestos containing materials could be released such, as but not limited to, acoustic/popcorn ceiling, drywall, or linoleum tile (with mastic) floors. This document does not imply any variance.

Member agrees to be responsible for damage due to any alterations/modifications to their and/or neighbors’ manors as a result of this LFL replacement.

### **Category I: Replace items that have already received Alteration approval and are currently installed:**

Like-for-like replacement of items that have already been previously approved and permitted as alterations. This is the removal of the existing component and installation of the replacement and will not change existing electrical, plumbing, structure, walls. Absolutely, no cutting into walls, demolition, cutting into wall studs/framing and the like is covered under this document. Plumbing replacements will only cause the replacement of the tubing and the plumbing components outside of the wall from the wall valve to the plumbing component. This document is intended to be narrowly defined and any components not expressly listed in this policy is not allowed.

In order to fall into this category, the following requirements must be met:

- Same size envelope and location as the existing item
- Same power connection, voltage, amperage as existing item
- Same or better function as existing item
- Same plumbing connections and flows as existing (or better, for example low flow toilets).

Initial List: This list are items where the member has taken responsibility due to the fact that it is an alteration. These items do not require a Mutual Alteration consent/permit or permission to change the item out. The only requirement is to notify Manor Alterations via the proper form, as to what has been changed for the record.

These items are to replace an existing component. Not to install a new component that did not previously exist:

- Alteration Refrigerators

## **Attachment 1 – Proposed Component Replacement Permit-less Alteration Policy (continued)**

- Alteration Stoves/oven
- Alteration Microwaves
- Alteration Dishwasher
- Alteration faucets, sinks, garbage disposals
- Alteration Kitchen Counter-tops (including backsplash)
- Alteration Kitchen Cabinet Doors (and fronts)
- Alteration Light fixtures
- Alteration Ceiling fans
- Alteration Shower enclosures/shower-tub doors (not re-tile of shower)
- Alteration Bathroom Toilets
- Alteration Bathroom vanities (including faucets, countertops and sinks)
- Alterations In-wall heat pumps/air conditioners
- Alteration Central air and split system type air conditioners/heat pumps

### **Category II: For Component replacement in (original) Unaltered areas.**

Like for like replacement of items in unaltered manors for the only those items listed below. This is the removal of the existing component and installation of the replacement and will not change existing electrical, plumbing, structure, walls. Absolutely, no cutting into walls, demolition, cutting into wall studs and the like is covered under this document. Plumbing replacements will only cause the replacement of the tubing and the plumbing components outside of the wall from the wall valve to the plumbing. This document is intended to be narrowly defined and any components not expressly listed are not allowed. All Mutual owned appliances will be returned to the mutual, all mutual owned items (such as sinks, counter-tops, etc.) will be returned to the mutual to track what has been altered and therefore becomes member's responsibilities.

Component replacement requirements:

- Same size envelope and location as existing
- Same power connection, voltage, amperage as existing
- Same or better function as existing
- Same plumbing connections and flows as existing (or better, for example low flow toilets).

Initial List: These are items which are mutual owned but member desires to upgrade or change out based on their preferences.

- Refrigerators
- Stove/oven
- Microwaves
- Dishwashers
- Kitchen Counter-tops (including backsplash) and sinks and faucets
- Kitchen Cabinet Doors (and fronts)
- Bath faucets, counter tops, vanities and sinks
- Shower enclosures/shower-tub doors (not re-tile of shower)
- Light Fixtures
- Bathroom Toilets
- Bathroom Vanities



## **Attachment 1 – Proposed Component Replacement Permit-less Alteration Policy (continued)**

**Category III: (All Manors) Decorative and Functional changes as noted below will not require any notification (including Like for Like Form not needed) and do not disturb Mutual building components.**

- Curtain rods and other hangers required for plants, and wall hangings
- Shades, Blinds and other types of indoor window treatments
- Upgrades to closets – closet upgrade kits e.g., double poles/hangers, shelves, shoes racks, etc.
- Closet doors
- Shelving attached to walls for books, Knick knacks, etc. in various rooms and furniture earthquake protection
- Installation of wall hung and/or floor supported storage cabinets not in the kitchen
- painting of interior walls and ceilings and, wallpapering of interior walls
- Addition of indoor carpeting over indoor hard surface flooring
- Changeout of indoor carpeting to new indoor carpeting
- Installation of hard surface flooring in those areas that are permitted in the community in accordance with Resolution 01-18-115 Interior Flooring Policy can be added without need for United Board approval and permitting.
- Interior doors and hardware
- Cabinet Hardware
- Lighting fixtures (fixture must be existing)
- Outdoor solar lights – not to interfere with mowing, walkways, etc.

**Grand-Fathering:** The member will be allowed to entitle a previously undocumented (non-permitted) alteration as noted in Categories I, II, and III if the manor owner submits the Permit-less Form within 6 months of the approved Board resolution for the Component Replacement Permit-less Alteration Policy.

**Deployment:** In order to make a Permit-less notification, the member, is required to send an email to a dedicated Manor Alterations mailbox. The email shall contain the manor number and letter in the email subject line. Pictures of the existing unit and the replacement unit (i.e., before and after photos) are to be included with the email. Manor Alterations will acknowledge the email through an auto-reply. Manor Alterations will supply instructions and a form on their website.

Notice to residents: Should the resident be unsure as to whether or not an appliance is considered an alteration, Manor Alterations should be contacted.

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**Attachment 1 – Proposed Component Replacement Permit-less Alteration Policy  
(continued)**



**RESOLUTION 01-21-XX**

**Component Replacement Permit-less Alteration Policy Permanence**

**WHEREAS**, the United Mutual Board previously approved a Policy and Resolution to enact a Permit-Less Alteration notification number 01-21-12, on February 9, 2021. That Board approval was a conditioned approval with a trial period extending to July 9, 2021; and

**WHEREAS**, the purpose of the component replacement Permit-Less Alteration Policy allows the shareholder to submit a notification form (with waiver) that instantaneously notifies Manor Alterations of the like for like replacement of existing alteration components and components installed by mutual, and this Resolution would make the Permit-Less policy permanent and eliminate any expiration date; and

**WHEREAS**, The United ACSC and Manor Alterations agree that the Permit-Less policy has been effective and both recommend the permanent approval without a need for any further extensions of time.

**NOW THEREFORE, BE IT RESOLVED**, on July 13, 2021, the United Board hereby approve the permanency of the existing component replacement Permit-Less Alterations Policy that carries the date of July 13, 2021.

**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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## Attachment 2 – Financial Analysis

### Like For Like Permit-Less Financial Analysis

DIVISION 925

February 4, 2021

Analyze the work to accomplish the mutual consent approval verses the Permit Less work

#### Cost Comparison

#### Economical Impact

Econometrical Impact			Present MA Cost	Resolution Permit Less MA Cost	Notes
<u>Counter Staff Added</u>	<u>Rate/Hr.</u>	<u>Hrs. Spent</u>	<u>Hrs. Spent</u>		
Sr. Op Specialist	28.85	0.50	\$ 14.42	0.50	\$ 14.42 1) Rate/Hr.
Counter Operational Specialist	28.85	1.50	\$ 43.27	1.00	\$ 28.85
<u>Phone Staff Added</u>		0.50	\$ 0.50		
Phone Operational Specialist	28.85	1.50	\$ 43.27		
			\$ 0.50		
<u>Inspector Review</u>					
Inspector (United)	28.85	0.50	\$ 14.42		
		4.50	\$ 116.38	1.50	\$ 43.27
<u>Total Work Allocation</u>		9.00	<u>\$ 116.38</u>	3.00	<u>\$ 43.27</u> 2) Ratio of time.
			Present MA Cost	Permit Less MA Cost	
Estimate of 2020 Replacement MC's / Year		X Requests 40	\$ 4,655.38	X Requests 53	3) Estimated amt.
Estimated 2021 Like For Like Replacements / Year		53	\$ 6,168.38	53	\$ 2,293.27
			Present MA Cost	Permit Less MA Cost	

#### Conclusion:

The total projected cost to manage Like For Like replacements is approximately 37.02% of the current cost to MA operations

#### Notes

- 1) Rate/Hr. is provided by VMS accounting for MA Division assignments
- 2) The ratio of time saved is 3 hrs./10hrs. Yielding .3 for a 70% savings.
- 3) Estimated amt. of MC prior requests 2020 and new Permit Less requests 2021

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## STAFF REPORT

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**DATE:** July 13, 2021  
**FOR:** Board of Directors  
**SUBJECT:** Financial Requirements for Membership

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### **RECOMMENDATION**

Adopt revisions to the Financial Requirements for Members and administrative review process as recommended by the Governing Documents Review Committee.

### **BACKGROUND**

The Governing Documents Review Committee developed a list of goals for 2021 which includes review of the financial guidelines for prospective members. Regarding financial requirements, several directors have requested additional information regarding applicants' mortgage obligations when multiple properties are owned. Secondly, it was suggested that language clarifying staff's calculation of liquid assets (pensions or select retirement assets for individuals currently employed) would benefit clients. Thirdly, a concern that current income be as current as possible, especially when the deadline for filing last year's tax returns has passed and the prospective shareholder had not yet filed the returns was considered. Lastly, a suggestion was made that self-employed applicants and others who reside outside southern California provide additional information when their business or employment income constitutes a significant percentage of their qualifying income.

### **DISCUSSION**

The Governing Documents Review Committee met on May 20 and June 17, 2021 and, following discussion of Financial Requirements for Membership, agreed by mutual consent to the following revisions of the Financial Requirements for Membership.

Committee members debated the current asset requirement in light of some applicants owning other real estate obligations. The discussion of multiple property owners will result in modification of language in Section III (A) Asset Requirement. The change will reflect that multiple property owners must verify total assets in excess of total mortgage obligations; the totals will be disclosed in the staff report discussion of the prospective shareholders' qualifications. Section III (A) Asset Requirement, subsection 2 (g) regarding liquid assets will be further amended to reflect that annuity funds *and retirement accounts* which cannot be withdrawn in a lump sum are excluded from consideration.

Committee members further debated income requirements, particularly when tax returns for the most recent calendar year have not yet been filed. Section III (B) Income Requirements, subsection 4 (a) will be strengthened to provide that tax returns filed earlier than the last calendar year for which returns are due shall submit a copy of the applicant's request for an extension of

tax filing (if applicable) together with supporting W-2s and/or 1099s for the tax year in question. Following discussion of self-employed applicants and those relocating from out of the area when business income or employment income is a significant percentage of income totals, it was determined that said applicants shall submit a letter to the Board explaining the continuance of that income.

**FINANCIAL ANALYSIS**

None.

**Prepared By:** Pamela Bashline, Community Services Manager

**Reviewed By:** Siobhan Foster, COO

**ATTACHMENT(S)**

ATT 1 – Resolution 01-21-xx Financial Qualifications Policy

ATT2 -- Financial Qualifications Policy



## **ENDORSEMENT (to Board)**

### **Review Financial Requirements for Members**

The Governing Documents Review Committee discussed a list of goals for the coming year which includes review of the resales process in general and financial guidelines for members.

On June 17, 2021, the Governing Documents Review Committee (Committee) reviewed Review Financial Requirements for Members.

Pamela Bashline, Community Services Manager, presented the Financial Requirements for Members. The Committee members made comments and asked questions. The Committee reviewed changes to Section 4a, 4j, and 2g.

Without objection the Committee recommended the changes be available next month for the Board to review.

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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**, United proactively seeks to operate with full transparency and improve its communication of existing rules and policies;

**WHEREAS**, documentation of annual Income Requirements should be as current as possible and, in certain circumstances, assurance of the continuance of said income upon applicant’s relocation to Laguna Woods is desirable;

**WHEREAS**, documentation of Asset Requirements should consider outstanding real estate mortgage obligations and consider only retirement accounts that can be withdrawn in a lump sum;

**NOW THEREFORE BE IT RESOLVED**, [DATE], 2021, that the Board of Directors of this Corporation hereby amends the Income Requirements and Asset Requirements sections of the Financial Qualification Policy as attached to the official meeting minutes of this meeting; and

**RESOLVED FURTHER**, that Resolutions 01-20-63 and 01-21-32 are hereby superseded and canceled;

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

**JULY Initial Notification**

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

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**Financial Qualifications Policy**  
**Resolution 01-21-XX**  
**Adopted August 10, 2021**

**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.



- K. 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.
- L. 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.
- M. Interim Dual Membership Agreement – a “contract” between a Member and United which allows the Member to temporarily own two co-ops.
- N. 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.
- O. 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. **NOTE: Applicants who own multiple properties must demonstrate total assets exceeding total mortgage obligations.** 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 and retirement accounts 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 and FICO score dated within 60 days prior to the application submittal.
2. Prospective Shareholders and transferees must provide satisfactory verification of income of at least \$40,000 per year at the time of purchase.



3. Traditional retirement account assets (e.g., 401K, ERISA, IRA, Profit Sharing, etc.) will be considered as a source of annual income in accordance with this subsection. For the purposes of the income verification requirement pursuant to subsection (a) above, the portion of an Applicant's traditional retirement account assets attributable to said Applicant's annual income shall be deemed to be the greater of the following:

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

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

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

4. Acceptable verifications include, among others:

- a. The most recent Federal Tax returns. If **tax returns are not yet filed or applicant is filing an extension for last calendar year returns, provide a copy of extension filing and supporting W-2s and/or 1099s**
- 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

Out of state employment income and/or its continuance after re-locating to California must be explained by a letter addressed to the board

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 Mutuals 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 B

### Secured Collateral

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

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# Financial Report

Preliminary as of May 31, 2021



INCOME STATEMENT (in Thousands)		ACTUAL
Assessment Revenue		\$18,862
Non-assessment Revenue		\$333
Total Revenue		\$19,195
Total Expense		\$16,607
Net Revenue/(Expense)		\$2,588

# Financial Report

Preliminary as of May 31, 2021



OPERATING ONLY INCOME STATEMENT (in Thousands)		ACTUAL
Assessment Revenue		\$14,056
Non-assessment Revenue		\$561
Total Revenue		\$14,617
Total Expense <sup>1</sup>		\$13,573
Operating Surplus		\$1,044

1) excludes depreciation

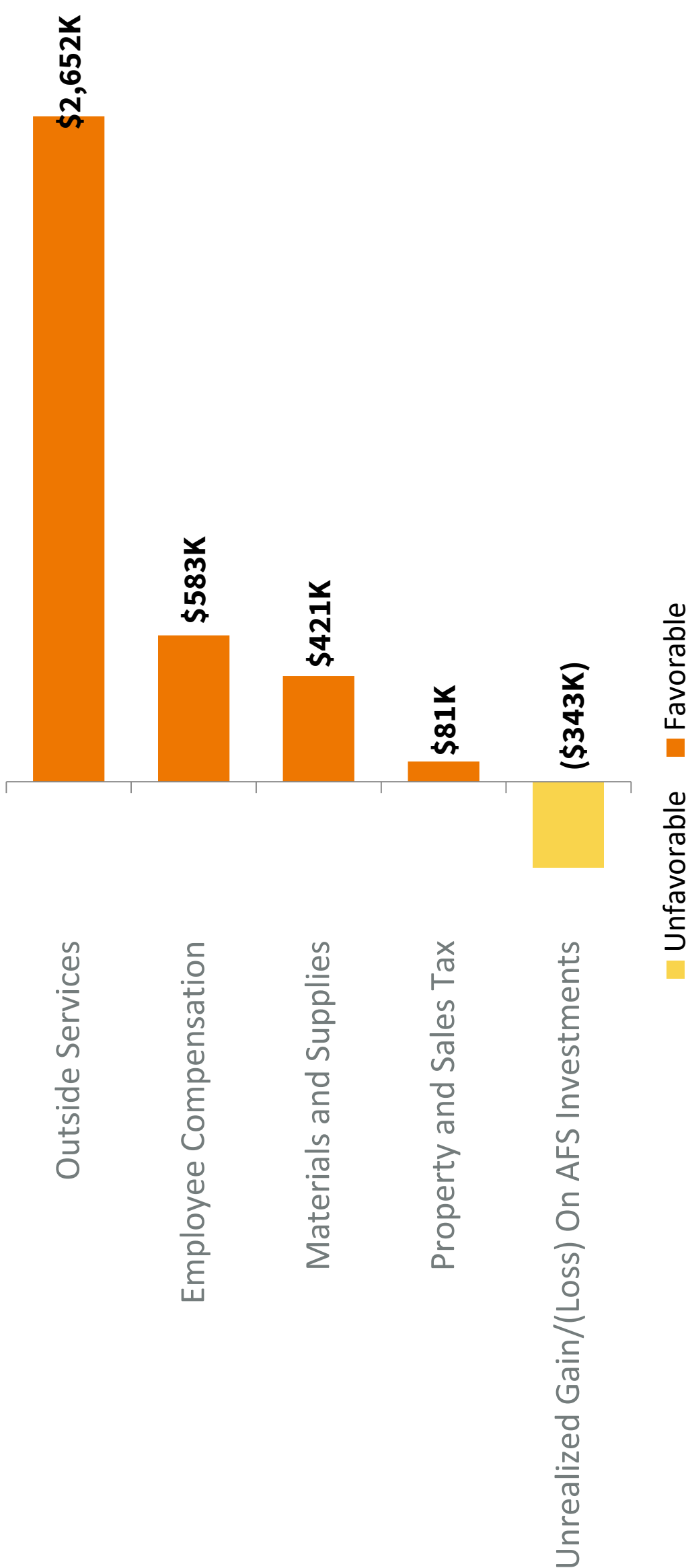
# Financial Report

Preliminary as of May 31, 2021

INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE B/(W)
Assessment Revenue	\$18,862	\$18,857	\$5
Non-assessment Revenue	\$333	\$748	(\$415)
Total Revenue	\$19,195	\$19,605	(\$410)
Total Expense	\$16,607	\$20,383	\$3,776
Net Revenue/(Expense)	\$2,588	(\$778)	\$3,366

# Financial Report

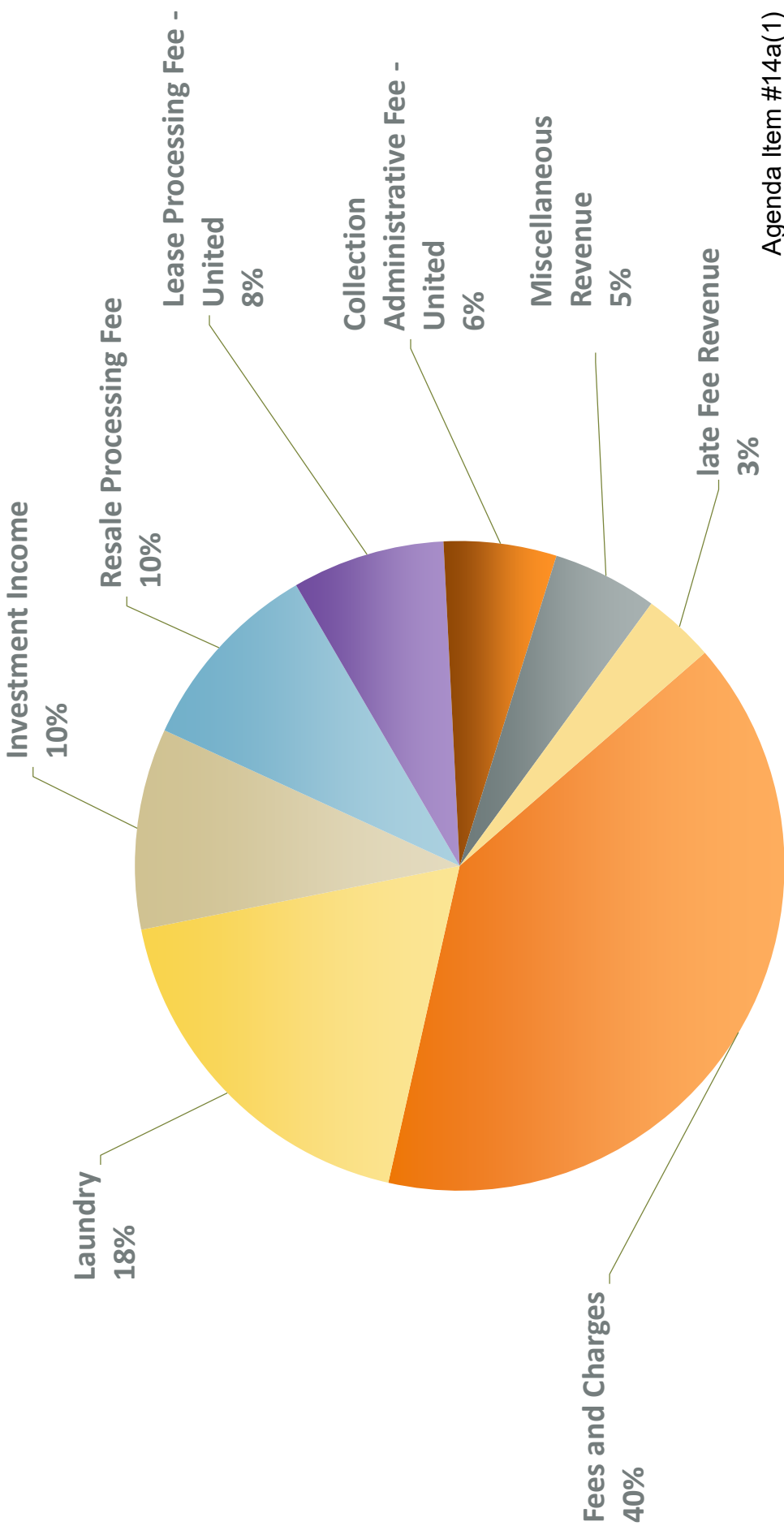
Preliminary as of May 31, 2021



# Financial Report

Preliminary as of May 31, 2021

## Total Non Assessment Revenues \$623,737 excluding Unrealized Loss on AFS Investments

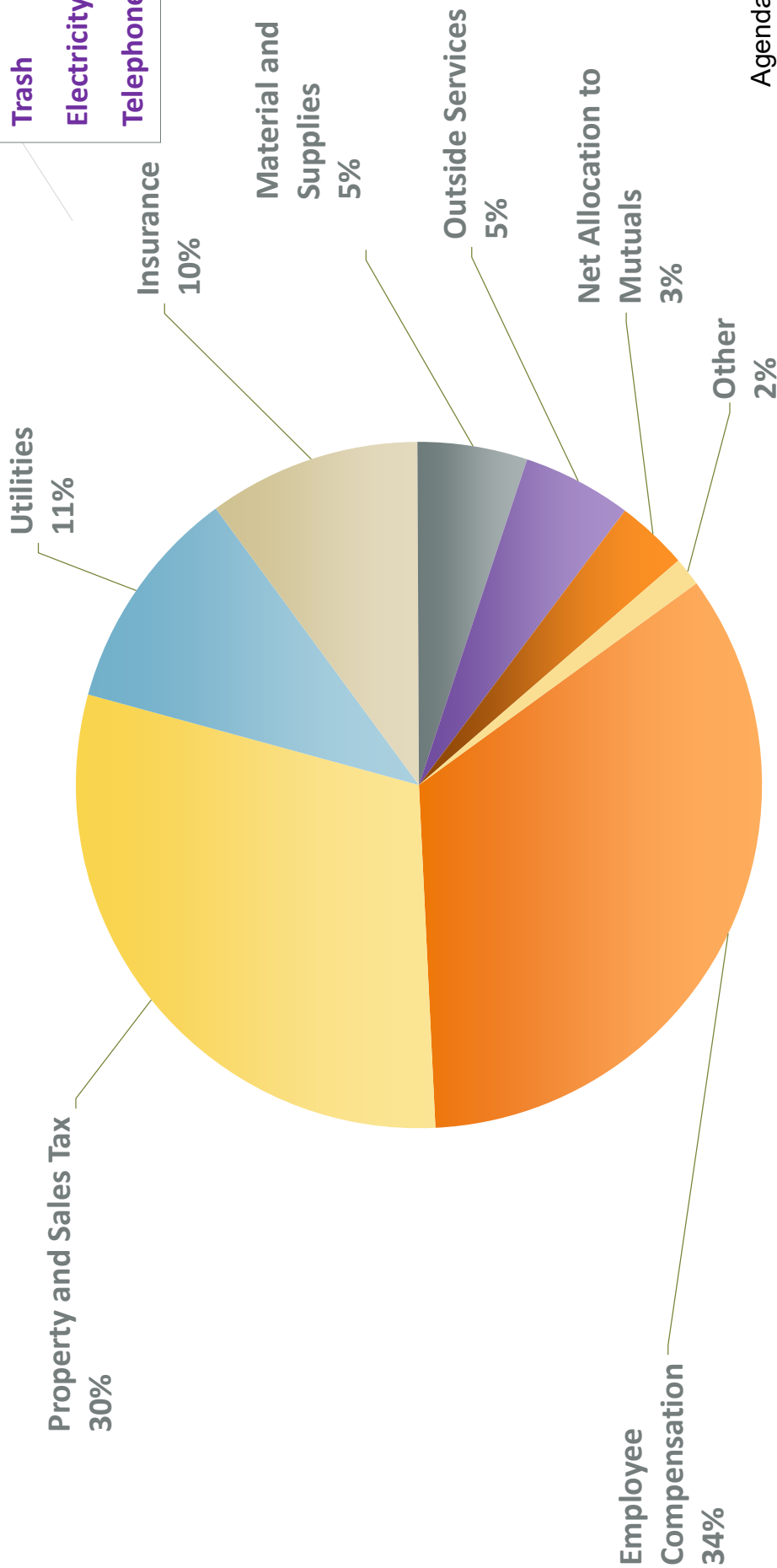


# Financial Report

Preliminary as of May 31, 2021



Total Expenses \$16,607,458



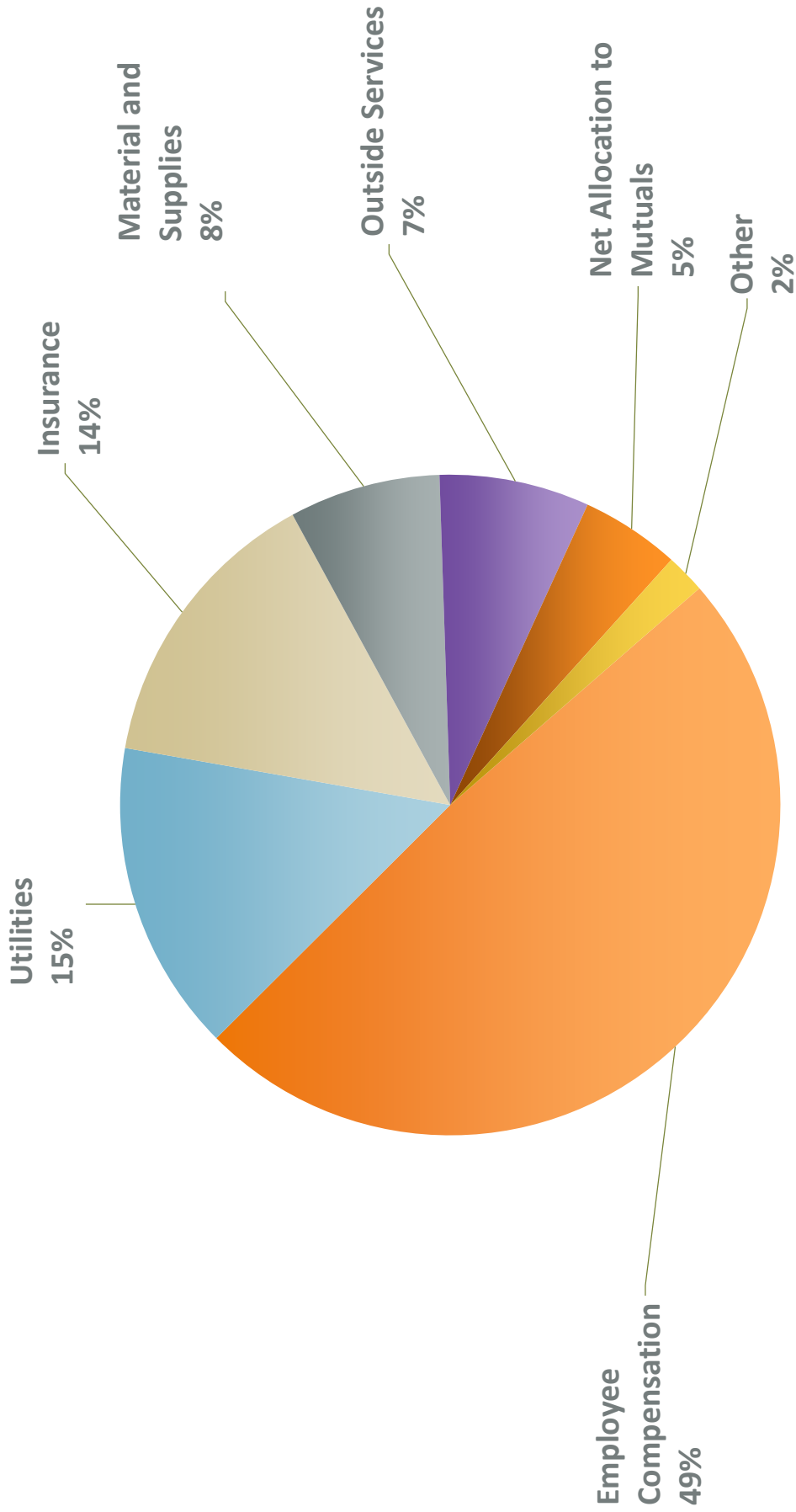
Sewer	\$732,433
Water	\$792,065
Trash	\$189,437
Electricity	\$56,399
Telephone	\$279



# Financial Report

Preliminary as of May 31, 2021

## Total Expenses Excluding Property and Sales Tax \$11,622,549



# Financial Report

Preliminary as of May 31, 2021

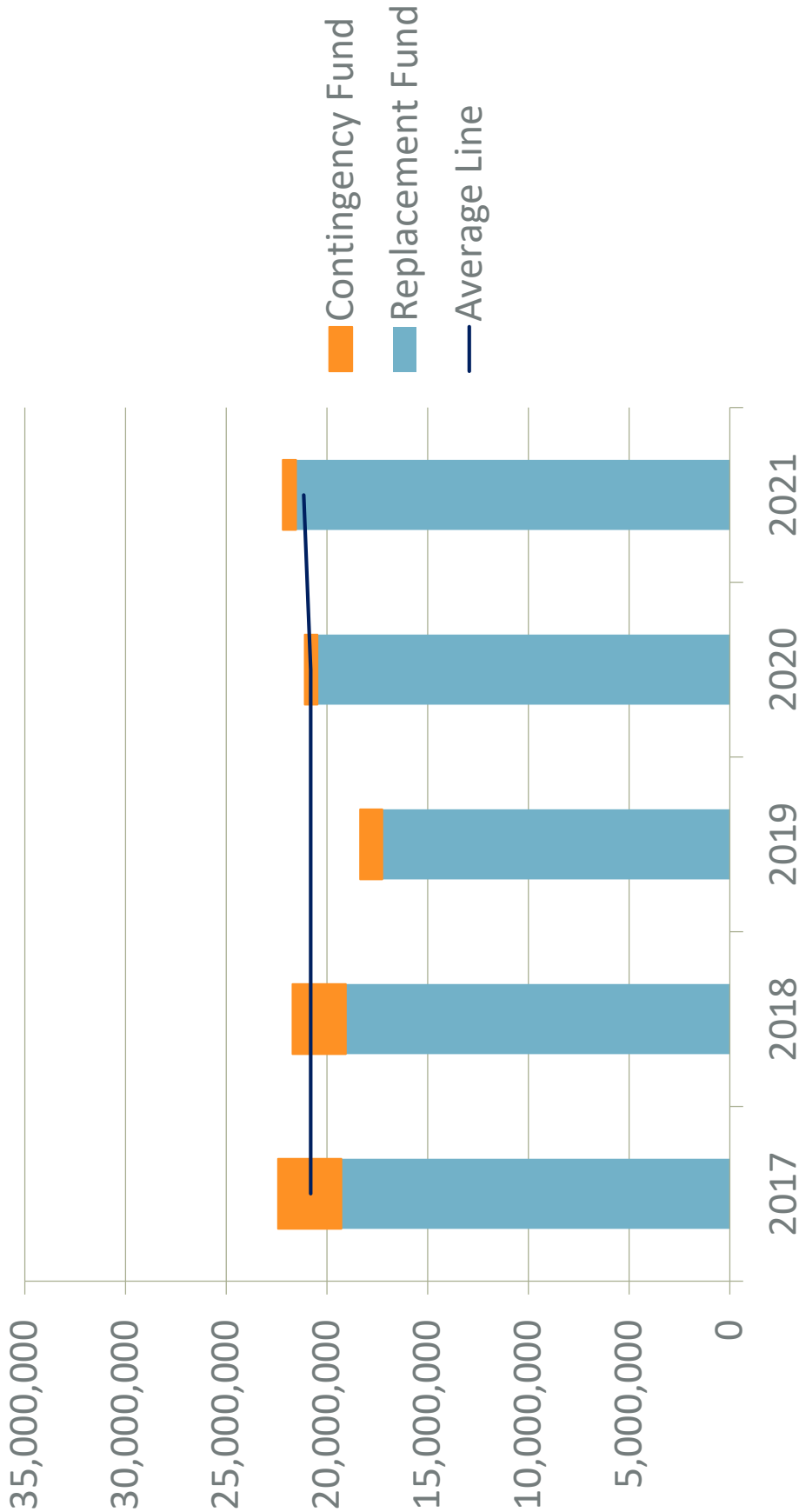


NON-OPERATING FUND BALANCES (in Thousands)	CONTINGENCY	RESERVE
Beginning Balances: 1/1/21	\$371	\$20,196
Contributions & Interest	300	4,278
Expenditures	15	2,939
Current Balances: 5/31/21	\$656	\$21,535

# Financial Report

Preliminary as of May 31, 2021

## FUND BALANCES – United Mutual



# Financial Report

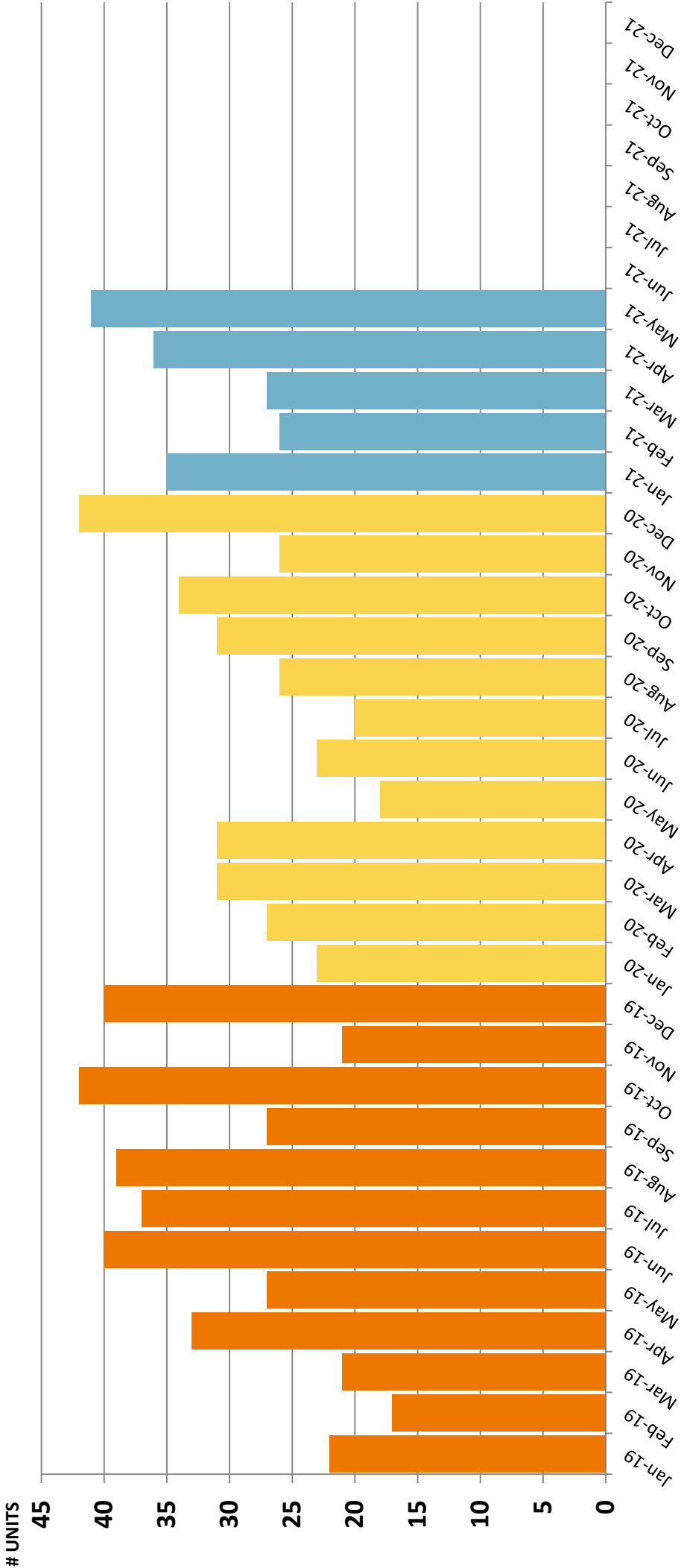
Preliminary as of May 31, 2021

## RESALE HISTORY – United Mutual

	NO. OF RESALES	AVG. RESALE PRICE
YTD 2019	120	\$262,194
YTD 2020	130	\$247,776
YTD 2021	165	\$259,186



UNITED LAGUNA WOODS  
MUTUAL



**United Laguna Woods Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**5/31/2021**  
(\$ IN THOUSANDS)

	ACTUAL	CURRENT MONTH BUDGET	VARIANCE	ACTUAL	YEAR TO DATE BUDGET	VARIANCE	PRIOR YEAR ACTUAL	TOTAL BUDGET
<b>Revenues:</b>								
Assessments:								
1 Operating	\$2,811	\$2,810	\$1	\$14,056	\$14,051	\$6	\$12,676	\$33,721
2 Additions to restricted funds	961	961		4,806	4,806		5,122	11,535
3 Total assessments	3,773	3,771	1	18,863	18,857	6	17,798	45,256
Non-assessment revenues:								
4 Merchandise sales	1		1	3		3	3	
5 Fees and charges for services to residents	52	53		248	261	(13)	154	629
6 Laundry	19	23	(3)	114	113	1	106	270
7 Investment income	13	20	(6)	62	98	(35)	126	234
8 Unrealized gain/(loss) on AFS investments	8	10	(2)	(291)	52	(343)	438	125
9 Miscellaneous	29	45	(17)	197	225	(28)	188	541
10 Total non-assessment revenue	123	150	(27)	333	748	(415)	1,015	1,799
11 Total revenue	3,896	3,922	(26)	19,195	19,605	(409)	18,814	47,055
<b>Expenses:</b>								
12 Employee compensation and related	1,141	1,269	128	5,685	6,269	583	4,960	15,045
13 Materials and supplies	158	253	95	860	1,282	421	694	3,087
14 Utilities and telephone	444	361	(83)	1,771	1,618	(152)	1,521	4,359
15 Legal fees	16	29	13	74	146	72	85	350
16 Professional fees		8	8	37	69	33	42	116
17 Equipment rental	3	2	(2)	21	8	(13)	8	20
18 Outside services	226	801	574	855	3,507	2,652	2,396	9,229
19 Repairs and maintenance	3	4	1	14	20	5	12	49
20 Other Operating Expense	7	16	9	43	87	44	50	206
21 Property and sales tax	971	1,013	42	4,985	5,066	81	4,798	12,158
22 Insurance	330	320	(10)	1,664	1,599	(65)	846	3,838
23 Investment expense	3		(3)	5	3	(3)	5	11
24 Uncollectible Accounts	(1)		1	(16)	8	24	5	30
25 (Gain)/loss on sale or trade				(36)		36	61	
26 Depreciation and amortization	16	16		82	82		83	196
27 Net allocation to mutuals	108	125	17	564	621	57	617	1,484
28 Total expenses	3,426	4,216	790	16,607	20,383	3,776	16,185	50,177
29 Excess of revenues over expenses	\$469	(\$294)	\$764	\$2,588	(\$779)	\$3,366	\$2,629	(\$3,122)

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## **Treasurer's Report for July 13, 2021 Board Meeting**

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**SLIDE 1** – Through the reporting period of **May 31, 2021**, total revenue for United was \$19,195K compared to expenses of \$16,607K, resulting in net revenue of \$2,588K.

**SLIDE 2** – In Finance, we keep a close eye on the operating portion of our financial results. The Operating Fund (without Depreciation) shows an operating surplus of \$1,044K through the reporting period. This chart shows how much of our revenue went into operations, with \$14,056K coming in from assessments and \$561K coming from non-assessment revenue. This is compared to operating expenditures of \$13,573K (without Depreciation).

**SLIDE 3** – This next chart takes the full income statement and compares those results to budget. We can see that United ended the period better than budget by \$3,366K when combining both operating and reserve savings.

**SLIDE 4** – The most significant variances from budget were attributable to the following:

**Outside Services \$2,652K;** Timing. Budgets are spread evenly for programs such as wasteline remediation, building structures, damage restoration, tree maintenance, countertop/floors/shower enclosure, and qater line – copper pipe remediation.

**Employee Compensation \$583K;** Favorable variance resulted primarily in the departments of Maintenance and Construction and Landscape. Savings occurred in landscape where shrub-bed maintenance was outsourced creating savings in labor hours. In M&C, United switched from a budgeted 10-year paint cycle to a 15-year cycle, resulting in a reduction of 5 FTE required in paint and 1 FTE in carpentry work centers. Electrical, plumbing, and property services work centers also had favorable variances due to open positions; recruitment is in progress.

**Materials and Supplies \$421K;** Favorable variance resulted in several areas of operations such as interior components, plumbing, and appliance. The Board allowed residents to refuse entry for appliance replacements through June 15<sup>th</sup> causing less replacements of items such as water heaters and refrigerators. In addition, shortages in materials and appliances caused by Covid-19 have contributed to the favorable variance for items such as basins, sinks, toilets, counter tops, floors and shower enclosures. Furthermore, programs such as washing machine and dryer replacements are budgeted evenly throughout the year but necessary replacements occur at the end of the year.

**Property and Sales Tax \$81K;** Favorable variance resulted due to lower supplemental property taxes than budgeted.

**Unrealized Gain/(Loss) On Investments (\$343K);** 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.



## **Treasurer's Report for July 13, 2021 Board Meeting**

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**SLIDE 5** – On this pie chart, we show non-assessment revenues earned to date of \$624K, excluding the Unrealized Loss on Available for Sale Investments. If you include the unrealized loss on investments, non-assessment revenue totaled \$333K. Revenue is organized by category, starting with our largest revenue generating category Fees and Charges to Residents, followed by Laundry, Investment Income, Resale Processing Fee, and so forth.

**SLIDE 6** – On this pie chart, we see the expenses to date of \$16.6M, showing that our largest categories of expense are for Employee Compensation, Property and Sales Tax followed by Utilities, Insurance, Materials and Supplies, Outside Services, and so forth. At the upper right corner, we show a breakout of the utility category.

**SLIDE 7** – On the next slide we see those same expenses, excluding property and sales tax.

**SLIDE 8** – Our fund balances are shown here. The Contingency Fund balance on May 31, 2021 was \$656K. Contributions and investment revenue totaled \$300K while expenditures came in at \$15K. The Reserve Fund balance on May 31, 2021 was \$21,535K. Contributions and investment revenue collected totaled \$4,278K while expenditures were \$2,939K.

**SLIDE 9** – We compare this to historical fund balances for the past five years on this chart, which have averaged \$21 Million.

**SLIDE 10** – We have a slide here to show resale history from 2019 - 2021. Through May 31, 2021, United sales totaled 165, which is 35 higher than prior year for the same time period. The average YTD resale price for a United Mutual manor was \$259K, which is \$11K higher than prior year for the same time period.





OPEN MEETING

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

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

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

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** United – Elsie Addington  
VMS – Juanita Skillman

**STAFF PRESENT:** Jeff Parker, Steve Hormuth, Jose Campos, Jackie Kupfert, Pamela Bashline, Ada Montesinos, Richu Saju

**Call to Order**

Director Asgari, Treasurer, chaired the meeting and called it to order at 1:30 p.m. and established there was a quorum.

**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 May 25, 2021**

By consensus, the committee meeting report was approved as presented.

**Chair Remarks**

Director Asgari commented that the mutual should find ways of keeping expense levels the same year over year while maintaining existing service levels by finding improvements.

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

Advisor Rader asked if it was possible to get an update on insurance plans and what it might cost us. Sue answered that they are working with Marsh to review the policies and information will be shared when updates are available in September.

**Department Head Update**

Steve Hormuth, Interim Finance Director, provided updates on the 2022 budget process,

banking services, insurance and reserve payment approvals. He further commented that the updated reserve expenditure process would include reserve payroll expenses and would be described during a subsequent agenda item.

### **Review Preliminary Financial Statements dated May 31, 2021**

The committee reviewed financial statements for May 31, 2021 and questions were addressed.

### **Compensation and Outside Services**

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

### **Reserve Expenditures - Payroll**

Steve Hormuth updated the committee on the Reserve Expenditure procedure stating that reserve payroll expense details will be provided to two United board members in support of the monthly Reserve Payroll Expense check beginning in July 2021.

### **United Rental Properties**

The committee requested the number of rental units be provided in future finance committee meetings on a monthly basis.

### **Co-Occupancy Policy**

Committee agree to remove the Finance requirements from co-occupant application.

### **Endorsements from Standing Committees**

There were none.

### **Future Agenda Items**

None.

### **Committee Member Comments**

None.

### **Date of Next Meeting**

Tuesday, July 27, 2021 at 1:30 p.m. and will be held in the Community Center Board Room.

### **Recess to Closed Session**

The meeting recessed to closed session at 3:44 p.m.

**DRAFT**

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Azar Asgari, Chair

# Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

United

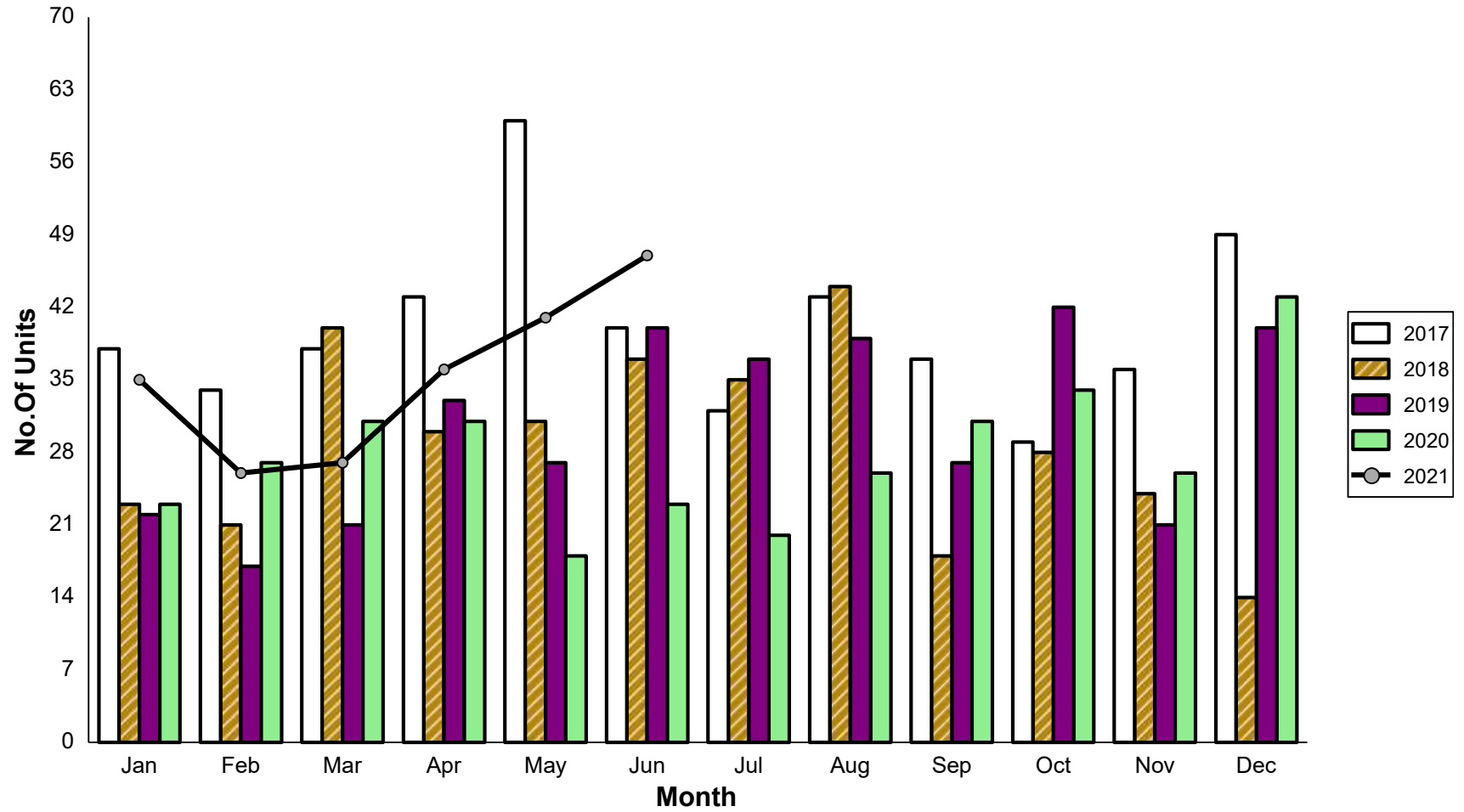
June, 2021

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	35	23	\$8,997,153	\$6,100,300	\$257,062	\$265,230
February	26	27	\$6,846,600	\$6,375,200	\$263,331	\$236,119
March	27	31	\$6,979,900	\$7,863,500	\$258,515	\$253,661
April	36	31	\$9,605,499	\$7,209,488	\$266,819	\$232,564
May	41	18	\$10,258,400	\$4,523,500	\$250,205	\$251,306
June	47	23	\$13,580,100	\$6,174,899	\$288,938	\$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	212.00	153.00	\$56,267,652	\$38,246,887		
MON AVG	35.00	25.00	\$9,377,942	\$6,374,481	\$264,145	\$251,226
% CHANGE - YTD	38.6%		47.1%		5.1%	

% 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

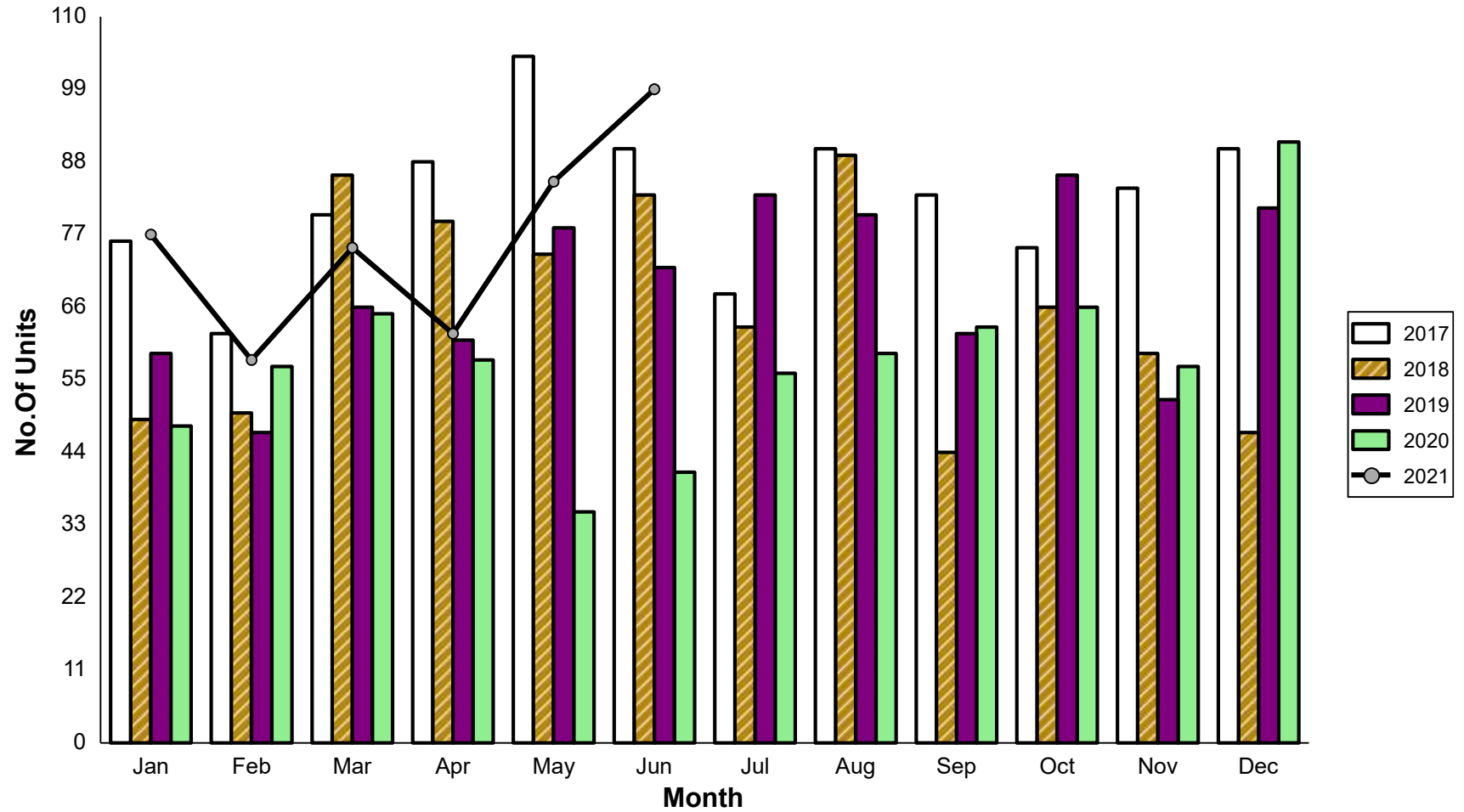
REPORT PERIOD

June, 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	62	58	\$22,141,399	\$18,200,321	\$357,119	\$313,799
May	85	35	\$29,079,200	\$10,277,500	\$342,108	\$293,643
June	99	41	\$39,280,488	\$12,315,399	\$396,773	\$300,376
July		* 56		* \$20,514,748		* \$366,335
August		* 59		* \$21,522,228		* \$364,784
September		* 63		* \$22,132,600		* \$351,311
October		* 66		* \$20,962,800		* \$317,618
November		* 57		* \$17,923,188		* \$314,442
December		* 91		* \$29,495,361		* \$324,125
TOTAL	456.00	304.00	\$163,034,090	\$97,774,646		
MON AVG	76.00	50.00	\$27,172,348	\$16,295,774	\$354,632	\$318,849

\* Amount is excluded from percent calculation

## Resales - 5 Year Comparison



# Resales Report

## United Laguna Woods Mutual

### June, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/24/2021	21-C	1	\$238,000	Barcelona	HomeSmart Evergreen	Laguna Woods Village Realty	Escrow Options Group
06/01/2021	49-A	1	\$249,900	La Corona	Century 21 Award	Century 21 Rainbow	Corner Escrow Inc.
06/02/2021	108-A	1	\$445,000	Valencia	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
06/24/2021	109-A	1	\$559,000	Cordoba	Surterre Properties, Inc.	Compass	Granite Escrow
06/02/2021	122-C	1	\$405,000	San Sebastian	Compass	South Coast Realty	Granite Escrow
06/29/2021	123-G	1	\$231,000	Barcelona	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
06/28/2021	138-C	1	\$270,000	Seville	Keller Williams Real Estate	Keller Williams Realty Irvine	Corner Escrow Inc.
06/01/2021	180-C	1	\$280,000	San Sebastian	Laguna Premier Realty, Inc	HomeSmart Evergreen	Blue Pacific Escrow
06/21/2021	201-B	1	\$425,000	Granada	Laguna Premier Realty, Inc	Conrad Realtors	Blue Pacific Escrow
06/24/2021	240-C	1	\$358,000	Valencia	Century 21 Rainbow	Presidential Real Estate	Granite Escrow
06/30/2021	248-B	1	\$345,000	Granada	Coldwell Banker Residential	Keller Williams Real Estate	Granite Escrow
06/23/2021	248-G	1	\$230,000	Granada	Laguna Woods Village Realty	Village Real Estate	Granite Escrow
06/07/2021	254-Q	1	\$175,000	Casa Blanca	Keller Williams Real Estate	Keller Williams Real Estate	Corner Escrow Inc.
06/18/2021	256-Q	1	\$190,000	Casa Blanca	Residential Agent Inc.	Laguna Premier Realty, Inc	Blue Pacific Escrow
06/16/2021	288-A	1	\$260,000	San Sebastian	Laguna Woods Village Realty	Regency Real Estate	Granite Escrow
06/09/2021	318-A	1	\$395,000	Madrid	Laguna Premier Realty, Inc	Mission Ranch Real Estate	Blue Pacific Escrow
06/09/2021	325-N	1	\$183,000	Casa Blanca	Century 21 Rainbow	Century 21 Rainbow	Corner Escrow Inc.
06/14/2021	339-A	1	\$250,000	San Sebastian	First Team Real Estate	No Broker	Granite Escrow
06/25/2021	346-P	1	\$170,000	Casa Blanca	FSBO	FSBO	Corner Escrow Inc.
06/23/2021	347-D	1	\$325,000	Seville	Laguna Premier Realty, Inc	NextHome Wealth Advisors	Blue Pacific Escrow
06/23/2021	391-N	1	\$138,000	Cadiz	Refined Realty	Laguna Premier Realty, Inc	Corner Escrow Inc.
06/01/2021	475-B	1	\$248,000	Majorca	Century 21 Rainbow	Presidential Real Estate	Corner Escrow Inc.

# Resales Report

## United Laguna Woods Mutual

### June, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/03/2021	605-A	1	\$284,000	San Sebastian	Professional's Broker	Regency Real Estate	Granite Escrow
06/18/2021	609-C	1	\$372,500	Valencia	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Blue Pacific Escrow
06/29/2021	642-P	1	\$275,000	Casa Linda	Pinnacle Estate Properties	Century 21 Rainbow	Granite Escrow
06/30/2021	653-P	1	\$320,000	Casa Contenta	Keller Williams Real Estate	Keller Williams Real Estate	Granite Escrow
06/01/2021	734-B	1	\$318,000	San Sebastian	Century 21 Discovery	Keller Williams Real Estate	Corner Escrow Inc.
06/03/2021	781-B	1	\$239,000	Casa Contenta	HomeSmart Evergreen	Berkshire Hathaway	Escrow Options Group
06/07/2021	784-O	1	\$147,500	Cadiz	Realty One Group	Ken Nakaoka	Escrow Options Group
06/14/2021	844-D	1	\$270,000	Casa Contenta	David Crandall	Coldwell Banker	Corner Escrow Inc.
06/14/2021	845-C	1	\$342,000	Casa Contenta	Laguna Premier Realty, Inc	New Star Realty & Investment	Blue Pacific Escrow
06/25/2021	859-N	1	\$227,500	Castilla	FSBO	FSBO	Granite Escrow
06/21/2021	859-P	1	\$256,000	Castilla	Berkshire Hathaway	Laguna Premier Realty, Inc	Granite Escrow
06/14/2021	865-N	1	\$178,000	Casa Contenta	RE/MAX Coastal Homes	Century 21 Astro	Granite Escrow
06/09/2021	874-Q	1	\$255,000	Castilla	New Star Realty & Investment	Century 21 Astro	Corner Escrow Inc.
06/01/2021	880-B	1	\$279,000	Casa Linda	HomeSmart Evergreen	Century 21 Rainbow	Escrow Options Group
06/30/2021	906-P	1	\$260,000	Casa Linda	Century 21 Discovery	Century 21 Astro	Corner Escrow Inc.
06/02/2021	923-D	1	\$365,000	Madrid	Laguna Premier Realty, Inc		Blue Pacific Escrow
06/03/2021	927-B	1	\$338,000	Casa Linda	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Blue Pacific Escrow
06/10/2021	933-Q	1	\$275,000	Casa Linda	California Freedom Real Estate	Evergreen Realty	Generations Escrow
06/09/2021	2010-C	1	\$327,700	Cordoba	First Team Real Estate	eXp Realty of California	Granite Escrow
06/08/2021	2046-A	1	\$243,000	Casa Linda	CENTURY 21	Corcoran Global Living	Granite Escrow



# Resales Report

## United Laguna Woods Mutual

### June, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
06/10/2021	2052-C	1	\$325,000	Cordoba	Laguna Premier Realty, Inc	Nationwide Real Estate	Blue Pacific Escrow
06/08/2021	2077-C	1	\$388,000	Seville	HomeSmart Evergreen	Keller Williams Real Estate	Escrow Options Group
06/10/2021	2079-A	1	\$315,000	Seville	HomeSmart Evergreen	EQ1 Real Estate	Blue Pacific Escrow
06/17/2021	2080-B	1	\$300,000	Valencia	Laguna Premier Realty, Inc	Buckingham Investments	Blue Pacific Escrow
06/08/2021	2106-Q	1	\$310,000	Casa Linda	Prea Realty	Regency Real Estate	Granite Escrow

Number of Resales: 47

Total Resale Price: \$13,580,100

Average Resale Price: \$288,938

Median Resale Price: \$275,000

## Monthly Resale Report United Mutual

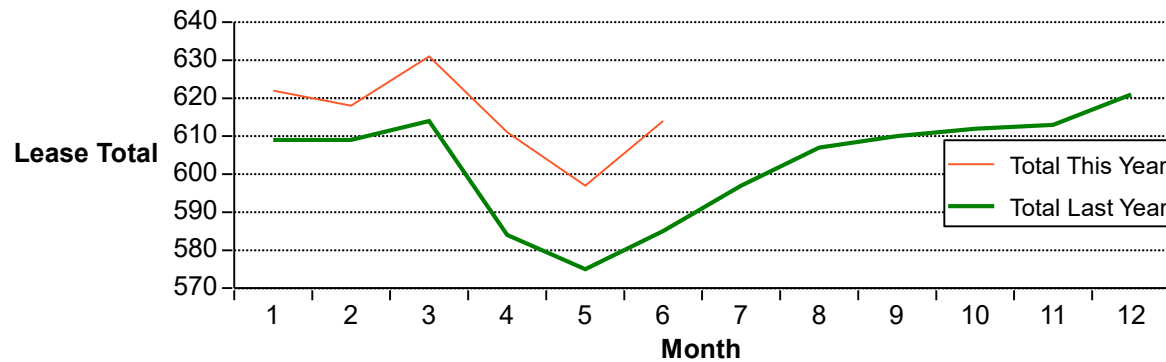
PREPARED BY  
Community Services Department

Jun-21

Month	NUMBER OF RESALES				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	36	31	33	30	\$9,605,499	\$7,209,488	\$9,292,051	\$8,824,600	\$266,819	\$232,564	\$281,577	\$294,153
May	41	18	27	31	\$10,258,400	\$4,523,500	\$6,380,503	\$8,735,000	\$250,205	\$251,306	\$236,315	\$281,774
June	47	23	40	37	\$13,580,100	\$6,174,899	\$10,297,790	\$11,021,400	\$288,938	\$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
<b>TOTAL</b>	212	153	160	182	\$56,267,652	\$38,246,887	\$41,863,644	\$51,811,240				
<b>MON AVG</b>	35	26	27	30	\$9,377,942	\$6,374,481	\$6,977,274	\$8,635,207	\$264,145	\$251,226	\$261,403	\$283,792
<b>% CHANGE-YTD</b>	38.6%	-4.4%	-12.1%	-28.3%	47.1%	-8.6%	-19.2%	-18.9%	5.1%	-3.9%	-7.9%	13.4%

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

## Monthly Active Leasing Report 2021 Period 6 (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	20	130	453	622	609	9.8	9.6	0.2	0	27
2021	February	12	16	144	446	618	609	9.8	9.6	0.2	7	12
2021	March	15	18	158	440	631	614	10.0	9.7	0.3	48	32
2021	April	12	19	163	417	611	584	9.7	9.2	0.5	29	40
2021	May	9	18	167	403	597	575	9.4	9.1	0.3	29	23
2021	June	18	21	180	395	614	585	9.7	9.3	0.4	55	48
2021	July						597					
2021	August						607					
2021	September						610					
2021	October						612					
2021	November						613					
2021	December						621					

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**OPEN MEETING**

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

Thursday, June 17 2021 - 9:30 AM-11:30AM  
Laguna Woods Village Community Center (Virtual Meeting)  
24351 El Toro Road, Laguna Woods, CA 92637

**REPORT**

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

**DIRECTORS PRESENT:**

**COMMITTEE MEMBERS ABSENT:** Michael Mehrair

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

**STAFF PRESENT:** Robbi Doncost, Lauryn Varnum, Gavin Fogg

**1. Call to Order**

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

**2. Acknowledgement of Media**

Zoom platform via Granicus.

**3. Approval of Agenda**

The committee approved the agenda as presented by acclamation.

**4. Approval of Meeting Report for May 26, 2021**

The committee approved the agenda as presented by consensus.

**5. Chair's Remarks**

None.

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

**A. Jane Warthen – Reconsider Established Standard (Repair Window with Plexiglass in Lieu of New Double Glazing)**



Staff Officer Doncost summarized the member's situation regarding their window being repeatedly broken due to errant golf balls. The ACSC listened to the proposed suggestion of the installation of an outer plexiglass layer and professional caulking with the condition of MA performing an inspection after the work is completed. A motion was raised to allow the installation. The motion passed.

#### **B. Raymond Saidah – Shower Remodel**

Staff Officer Fogg summarized the work that occurred at Mr. Saidah's unit thus far, explaining that the permit has been issued, and the work is in the process of being completed. Mr. Fogg explained that the City of Laguna Woods requested to see paperwork during the process which was an unexpected step for the member. Currently, MA expects Mr. Saidah to be able to complete his alteration.

Chair Gilmore commented that further cooperation was needed from the City of Laguna Woods in order to close the loop of asbestos regulations. Director Randazzo questioned why the City of Laguna Woods did not attend the Asbestos Summit, questioned why backer board was being tested, and questioned why the City is changing their requirements.

Mr. Doncost confirmed that until AQMD follows up with legal clarification, MA must adhere to the existing asbestos policies. Mr. Fogg summarized the communications between the city, MA and Mr. Saidah. Director Randazzo and Chair Gilmore commented that the City seems to be duplicating requirements unnecessarily. Mr. Doncost agreed to generate a chart indicating the roles and responsibilities of all involved parties.

#### **7. Manor Alterations Division Manager Update**

Mr. Doncost confirmed that the MA office is now open for in-person appointments, the email and phone backlog is completely eliminated, the volume of inspections has increased due to the increase in staff, and while appointments are available, the work done by In-Take staff has led to a small number of appointments, approximately 5 per day. Residents are able to receive information and paperwork without needing to make an appointment and permits are consistently being issued in a timely manner. MA is also contemplating staff promotions to adjust the United Inspector position. Currently it is being covered by the In-Take Sr. Operations Specialist.

#### **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 May 75 permits were processed and released within United Mutual, while 81 new tickets were generated. Mr. Doncost reminded the ACSC that these reports are generated manually. Director Randazzo requested a more sophisticated color-coding system, and Mr. Doncost pledged to connect once more with the technology division.



## **Items for Discussion**

### **9. Permit Classification Revision**

Mr. Doncost explained the recent updates to the classification system and the assurance that staff is accommodating these revisions. Director Randazzo inquired if members can accomplish same-day alterations, such as a water heater. Mr. Doncost confirmed that MA can accommodate same-day alterations in such occasions, however the delays can occur due to contractors either not being aware of policies or submitting incorrect and/or incomplete paperwork. Director Randazzo inquired what could be done to assist members and their contractors. Mr. Doncost confirmed that members and contractors are given both completed samples of paperwork and instructional sheets for completing permits, but agreed to publish an article within an upcoming Manor Alterations News Bulletin.

### **10. Variance Moratorium: July Expiration**

The United ACSC agreed to allow the Variance Moratorium to expire and not to extend its duration.

### **11. SCAQMD Follow Up & Next Steps: Cal OSHA Meeting**

Mr. Doncost confirmed that multiple requests for responses and participation have been gone unanswered by Cal OSHA, however SCAQMD has received clarification of ownership from VMS. Currently, MA is awaiting a response.

Director Addington recommended reaching out to Federal officials in order to assist in visibility. Chair Gilmore inquired if legal representation could be engaged, or if MA could draft a letter. Director Skillman suggested it may be appropriate to engage with Jeff Beaumont, the attorney, and Chair Gilmore took the action item to connect with United President Margolis.

### **12. Permitless Alteration Update: Midpoint Evaluation**

Director Skillman noted edits to reflect the approval by the United Board, Director Randazzo proposed verbiage edits, and a motion was raised to accept the permanence of the policy. Motion was passed to make the Permitless Alteration Policy permanent inclusive of the edits. The revised Resolution will be now sent to the United Board for consideration.

### **13. Contractor Penalty Policy & Resolution**

Discussion ensued regarding the edits suggested by United ACSC, the feedback received by Third, and the fee structure of penalties. Director Bastani suggested that penalties will be effective, and that additional consideration must be given to reporting violating contractors to the licensing board. Director Randazzo referenced the comments provided previously to MA. Director Addington suggested not providing a “free pass” for first time violations, or increasing the initial fee to a higher quantity. The ACSC members explored the details of the policy, including the structure of temporary suspensions, the compounding penalties, the categories of violations, the desire to avoid members bearing the cost of violations, the need to potentially update the Mutual Consent paperwork to reflect these new policies, and the intricacies of the policy.



Mr. Doncost stated that the discussion was a prime example of how complex and multi-layered this issue was without a secure policy in place, and the intent of the policy was to “weed out” the chronic offenders. Mr. Doncost pledged to create a list of the 5 most frequent violations and to provide counterpoints for the arguments by Third. The goal is to create a cohesive policy which applies to both mutuals and Mr. Doncost confirmed that MA is committed to finding a solution. A new revised policy will be provided for future consideration.

**Items for Future Discussion:**

**14. News Bulletin Topics**

Mr. Fogg attested to an article regarding water heater expeditions. Mr. Doncost encouraged all ACSC members to provide feedback and suggest topics. Director Torng inquired about updating some standards for alterations, such as exterior containment for water heaters being updated to plastic or another durable material as opposed to wood.

**Concluding Business:**

**15. Committee Member Comments**

Director Bastani requested the ACSC Meeting Reports be circulated within a week of the meeting.

Director Skillman suggested it would be appropriate to escalate the asbestos situation with the city to upper management, and Mr. Doncost recommended creating a comprehensive list of concerns which would be edited by the ACSC, VMS Staff, and others before submission.

**16. Date of Next Meeting – July 19, 2021 9:30 AM**

**17. Adjournment – 11:31 AM**

**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, June 17, 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, Reza Bastani, and Diane Casey

**MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Dick Rader, Juanita Skillman, and Bevan Strom

**ADVISORS ABSENT:** Mary Stone

**STAFF PRESENT:** Francis Gomez, Pamela Bashline and Paul Nguyen

**CALL TO ORDER**

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

**ACKNOWLEDGEMENT OF PRESS**

The media was not present.

**APPROVAL OF THE AGENDA**

President Margolis made a motion to amend the agenda by adding “Discuss and Consider Possible Fee/Fine for Resident Caused Plumbing Problem” as Agenda Item 9c. Without objection the motion carried.

**APPROVAL OF MEETING REPORTS**

President Margolis made a motion to approve the meeting report from the May 20, 2021 meeting.

Without objection the motion carried.

**CHAIR’S REMARKS**

Chair Addington had no remarks and stated it was nice to see everyone.

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

None

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

None

## **REPORTS**

### **Review Financial Requirements for Members**

Pamela Bashline, Community Services Manager, presented the Financial Requirements for Members. The Committee members made comments and asked questions. The Committee reviewed changes to Section 4a, 4j, and add a minimum amount to Section 2g.

Without objection the Committee recommended the changes be available next month for the Board to review.

## **ITEMS FOR DISCUSSION AND CONSIDERATION**

### **Status of 2021 Goals:**

Francis Gomez, Operations Manager, presented the Project Log included in the agenda packet that outlines the Goals for 2021. The Committee members made comments and asked questions.

- The Committee requested that Sublease Requirements be added to the Project Log as items number seven.
- The Committee discussed the Director SOP/Job Descriptions and made the following assignments:
  - Treasurer – D. Casey
  - Officers – Mary Stone
  - President, First Vice-President and Second Vice-President – S. Margolis and J. Skillman
  - Corporate Members – J. Skillman
  - Secretary – J. Skillman
  - Advisors – pending

### **Discuss and Consider Possible Fee/Fine for Resident Caused Plumbing Problem**

The Committee discussed and considered possible fee/fine for resident caused plumbing problems, specifically establishing a flat fee for major plumbing issues caused by a resident. Without objection, the Committee recommended that the discussion be sent to the Maintenance and Construction Committee (M&C) Meeting for further discussion.

## **Committee Member Comments**

Director Bastani wants the minutes be ready and posted within a week of the meeting.

**Future Agenda Items**

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

**Date of Next Meeting**

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

**Adjournment**

With no further business before the Committee, the Chair adjournment the meeting at 3:12 p.m.

*Elsie Addington*

[Elsie Addington \(Jun 24, 2021 15:34 PDT\)](#)

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Elsie Addington, Chair

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## **OPEN MEETING**

### **REPORT OF REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Wednesday, April 28, 2021 - 9:30 a.m.  
Virtual On-line Meeting**

**MEMBERS PRESENT:** Carl Randazzo – Chair, Brian Gilmore, Diane Casey, Reza Bastani

**MEMBERS ABSENT:** None

**ADVISORS PRESENT:** Ken Deppe, Walt Ridley

**OTHERS PRESENT:** Elsie Addington, Sue Margolis, Juanita Skillman, Dick Rader

**STAFF PRESENT:** Ernesto Munoz – Staff Officer, Laurie Chavarria, Guy West, Chris Naylor

#### **1. Call to Order**

Chair Randazzo called the meeting to order at 9:31 a.m.

#### **2. Acknowledgement of Media**

Chair Randazzo noted that this meeting was broadcasting on Granicus and is being recorded.

#### **3. Approval of the Agenda**

The agenda was approved as written.

#### **4. Approval of the Meeting Report – February 24, 2021**

The meeting report was approved as written.

#### **5. Chairman's Remarks**

Chair Randazzo welcomed everyone to the M&C Committee meeting and remarked on the agenda items to be discussed today, these items require long term review such as the maintenance project log, updates to the chargeable services list, future EV charging station locations, and emergency roof repairs.

He reminded everyone to follow the safety protocols and wash your hands, do not touch your face, wear a mask in public, stay safe and try not to be a statistic.

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

- There were no member comments.

## **7. Department Head Update**

Staff Officer Ernesto Munoz provided an update on staffing shortages, the 2022 budget preparation, an upcoming asbestos summit and a special meeting needed to review a contract award for Pushmatic Panel program installations.

### **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.*

## **8. Solar Production Report**

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

Discussion ensued regarding tree trimming; maintenance costs; energy bill savings at end of year; how kilowatt hours are applied to the electric bill; time of use calculations; and the return on investment time frame.

### **Reports:**

## **9. Revisions to Non-Emergency Maintenance Chargeable Services List**

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

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.

#### **10. 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; alteration policy;

By consensus, staff was directed to clarify the report and forward it to the Board with a recommendation to deny the reimbursement request.

#### **Items for Discussion and Consideration:**

#### **11. Paint Program Schedule with MS Project**

Staff Officer Ernesto Munoz reviewed the 2022 schedule for the Exterior Paint Program and answered questions from the Committee.

Discussion ensued regarding work scheduled by cul-de-sac (CDS) and by building number; current progress updates are shown in the project log; MS Project does not show if CDS schedule was completed on time; PTP schedule not shown in conjunction with paint schedule; and that MS Project software is not the most efficient way to report program work progress.

Chair Randazzo mentioned that more discussion was needed on this item because he would like to see staffs tracking spreadsheet which would show if the PTP and Paint programs are on schedule; falling behind or are overlapping with each other.

#### **12. EV Charging Station Locations for SCE Charge Ready 2 Program**

Sr. Management Analyst Chris Naylor reviewed potential locations for EV charging station locations that would qualify the Mutual to take advantage of the rebate available through the SCE Charge Ready 2 Program.

Discussion ensued regarding using green space to add parking spaces for EV charging; how SCE will provide power to the infrastructure; maintenance costs for each station; upgrading the Level II charging stations in the future; SCE's electric rate charge and if the clothes line area (adjacent to the common area laundry rooms) can be used for EV parking spaces.

### **13. Project Log & Project Log Improvements**

Staff Officer Ernesto Munoz reviewed each item on the project log and answered questions from the Committee.

Discussion ensued regarding gutters on Seville models; repurpose the existing Lexan building signs; estimated start and end dates to show status of work on the PTP and Paint Programs; and that annual program work is scheduled to be completed by the end of the fiscal year.

By consensus, staff was asked to save the small Lexan building address signs as they are removed from each building and store them until a decision is made on whether or not to reinstall these signs on the rear of the building. Additionally, staff was asked to show the estimated start & completion date and then the actual start and completion date for each CDS on the project log.

Chair Randazzo tabled the discussion on the suggested project log improvements and asked that this item be added to the June agenda.

### **14. Rain Leak Response by Roofers**

Projects Division Manager Guy West addressed concerns related to the call out of the Mutual's roofing contractor for emergency leak investigations that may not be related to rain leaks from the roof.

Staff has requested that Resident Services reps ask specific questions when a resident calls in to report a stain on a ceiling, in order to determine if the stain could have been caused by another source or if it is related to a roof leak from the rain.

Per direction from President Margolis, if it hasn't rained in the 72-hour period prior to when a resident reports a wet or stained ceiling, then work orders created in Stellar for a wet/stained ceiling will be assigned to the Damage Restoration Division for a Moisture Intrusion inspection and not to the Projects Division/Roofing Contractor for a Rain Leak Investigation. Staff in the M&C Department and Resident Services will be apprised of this new way of doing business and this method will be implemented.



Investigation. Staff in the M&C Department and Resident Services will be apprised of this new way of doing business and this method will be implemented.

**Items for Future Agendas:**

- Suggested Project Log Improvements (June)
- Proactive Approach to Plumbing to Reduce Moisture Intrusion Events (added by President Margolis)
- Solutions for Clogged Gutters/Downspouts
- Develop a Responsibility Matrix for Residential Unit Components
- Drainage Improvements to Prevent Foundation Issues

**Concluding Business:**

**15. Committee Member Comments**

- Director Bastani commented on a resident who has an issue with the manor's alteration list provided after a resale inspection.

**16. Date of Next Meeting: June 23, 2021**

**17. Recess:** The meeting was recessed at 2:01 p.m.



Carl Randazzo, Chair

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FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION

Wednesday, June 23, 2021 – 1:30 p.m.  
Virtual Meeting

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

MEMBERS ABSENT: Al Amado

STAFF PRESENT: Steve Hormuth, Jose Campos, Jeff Parker Grant Schultz, Brian Gruner, Eileen Paulin,

OTHERS: VMS – Juanita Skillman, Stefanie Brown,  
GRF – Sue Stephens, Jon Pearlstone, Yvonne Horton, Joan Milliman  
United – Dick Rader  
Third – Lynn Jarrett, Annie McCary, Craig Wayne Advisor

**Call to Order**

Director James Hopkins, Treasurer, chaired the meeting and was called to order at 1:30pm.

**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 April 21, 2021**

The meeting report was approved without exception.

**Chair Remarks**

Director Hopkins commented the purpose of the meeting.

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

Carl Randazzo questioned Director Dotson's participation as a panelist, since she no longer represents the Third Board. Chair Hopkins asked her to stay as a panelist, and would reassess if a vote was taken.

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

### **Department Head Update**

Steve Hormuth, Interim Financial Services Director, commented on 2022 Business Planning and reviewed upcoming meetings.

### **Review Preliminary Financial Statements dated May 31, 2021**

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

### **Investment Policy Review**

Chair Hopkins, presented the investment Policy. Discussion ensued. No action was taken.

### **Reserve Status and Budgeting Process**

Chair Hopkins, presented a GRF Reserve Plan and recommended that the 2022 Reserve Contribution be set at \$15.00 Per Manor Per Month (PMPM) and that the transfer fee be set at \$7,500 per eligible manor. Discussion ensued.

A motion was made, seconded, and carried without objection to recommend that the GRF Board approve a contracted Reserve Study.

### **Banking Update**

Steve Hormuth provided an update on banking options available to GRF. Ongoing updates will be provided to Treasurers, as they become available from banks. No action was taken

### **2020 Operating Surplus**

Steve Hormuth provided the 2020 operating surplus figure of \$1,411,617. A motion was made, seconded, and carried without objection to recommend that operating surplus of \$1,411,617 be transferred to the Contingency Fund.

### **Proposed 2022 Locker, Golf Driving Range, Caterer and Storage Area Fees**

Brian Gruner, Director of Recreation Services, presented a staff report concerning proposed 2022 Locker, Golf Driving Range, Caterer and Storage Areas Fees. A motion was made, seconded, and carried without objection to recommend that the fees for Lockers to \$25, quarter bucket of balls to \$2, small bucket of balls to \$4, large bucket of balls to \$6, catering plate fee to \$2, and implementing storage fees for storage areas ranging from \$25 to \$100 per year, based on size.

### **Future Agenda Items**

SageView biannual Presentation of Portfolio (August)  
EV Project Financial Impact

### **Committee Member Comments**

None.

**Date of Next Meeting**

Wednesday, August 25, 2021 at 1:30 p.m.

**Recess to Closed Session**

The meeting recessed to closed session at 4:11 p.m.

***DRAFT***

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James Hopkins, Chair

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## **OPEN MEETING**

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

Thursday, June 10, 2021 – 1:30 p.m.  
Virtual Zoom Webinar

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

**MEMBERS ABSENT:** Ryna Rothberg, Reza Karimi

**OTHERS PRESENT:** Dick Rader

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

#### **Call to Order**

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

#### **Acknowledgement of Media**

There was no press present.

#### **Approval of Agenda**

A motion was made to change item #10 to July 3 and 4 Clubhouse 2 Resident Coordinated Concert replacing Proposed Recreation Reopening Plan which will be presented during the Department Head Update and remove item #16 Long Range Plans for Outdoor Fitness Equipment.

Motion passed unanimously.

#### **Approval of Committee Report for May 13, 2021**

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

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

Chair Pearlstone stated today will be a review of the culmination of several months of planning and discussion to provide a starting point with regards to the budget analysis. This discussion will give a clear direction of where things will go and what objectives we are trying to accomplish. Chair Pearlstone thanked staff for assistance with this project.

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

Mr. Gruner stated the boiler at Pool 1 has not been delivered and staff will provide a concrete timeline of installation and reopening of Pool 1 once the boiler is received. The Golf Greens Committee discussed the following: the skins games tee times which have been booked successfully with the online tee time reservation system; staff recommendation of guests allowed after 10 a.m. weekdays and after noon on weekends which was approved; cart sharing to minimize damage on course; creation of orientation video for new golfers; alternative event start times for events such as member/guest tournaments. The Equestrian Center arena project contract is finalized and the project should commence within the next few weeks. The Garden Center 1 office building has been removed and staff is reworking the area to allow for gatherings. The July 4 golf cart parade will begin at 9 a.m. starting at Clubhouse 1 and will include a decorated float paid for by sponsorship.

Mr. Gruner presented the Village Reopening Plan.

Mr. Gruner stated the Recreation Department is striving to recruit more staff with the assistance of Human Resources as the staffing level is at about 65%. Chair Pearlstone inquired as to what amenities are not open. Mr. Gruner stated all facilities except Clubhouse 6 and the Performing Arts Center should be operational by July 6 with limitations on operating hours. More information will be provided to the community when available.

Advisor Skillman inquired as to full staff of lifeguards and as to the skins games tee times being reserved. Mr. Gruner stated there is a full staff of lifeguards and tee times are not reserved for the skins games, but those tee times are being successfully booked via the online reservation system. Advisor Skillman stated the Library will reopen on June 15 with regular hours of 10 a.m. to 4 p.m. Monday through Friday and 10 a.m. to 1 p.m. on Saturdays; fines will begin again for late returns; newspapers and magazines will return inside for check out; reading and puzzle rooms will be open; iPads will be available for use; outside patio library will not be available as all items will be moved inside; the History Center is open 10 a.m. to noon Monday through Friday. Chair Pearlstone directed staff to include the Library update in the next eblast to the community.

Director Torng inquired as to mask wearing, social distancing and sanitization. Mr. Gruner stated the guidelines will be reported once the state announces the requirements. Director Torng inquired as to the 65% staff level and if residents are allowed to apply for open positions. Mr. Gruner stated residents have been informed of the openings, but most available positions require heavy lifting and are physically demanding. Director Torng inquired as to restrictions of outside club members attending club events. Mr. Gruner stated there will be no guest restrictions for club events if allowed per the pending state announcement.

Dick Rader inquired as to cancellations due to inadequate staff. Mr. Gruner stated we are to reopen in a manner that allows for proper staff being available.



Chair Pearlstone stated the committee needs to discuss the July 3 and 4 resident coordinated concert as Mr. Boggio needs to leave the meeting soon. He recommended to skip to item #10 at this time and return to committee questions for Mr. Gruner.

Director Carpenter stated some clubs are continuing Kourts for reservations on a limited basis and stated Mr. Gruner is working with those clubs closely to enhance the sport and provide fair times of play. Director Horton inquired as to opening the tennis clubhouse. Mr. Gruner stated this may be open June 15, but will need to meet with the club to organize the interior. She inquired as to a tennis staff member being onsite. Mr. Gruner stated a staff person will return.

Staff was directed to place the employee discussion on a future CAC meeting per Chair Pearlstone.

Ms. Kupfert will send the Proposed Recreation Reopening Plan presentation to the committee.

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

None.

#### **CONSENT**

A motion was made to approve the consent calendar.

Director Torng inquired as to summary of operations report in regards to Year to Date Actuals showing a negative amount. Mr. Gruner stated refunds were issued to residents.

Motion passed unanimously.

#### **REPORTS**

**July 3 and 4 Clubhouse 2 Resident Coordinated Concert** - Chair Pearlstone stated Mr. Boggio from the Deluxe Night Club would like to host a concert on July 3 and 4 at Clubhouse 2. Mr. Gruner stated he was approached by resident Mr. Boggio requesting to host a multi-band concert on July 3 and 4. The inquiry included provision of a portable stage and barricades however staff will not be onsite. Mr. Boggio stated capacity of Clubhouse 2 grass area and patio will be adhered which would limit number of attendees and the event will be free with a required ticket. The driveway would be barricaded to ensure safety. The club is managing the event costs.

Discussion ensued.

Chair Pearlstone stated staff should only provide what is provided for other club events; barricades may make event safer. Director Carpenter stated several issues have been discussed and expectations have been established. She stated committee may approve event based upon club bringing in security and following limitations.

Staff was directed to allow the event as long as clean up, parking and security plans are presented fully.

**Shared Fee/Financial Analysis Update** – Chair Pearlstone presented the budget analysis. Mr. Gruner presented the revenue/expenses budget analysis and 3% fee increase chart.

Director Carpenter inquired as to the intent to use both the greenbook and newly presented formulas regarding the shared cost percentage. Chair Pearlstone stated the intention was not to override the shared cost, but to allow for minimal increase for the residents. Chair Pearlstone stated they would be integrated together as 3% is the maximum only and a lesser percent could be accepted. He recommends no increase for next year. Director Carpenter stated policies must be addressed as they are all different.

Director Carpenter stated some fees will need to be researched separately.

Staff was directed to present the proposed guest fees for the riding program to the Equestrian Ad Hoc Committee for review.

Staff was directed to submit the fee increases from the May CAC meeting and the storage fees to the Finance Committee in June.

Staff was directed to redesign the financial analysis and present at the July CAC meeting.

**Recreation Department Standardized Annual Fee Increases** – This item was not presented and is to be put on the June agenda.

**Special Accommodation for Reciprocal & Charitable Club Events** - Mr. Gruner stated the staff recommendation to approve the Laguna Woods Village Men's 18-Hole Golf Club special accommodation request for 2021 to reduce or waive guest fees when hosting the reciprocal and/or charitable club events listed below which market the community to non-residents and/or fundraise for the Foundation of Laguna Woods Village.

Motion was made to approve special accommodation of guests to pay the resident rate for tee time during the 18-Hole Men's Golf Club member/guest tournament in 2021.

Discussion ensued.

Motion passed unanimously.

Chair Pearlstone stated the committee approved the guest fee reduction of only one member/guest tournament with a minimal impact under \$3,000. He stated the Men's Golf Club may present other tournament guest fee requests if decided to host in 2021 or they may bundle them to be presented at future CAC meetings.

### **ITEMS FOR DISCUSSION AND CONSIDERATION**

None

### **ITEMS FOR FUTURE AGENDAS**

**Laguna Woods Village Pre-reserved Golf Tee Times** - Staff was directed to keep this item under Items for Future Agendas.

**Long Range Plans for Outdoor Activities** – Staff was directed to remove this item from future agendas.

**Garden Center 2 Access Gate** – Staff was directed to remove this item from future agendas.

**Saddleback Emeritus Institute Contract Update** – Staff was directed to keep this under Future Agendas.

**Locker Fees** - Mr. Gruner presented the facility storage report. Chair Pearlstone stated these would be annual fees, not monthly.

A motion was made to accept the proposed locker fees as presented.

Discussion ensued.

Motion passed unanimously.

**Club Insurance** – Staff was directed to keep this item under Future Agendas.

### **CONCLUDING BUSINESS**

#### **Committee Member Comments**

Chair Pearlstone stated the presentation of fees will be clarified at the next CAC meeting. Advisor Boudreau thanked the committee for the support of the special accommodation for reduced golf fees and any additional costs incurred with the tournament will be covered by club.

Director Dotson appreciated what was accomplished today and looks forward to receiving more information so the committee may make an informed decision that works best for our residents.

**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, July 8, 2021.

**Adjournment**

There being no further business, the Chair adjourned the meeting at 4:41 p.m.

*Jon Pearlstone*

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Jon Pearlstone, Chair



**OPEN MEETING**

**REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION  
LANDSCAPE COMMITTEE**

**Wednesday, June 9, 2021 – 1:30 P.M.  
VIRTUAL MEETING  
Laguna Woods Village Community Center  
24351 El Toro Road**

**REPORT**

**COMMITTEE MEMBERS PRESENT:** Chair - Yvonne Horton, Maggie Blackwell, Lynn Jarrett, Reza Karimi, Manuel Armendariz

**COMMITTEE MEMBERS ABSENT:** Andre Tornig

**OTHERS PRESENT:**

**ADVISORS PRESENT:** None

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

**1. Call to Order**

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

**2. Acknowledgement of Media**

No press was present.

**3. Approval of the Agenda**

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

**4. Approval of Meeting Report of March 10, 2021**

Director Jarrett made a motion to approve the Meeting Report. The committee was in unanimous support.

**5. Committee Chair Remarks**

Chair Horton stated that the annuals at the gates look really nice. The sales in the Village are up 14% so that is good news.

**6. Department Head Update**

Mr. Wiemann shared some slides regarding recent updates to landscape on GRF property.

Mr. Wiemann thanked the committee for their compliments regarding the landscaping at the gates.

Mr. Wiemann presented a PowerPoint to the committee to show them some GRF improvements including new irrigation systems at the Village nursery. There are 87 varieties of plants in the nursery. Most everything used in the Village is grown in our Nursery. Four staff members work there full-time. A new shade structure and electricity were put in at the Nursery. Some new mowers were purchased. Also, all new edgers were purchased since the existing were very old.

He spoke to committee about that the mower shop needs new lifts. He will bring costs for the new lifts to the next meeting.

Consent:

None.

Reports

**7. Update on the Creek**

Mr. Wiemann reported that we have finally passed all the mitigation requirements at the creek. Now, moving forward, we don't have to pay a biologist when working in the mitigation area.

Maintaining the creek means leaving native plants alone while maintaining areas we are allowed to maintain.

We will be removing any non-native wildlife, along with a biologist.

We are not allowed to alter the streambed so cannot touch stagnant water. He will ask California Department of Fish and Wildlife (CDFW) about altering the streambed.

Director Armendariz receives many emails from residents about the bridge at the creek.

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He said some cattails are as tall as the trees. Why should installing that bridge cause all these new rules about what can be done at creek? Residents ask why is it that we can only do some of the work if we purchase credits.

Mr. Wiemann responded that the creek area was always under the jurisdiction of all these agencies but when we applied to build the bridge, it alerted all those agencies to our creek.

We cannot "remove" cattails, only trim them. That is part of not disturbing the bottom of the streambed. Biologist did go in a week before trimming and told us what areas had wildlife in them so they couldn't be touched.

In August, we can clear out more cattails because nesting season will be over.

Director Armanedariz suggested posting a statement to Members who live in that area about what we can and cannot do at the creek and why. Mr. Wiemann said there was a full-page article in the "Breeze" about the Creek. Director Armendariz said it should be run again with information regarding the credits.

Director Armanedariz asked if you bought credits, could you remove cattails? Mr. Wiemann said we were looking at purchasing credits just for the 1/3 acre of the mitigation area and the cost was in the millions of dollars just for that area. Buying credits for the entire creek would not be feasible.

Director Blackwell stated that any information about the creek should be available on the website.

Items for Discussion and Consideration

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

Several Member made comments which were answered by the committee.

**9. Response to Member Comments**

None.

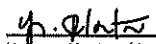
Concluding Business:

**10. Committee Member Comments**

None.

**11. Date of Next Meeting – Wednesday, September 8 at 1:30 p.m.**

**12. Adjournment at 2:23 p.m.**

  
\_\_\_\_\_  
Yvonne Horton (Jun 21, 2021 10:16 PDT)

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Yvonne Horton, Chair

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

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

**MEMBERS PRESENT:** Chair Tibbetts, Egon Garthoffner, Margaret Bennett,  
Joan Milliman, Reza Karimi, Elsie Addington, Reza  
Bastani

**ADVISORS:**

**MEMBERS ABSENT:**

**OTHERS PRESENT:** Bunny Carpenter, Judith Troutman, Carl Randazzo,  
Juanita Skillman

**STAFF PRESENT:** Chris Laugenour, Francisco Perez, Kelli Newton, Liz  
Cortez, Siobhan Foster

**1. Call to Order**

Chair Tibbetts called the meeting to order at 2:39 p.m.

**2. Acknowledgment of Media**

No media was present.

**3. Approval of the Agenda**

Agenda was approved by acclamation.

**4. Approval of Meeting Report for**

The regular meeting report of April 7, 2021 was approved by acclamation.

**5. Chair's Remarks**

None

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

No member comments.

**7. Response to Member Comments**

None

## **Reports**

### **8. Director's Report**

Staff provided the committee with an update on Transportation ridership. Fixed Route ridership grew steadily specifically over the last two months. Buses are being used more and with the Wellness Route being used most. Journey ridership has increased mainly due to doctor appointments. BOOST ridership is still low because hours continue to be limited. Staff is currently working with Lyft to expand the hours to accommodate the opening of the Village end of June and July.

Staff also provided a map of Laguna Woods Transportation boundaries.

Staff is following guidance from County/State mandates for mask requirements in public Transportation as it relates to COVID-19 restrictions.

## **Items for Discussion and Consideration**

### **9. Unit Inventory Discussion**

Staff provided the committee with an overview of the vehicle and equipment inventory, recommended replacement frequency, vehicle utilization, replacement over maintenance costs, and the current fleet management system. A detailed report of the vehicle inventory and data costs by vehicle type were also provided. In addition, the California Air Resources Board Truck and Bus Regulation along with the current list of diesel vehicles was provided to the committee. Committee members discussed issues related to improving vehicle utilization throughout the Village, reviewing adequate bus size for the Transportation program and the importance of a strategic vehicle replacement plan given the low mileage and use of many of the vehicles.

### **10.**

Staff provided to the committee with a brief overview of the 2022 proposed Capital Improvement Plan for vehicle purchases. Staff also provided a list of the anticipated 2022 proposed vehicles to be replaced based on mileage, age, and repair cost. Discussion surrounding the cost of certain vehicles, and staff will be providing more detail on passenger car expenses and Security vehicles requirements.

## **Items for Future Agendas:**

**11. Alternative Fuel Vehicles (Fall 2021)**

**12. DOJ 5310 Grant (Fall 2021)**

**Concluding Business:**

**12. Committee Member Comments**

None

**13. Date of Next Meeting – Wednesday, August 4, 2021**

**14. Adjournment**

The meeting was adjourned at 4:24 p.m.

DocuSigned by:  
*Don Tibbitts*  
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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, June 28, 2021 at 1:30 p.m. 24351 El Toro Road, Laguna Woods, California.

**MEMBERS PRESENT:** Don Tibbetts (Chair), Maggie Blackwell, Cush Bhada, Craig Wayne

**MEMBERS ABSENT:** Donna Rane-Szostak, Margaret Bennett, Reza Bastani, Manuel Armendariz, Andre Torng,

**OTHERS PRESENT:** Mike Epstein, Frank Tybor, Juanita Skillman

**STAFF PRESENT:** Tom Siviglia, Jayanna Hendley, and Vanessa Ayala

**CALL TO ORDER**

Don Tibbetts, Chair, called the meeting to order at 1:31 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 April 26, 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** Security Operations Manager, Tom Siviglia, gave reports on behalf of Chief Carlos Rojas, Security Director. Mr. Siviglia reported that the Fire Avert Device program has been approved and that Security will be moving forward with selecting volunteers to test the program. Siviglia stated that the Disaster Preparedness Task Force is working toward updating their Good Neighbor Captain training material. Siviglia also announced that the American Red Cross will be hosting another virtual training, this time covering the topics of Earthquake and Flood Preparedness, on August 10<sup>th</sup> at 10:00 AM. Members made comments and asked questions.

**RV Update** Tom Siviglia reported that we currently have 322 occupied spaces in Lot A, and 54 occupied spaces in Lot B. Members made comments and asked questions.

**Noteworthy Incidents** Tom Siviglia reported that we have recently given a commendation to three Security staff members for their assistance in recovering three stolen bicycles. Siviglia also mentioned that two of our staff members recently apprehended an illegal caregiver who was under the influence of narcotics and assisted in the subject's arrest by the Orange County Sheriff's Department. Furthermore, Siviglia mentioned that a vehicle has recently been reported stolen out of the Phase Two area, and it has not yet been recovered. Tom Siviglia also states that Security has recently hired a Gate Ambassador Scheduler who is doing a wonderful job of ensuring that our gates are well managed and staffed properly.

**Security Statistics** Tom Siviglia reported details and insights on these statistics. Members made comments and asked questions.

### **ITEMS FOR DISCUSSION AND CONSIDERATION**

**Bicycle Registration Program Staff Report** Jayanna Hendley, Security Administrative Coordinator, reported that Security will implement a voluntary Bicycle Registration Program for residents. Hendley stated that this program will be implemented at no cost to GRF. Hendley also noted that this staff report served as an advisory notification to the committee.

### **ITEMS FOR FUTURE AGENDAS**

None

### **CONCLUDING BUSINESS**

**DATE OF THE NEXT MEETING**

The next meeting is scheduled for Monday, August 30, 2021, at 1:30 p.m. in a hybrid model meeting on Zoom and in the Board Room in the Laguna Woods Village Community Center.

**ADJOURNMENT**

There being no further business to come before the Committee, Chair Tibbetts adjourned the meeting at 2:08 p.m.

*Don Tibbetts*

[Don Tibbetts \(Jun 28, 2021 16:11 PDT\)](#)

Don Tibbetts, Chair

Jun 28, 2021

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REPORT OF THE LAGUNA WOODS VILLAGE  
TRAFFIC HEARINGS COMMITTEE

**June 16, 2021**

The Regular Meeting of the Laguna Woods Village Traffic Hearings Committee was held on Wednesday June 16, 2021 at 9:00 A.M., Virtual

**MEMBERS PRESENT:** Chair: Yvonne Horton, Neda Ardani, Elsie Addington, Inesa Nord-Leth, Cush Bhada

**MEMBERS ABSENT:** John Frankel, Debbie Dotson, and John Carter

**STAFF PRESENT:** Jayanna Hendley, Vanessa Ayala, Eulalio Diaz

**Call to Order**

Yvonne Horton, Chair, called the meeting to order at 9:13 A.M.

**Approval of Agenda**

Chair Horton made a motion to approve agenda as presented.  
By unanimous consent, the motion passed.

**Approval of Meeting Reports**

Chair Horton made a motion to approve the meeting report from May 19, 2021.  
By unanimous consent, the motion passed.

**Traffic Hearings**

- a. 9:00 a.m. Traffic Violation # 2107417 (Failure to Obey Stop Sign) – Guilty, \$50 Fine
- b. 9:15 a.m. Traffic Violation # 2105364 (No Parking Zone/Fire Hydrant) -Guilty, No Fine
- c. 9:30 a.m. Traffic Violation # 2105362 (Parked on Sidewalk or Grass) – Guilty, \$25 Fine

**Traffic Consent Calendar**

Chair Horton made a motion to approve the consent calendar.  
By unanimous consent, the motion passed.

**Date of Next Meeting**

The next meeting is scheduled for Wednesday July 21, 2021, at 9:00 A.M., via virtual meeting.

**Adjournment**

With no further business before the Committee, the meeting was adjourned at 9:44 A.M.

  
Yvonne Horton (Jun 24, 2021 17:34 PDT)

Jun 24, 2021

Yvonne Horton, Chair

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