



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

**Tuesday, May 14, 2019, 9:30 a.m.
24351 El Toro Road, Laguna Woods, California**

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

Directors Absent: None

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Tim Moy, Eileen Paulin, Pamela Bashline and Cheryl Silva

Others Present: VMS: Ron Beldner, Dick Rader and Mary Stone
Lisa Tashjian, Esq. of Beaumont Tashjian

1. Call Meeting to Order/Establish Quorum

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

2. Pledge of Allegiance

Director Morrison led the Pledge of Allegiance.

3. Acknowledge Media

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

4. Approval of Agenda

Director Blackwell made a motion to approve the agenda. The motion was seconded by Director Morrison.

Discussion ensued among the Directors.

Directors Liberatore and Blackwell called for the Orders of the Day.

President Skillman called for the vote and the motion passed by a vote of 8-2-1 (Directors Torng and Armendariz opposed, Director Bastani abstained).

5. Approval of Minutes

a. April 9, 2019 – Regular Open Session

Director Achrekar made a motion to approve the minutes of April 9, 2019, Regular Open Session. The motion was seconded by Director Carl Randazzo.

The United Regular Open Session minutes of April 9, 2019, were approved without objection.

6. Report of the Chair

President Skillman addressed SB 754 election by acclamation. There are three Board positions up for election this year. The Reserve Study presentation will be held on Wednesday at 1:30 p.m. in the Board Room.

7. Open Forum

Members made comments regarding the following:

- Dust created from the Landscaping Carts;
- Spoke in favor of election by acclamation;
- Signs in the Laundry Room need to be updated;
- Tables and chairs in the Clubhouses need to be replaced.

8. Responses to Open Forum Speakers

Several Directors responded to Member comments:

- Director Blackwell will discuss the dust with the Landscape Committee
- Director Morrison asked if mulch would help the area.
- Director Margolis commented that the trail is also used for horses;
- Director Skillman will look at addressing the tables in the clubhouses

a. Follow-up from the April 9, 2019, Board Meeting Open Forum – Director Margolis

- Kurt Wiemann is working on the United landscaping issues and weed removal;
- Required permits for kitchen ceiling lights. Only one permit is required by the City for ceiling lights. The Mutual only requires a permission slip/permit.

9. Update from VMS - Director Beldner

Director Beldner provided highlights from the April VMS Board Meeting and shared the presentation prepared by Tim Moy, Director of Security and Community Access.

Director Beldner answered questions from the Board

10. CEO Report

CEO Jeff Parker reported on the following subjects:

- Village Broadcast of the I-5/EI Toro Road Presentation, and
- Community Center was closed over the weekend and the new HVAC system was installed;
- The Art Reception was held last night and new art work is now displayed in the Community Center. He thanked the Laguna Woods Art Association for their

participation in this project;

- New carpet was installed on the Bocce Ball Courts;
- Update on Upcoming Recreation Events: Memorial Day Ceremony on Monday, May 27th at 1:00 p.m. at Clubhouse 3, and Memorial Golf Tournament on Saturday, May 18th to benefit for the Laguna Wood Village Foundation.

Jeff Parker answered questions from the Board.

11. Consent Calendar

11a. Architectural Controls and Standards Recommendations:

- (1) Recommendation to Approve Denial of Appeal (126-D Majorca, 8A) to Retain Doors on an Unapproved Alteration

126-D (Majorca, 8A) Appeal to Retain Two Doors on an Unauthorized Alteration

RESOLUTION 01-19-37 Variance Request

WHEREAS, Mr. Roger Flynn of 126-D Avenida Majorca, a Majorca style unit, requests Board approval of an appeal to retain two doors on an unauthorized alteration which opens onto Common Area;

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on March 14, 2019, notifying them that an application to make an alteration to a neighboring Unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on April 9, 2019.

NOW THEREFORE BE IT RESOLVED, on May 14, 2019, the Board of Directors hereby denies the appeal to retain two doors on an unauthorized alteration which opens onto Common Area;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Shareholder at 126-D and all future Shareholders at 126-D.

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.

11b. Landscape Committee Recommendations:

- (1) Recommendation to Approve the Request for Tree Removal – (85-B) one Carrotwood Tree

RESOLUTION 01-19-38
APPROVAL OF TREE REMOVAL
OF ONE CARROTWOODTREE AT 85-B

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 tree removal guidelines:

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

WHEREAS on April 11, 2019; the Landscape Committee reviewed a request to remove one Carrotwood Tree. The request was received from the Member at 85-B, who cited the reasons are the tree swarms with bees in the warm weather and he has an allergy to bee stings; and

WHEREAS, on April 11, 2019, the Landscape Committee recommended to approve the removal of one Carrotwood tree located at 85-B Calle Aragon due to visible signs of decay and damage in the trunk, as well as in the surface roots, and its potential for long term maintenance costs, and to plant a replacement tree at a suitable location;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, the Board of Directors approves the request for the removal of one Carrotwood tree and to plant a replacement tree at a suitable location, and;

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

- (2) Recommendation to Approve the Request for Tree Removal – (539-A) one Canary Island Pine Tree

RESOLUTION 01-19-39
APPROVAL OF TREE REMOVAL
OF ONE CANARY ISLAND PINE TREE AT 539-A

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 tree removal guidelines:

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

WHEREAS on April 11, 2019; the Landscape Committee reviewed a request to remove one Canary Island Pine Tree. The request was received from the Member at 539-A, who cited the reasons as litter/debris, overgrown, and the proximity to the unit; and

WHEREAS, on April 11, 2019, the Landscape Committee recommended to approve the removal of one Canary Island Pine tree located at 539-A Via Estrada based on the United Mutual Tree Management Policy, which addresses the selective removal of pine trees that were planted in stands and since there are a total of five Canary Island Pine trees in this area, this tree is a candidate for removal;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, the Board of Directors approves the request for the removal of one Canary Island Pine tree, and;

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

11c. Finance Committee Recommendations:

- (1) Approval of Resolution to Record Lien against Member ID# 947-406-07

RESOLUTION 01-19-40
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-406-07; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-406-07 and;

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

(2) Approval of Resolution to Record Lien against Member ID# 947-377-92

RESOLUTION 01-19-41
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-377-92; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-377-92 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) Approval of Resolution to Record Lien against Member ID# 947-374-27

RESOLUTION 01-19-42
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-374-27; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-374-27 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.

11d. 2019 Election Schedule and Resolution to Approve the Inspector of Election

**RESOLUTION 01-19-43
APPROVE INSPECTOR OF ELECTION SERVICES**

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

WHEREAS, for transparency purposes and due to the number of ballots received it is necessary to contract for an Inspector of Elections;

WHEREAS, an Inspector of Elections is used, among other tasks, to print and mail voter packages, inspect and tabulate ballots, and certify results; and,

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors of United Laguna Woods Mutual hereby approves single-sourcing a contract to UniLect to perform Inspectors of Election services for the 2019 Annual Meeting of the Corporate Members; and

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

11e. Financial Review under Civil Code §5501

This item was removed from the Consent Calendar

Director Addington made a motion to approve the Consent Calendar with the removal of agenda item 11e. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

Director Armendariz removed agenda item (11e) from the consent calendar for discussion under Unfinished Business. The motion was seconded by Director Margolis.

Director Liberatore called for the Orders of the Day.

President Skillman called for the vote of the consent calendar and the motion passed unanimously.

12. Unfinished Business

12a. Entertain a Motion to Adopt the Revised Payment Plan Agreement Form and a Resolution for an Assessment Payment Plan Agreement.

Director Blackwell read the following resolution:

RESOLUTION 01-19-44
ASSESSMENT PAYMENT PLAN AGREEMENT

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

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

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

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

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

NOW THEREFORE BE IT RESOLVED, on May 14, 2019, the Board of Directors of this Corporation hereby adopts revisions to the Delinquent Assessment - Payment Plan Agreement form, as attached to this Corporate record, and introducing a one-time setup fee of \$50; and

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

**FEBRUARY Initial Notification—MARCH sent back to Committee for review
28 day notification to comply with Civil Code §4360 has been satisfied.**

Director Blackwell made a motion to adopt the revised payment plan agreement form and the resolution for a payment plan fee policy for assessments. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

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

12b. Entertain a Motion to Adopt a Resolution to Revise the Fees for Golf Cart Charging Violations.

Director Blackwell read the following resolution:

RESOLUTION 01-19-45
GOLF CART POLICY AND PROCEDURES

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

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

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

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

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

NOW THEREFORE BE IT RESOLVED, on May 14, 2019, the Board of Directors of this Corporation hereby adopts the revisions to the Golf Cart Policy and Procedures to reference the Schedule of Traffic and Monetary Penalties, as attached to the official minutes of this meeting;

FEES AND FINES

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

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

RESOLVED FURTHER, that Resolution 01-17-136 approved on October 17, 2017; is hereby superseded and canceled; and

RESOLVED FURTHER; that the officers and agents of this Corporation are

hereby authorized on behalf of the Corporation to carry out this resolution as written.

April Initial Notification

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

Director Blackwell made a motion to adopt the revised golf cart fee for charging violations. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

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

12c. Entertain a Motion to Adopt the Community Property Resolution and Amended Financial Qualification Policy

Director Blackwell read the following resolution:

RESOLUTION 01-19-46
COMMUNITY PROPERTY CONSIDERATION

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

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

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

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

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

gains consideration;

NOW, THEREFORE, be it resolved that on May 14, 2019, the following resolution is adopted by the Board of Directors:

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

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

APRIL Initial Notification

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

FINANCIAL QUALIFICATIONS POLICY

Revised May 14, 2019

Resolution 01-19-47

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

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

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

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

ASSET REQUIREMENT

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

\$125,000 only.

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

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

Excluded from consideration are the following, among others:

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

INCOME REQUIREMENTS

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

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

1. Acceptable verifications include, among others:

- The most recent federal tax returns

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

2. Unacceptable income verifications include, among others:

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

OWNERSHIP OF MULTIPLE MEMBERSHIPS

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

FINANCIAL QUALIFICATION WAIVERS

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

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

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

DISCRETIONARY AUTHORITY

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

MEMBERSHIP

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

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

Director Blackwell made a motion to adopt the community property consideration resolution and amended financial qualification policy. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

Corrections were made to the Community Property resolution changing "unit" to "share."

President Skillman called for the vote on the corrected Community Property resolution and amended financial qualifications and the motion passed unanimously.

12d. (11e.) Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other Board member reviewed the United Laguna Woods Mutual financials for the month of March 2019, and such review is hereby ratified. A copy of the confirmation form was passed out to Directors.

Director Armendariz made a motion to approve the financial review for the month of March 2019. The motion was seconded by Director Margolis.

Discussion ensued among the Directors.

President Skillman encouraged Director Armendariz to bring his concerns to the Finance Committee.

President Skillman called for the vote and the motion passed 7-4-0 (Directors Bastani, Torng, Armendariz and Margolis opposed).

13. New Business

13a. Entertain a Motion to Introduce a Resolution for Changes to the Mutual's Smoking Policy.

Director Blackwell read the following resolution:

RESOLUTION 01-19-xx
NON-SMOKING POLICY

WHEREAS, the Governing Documents Review Committee has recommended adopting a Non-Smoking Policy, to fairly and reasonably address smoking in Laguna Woods Village; and

WHEREAS, United Laguna Woods Mutual has received numerous complaints from various residents concerning odors and annoyance in and around manors caused from residents' second-hand smoke and smoke infiltration;

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors of this Corporation hereby introduces the revised "Non-Smoking Policy," as attached to the official minutes of this meeting.

RESOLVE FURTHER, that Resolution 01-17-54 adopted February 14, 2017 is hereby superseded and canceled; and

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

MAY Initial Notification

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

Director Blackwell made a motion to introduce the resolution for changes to the Mutual's smoking policy for 28-day review. The motion was seconded by Director Morrison.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by 10-0-0 (Director Addington was absent for the vote).

13b. Entertain a Motion to Introduce a Resolution for Updates to the Policy for Distribution of Material by Residents and Resident Organizations

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX
POLICY FOR DISTRIBUTION OF MATERIALS BY RESIDENTS
AND RESIDENT ORGANIZATIONS

RESOLVED, June 11, 2019, the Board of Directors of this Corporation hereby amends the following policy for the distribution of publications, advertisement, announcements, campaign material, petitions, and related printed literature (hereinafter "Material") by residents or resident organizations on property owned and managed by the United Laguna Woods Mutual; and

RESOLVED FURTHER, any materials for social, political, educational, or non-commercial purposes, including petitions to gather signatures, to be distributed to United Mutual residents shall bear identification as to its source and any individual or entity distributing such material shall comply with all of the following conditions:

1. Distribution of Material

- a. Door-to-door distribution of Material shall be permitted, as long as the act of distributing such Material does not rise to the level of creating a nuisance for Laguna Woods Village residents.
- b. Material that is distributed door-to-door may be **secured** under the doormat or near the thresholds of front doors or hung from doorknobs but may not be placed in USPS delivery points, or left on vehicles anywhere.
- c. Closed gates may not be opened.

2. Petitions

- a. Only Mutual Members, or their designated agents, are permitted to gather signatures on petitions.
- b. The petition must remain in the possession of the signature gatherer (there can be no unattended petitions).

3. Posting of Material - Postings that do not comply with these rules will be subject to removal.

- a. Posting locations are limited to those areas reserved for posting, such as Laundry Room bulletin boards and are available only for residents.
- b. Only one posting per subject matter, per organization, or per candidate, is allowed.
- c. The size of a posting in the laundry rooms shall not exceed 5.5" by 8.5" (**one half page**) to allow space for other postings.
- d. Each posting by a resident, or resident organization, must identify the posting individual's name, and posting date.
- e. Any Material considered lewd or vulgar will be subject to removal.
- f. All non-election postings shall be removed thirty (30) days after the posting date. Election postings will be removed after the election date.

- g. All Material must comply with federal, state, and community laws.
- h. Removing postings of others is prohibited.

4. Knocking on Doors

- a. Knocking on doors or ringing of doorbells to contact residents is only permitted weekdays from 10 a.m. to dusk, excluding national holidays.
- b. "No Solicitation" or "Do Not Disturb" signs must be honored.

NOW THEREFORE BE IT RESOLVED, that Resolution 01-15-03 approved on January 13, 2015; is hereby superseded and canceled; and

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

MAY Initial Notification

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

Director Blackwell made a motion to introduce the resolution for a policy for distribution of materials by residents and resident organizations for 28-day review. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

Director Margolis amended the motion to change the posting size to 8.5x11. Director Achrekar seconded the amendment.

President Skillman called for the vote and the amendment failed by a vote of 5-5-1 (Directors Armendariz, Randazzo, Skillman, Blackwell, and Morrison opposed, Director Liberatore abstained)

President Skillman called for the vote and the motion passed by a vote of 8-3-0 (Directors Bastani, Achrekar, Margolis opposed)

13c. Entertain a Motion to Introduce a Resolution to Revise Standard 18: Gutters and Downspouts

Director Blackwell read the following resolution:

RESOLUTION 01-19-XX
REVISE ALTERATION STANDARD 18: GUTTERS AND DOWNSPOUTS

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

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 18: Gutters and Downspouts.

NOW THEREFORE BE IT RESOLVED, May 14, 2019, that the Board of Directors of this Corporation hereby introduces the revisions to Alteration Standard 18: Gutters and Downspouts, attached as part of the official minutes of this meeting;

RESOLVED FURTHER, that Resolution 01-18-113, adopted November, 2018, is hereby superseded and cancelled; and

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

MAY Initial Notification

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

Director Achrekar made a motion to introduce the resolution to revise standard 18: gutters and downspouts for 28-day review. The motion was seconded by Director Blackwell.

President Skillman called for the vote and the motion passed by a vote of 10-0-0 (Director Liberatore was absent for the vote).

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Morrison showed a presentation on the Treasurer’s Report and reviewed the resale and lease reports. The Committee did not meet in April 2019; next meeting will be May 28, 2019, 2:00 p.m. in the Sycamore Room

14b. Report of the Architectural Control and Standards Committee – Director Achrekar gave a report from the last Committee meeting. The Committee reinforced not giving away common area and discussed gutters and downspouts. The Committee did not meet in May 2019; next meeting will be June 20, 2019, 9:30 a.m. in the Elm Room.

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

14d. Report of Member Hearings Committee – Director Achrekar gave a report from the last Committee meeting. The Committee met on April 25, 2019; next meeting will be May 23, 2019, 9:00 a.m. in the Sycamore Room.

14e. Report of the Governing Documents Review Committee – Director Blackwell gave a report from the last Committee meeting. The Committee is reviewing policy for distributing materials, smoking policy, guarantors and task force documents. The Committee met on April 22, 2019; next meeting will be May 28, 2019, 10:00 a.m. in the Sycamore Room.

14f. Report of the Landscape Committee – Director Blackwell gave a report from the last Committee meeting, including the herbicide report. The Committee met on April 11, 2019; next meeting will be June 13, 2019, 10:00 a.m. in the Board Room.

14g. Report of the Maintenance & Construction Committee – Director Randazzo gave a report from the last Committee meeting. The Committee addressed the need for water detection devices, a solar update by Director Margolis and drainage issues at Avenida Sevilla & El Toro Rd. The Committee met on April 24, 2019; next meeting will be June 26, 2019, 9:00 a.m. in the Board Room.

14h. Report of the Resident Advisory Committee – Director Achrekar encouraged residents to attend this Committee meeting. The Committee met on April 11, 2019; next meeting will be May 16, 2019, 4:00 p.m. in the Sycamore Room.

15. GRF Committee Highlights

15a. Report of the Finance Committee – Director Morrison gave highlights from the last Committee meeting. The Committee met on April 24, 2019; next meeting will be June 19, 2019, 1:30 p.m. in the Board Room.

15b. Report of the Community Activities Committee – Director Margolis gave highlights from the last Committee meeting. The Committee met on May 9, 2019; next meeting will be July 11, 2019, 1:30 p.m. in the Board Room.

15c. Report of the Landscape Committee – Director Blackwell gave highlights from the last Committee meeting. The Committee will be considering the disbandment of the Committee at the next meeting. The Committee did not meet in April 2019; next meeting will be May 15, 2019, 1:30 p.m. in the Board Room.

15d. Report of the Maintenance & Construction Committee – Director Randazzo gave highlights from the last Committee meeting. The Committee met on April 10, 2019; next meeting will be June 12, 2019, 9:30 a.m. in the Board Room.

- Village Energy Task Force Charter – Director Randazzo gave a report from the last Task Force meeting. The Task Force is working on a new pilot program for street lighting in Third, announced that the new chair is Steve Leonard, and reviewed energy projects in progress. The Task Force met on May 1, 2019; next meeting will be July 3, 2019 at 1:30 p.m. in the Board Room.

15e. Report of the Media and Communication Committee – Director Blackwell gave highlights from the last Committee meeting. The committee working on communication about RFDI gate project, television conversion from analog to HD, I-5/EI Toro Interchange project and Realtor tours. The Committee met on April 15, 2019; next meeting will be May 20, 2019, 1:30 p.m. in the Board Room.

15f. Report of the Mobility and Vehicles Committee – Director Addington gave highlights from the last Committee meeting. The transportation consultant will be reporting at the next meeting. The Committee met on April 3, 2019; next meeting will be June 5, 2019, 1:30 p.m. in the Board Room.

15g. Report of the Security and Community Access Committee – Director Liberatore. The Committee met on April 22, 2019; next meeting will be June 24, 2019, 1:30 p.m. in the Board Room.

- Laguna Woods Village Traffic Hearings – Director Torng summarized the results of the last traffic hearings. The Hearings were held on April 17, 2019; next hearings May 15, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.

15h. Disaster Preparedness Task Force – Director Achrekar gave highlights from the last Committee meeting. The Task Force did not meet in April 2019; next meeting will be May 28, 2019, 9:30 a.m. in the Board Room.

16. Future Agenda Items

16a. Approve the Committee Advisor Qualifications, Procedures and Policy

16b. VMS Roles and Responsibilities

17. Director's Comments

- Director Achrekar encouraged residents to attend the Media Club event "Laguna Woods Got Talent" on May 30th 5:30 – 9:00 p.m. at Clubhouse 7, RSVP required.
- Director Torng recommended guidelines on the 28-day review items, advisor qualifications, chair qualifications for committees, encouraged residents to attend the Board Meetings.
- Director Bastani asked for chair qualifications for committees. Residents should go to Resident Services for assistance with television converter box.
- President Skillman commented that the Village Energy Task Force charter allows the chair to be a co-occupant.

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

The meeting recessed at 12:05 p.m. into the Executive Session.

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

During the April 9, 2019, Regular Executive Session, the Board:

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) March 12, 2019 – Regular Closed Meeting

Discussed Member Disciplinary Cases

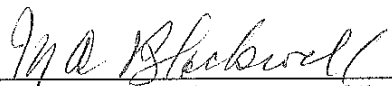
Discussed and Considered Contractual Matters

Discussed Personnel Matters

Discussed and Considered Legal and Litigation Matters

19. Adjourn

The meeting was adjourned at 3:50 p.m.



Maggie Blackwell, Secretary of the Board
United Laguna Woods Mutual

Security Division					Resolution 01-19-45	
SCHEDULE OF TRAFFIC MONETARY PENALTIES						
Moving Violations		1st	2nd	3rd	4th (or more)	
600 - Speeding (6 - 10 MPH)		\$25.00	\$50.00			
601 - Speeding (11 - 15 MPH)		\$50.00	\$100.00			
602 - Speeding (16 MPH and Over)		\$100.00	\$200.00			
610 - Failure to Stop		\$50.00	\$100.00	\$200.00		
620 - Right of Way		\$25.00	\$50.00			
630 - Turn Signal		\$25.00	\$50.00			
640 - Left of Center		\$25.00	\$50.00			
650 - Hit and Run		\$200.00	\$400.00			
660 - Valid Driver's License Not Produced		\$200.00	\$400.00			
680 - Reckless		\$150.00	\$300.00	\$300.00	\$300.00	
690 - Headlight Violation		\$25.00	\$25.00	\$25.00	\$25.00	
691 - Riding a Bicycle on Sidewalk		\$25.00	\$25.00	\$50.00	\$50.00	
695 - Other Moving		\$25.00	\$50.00			
Parking Violations		1st	2nd	3rd	4th (or more)	
010 - Abandoned Vehicle		\$25.00	\$25.00	\$50.00	\$50.00	
700 - No Parking Zone		\$25.00	\$50.00	\$75.00	\$100.00	
714 - Unpermitted Electric Plug-In (EV)		\$240.00	\$480.00	\$480.00	\$480.00	
000 - Unpermitted Electric Plug-In (Golf Cart)		\$100.00	\$150.00	\$200.00	\$250.00	
716 - Unattended Extension Cords & Battery Charger		\$50.00	\$100.00	\$150.00	\$150.00	
720 - Limited Time Parking		\$25.00	\$25.00	\$50.00	\$75.00	
721 - Recreational Vehicle Parked over 6 Hr. Limit		\$25.00	\$25.00	\$50.00	\$75.00	
722 - Advertising on Vehicle Parked Overnight		\$25.00	\$25.00	\$50.00	\$75.00	
723 - Vehicle Used for Storage		\$50.00	\$100.00	\$150.00	\$200.00	
724 - Parked on sidewalk or Grass		\$25.00	\$25.00	\$50.00	\$75.00	
725 - Expired Vehicle Registration		\$50.00	\$100.00	\$150.00	\$150.00	
726 - Parked Obstructing Access		\$25.00	\$25.00	\$50.00	\$75.00	
727 - No Valid GRF Vehicle Decal or Parking Permit Displayed		\$25.00	\$25.00	\$50.00	\$50.00	
800 - Fire Hydrant		\$25.00	\$50.00	\$50.00	\$50.00	
730 - Other Parking Violations		\$25.00	\$25.00	\$50.00	\$50.00	
Handicap Parking Violations		1st	2nd	3rd	4th (or more)	
810 - Handicapped Parking						
With Placard & Handicap I.D. verification		\$0.00	\$25.00	\$50.00	\$75.00	
811 - Handicapped Parking						
No Placard or Handicap I.D. Displayed		\$150.00	\$200.00	\$250.00	\$275.00	
Pedestrian Violations		1st	2nd	3rd	4th (or more)	
750 -Pedestrian Violations		\$25.00	\$25.00	\$50.00	\$50.00	
RV Parking Violations		1st	2nd	3rd	4th (or more)	
820 - Hazardous Material		\$75.00	\$100.00	\$150.00		
830 - Wheel Block		\$25.00	\$50.00	\$75.00	\$100.00	
840 - Jack Support (R & R Section "W" Violation)		\$25.00	\$50.00	\$75.00	\$100.00	
850 - Maintenance or Repair		\$25.00	\$50.00	\$75.00	\$100.00	
860 - Miscellaneous (Minor)		\$25.00	\$50.00	\$75.00		
870 - Miscellaneous (Major)		\$50.00	\$100.00	\$150.00		
RV Lot Parking Violations						
Miscellaneous (Minor)		Miscellaneous (Major)		Miscellaneous (Major)		
Flat Tires		Expired Registration		Unauthorized vehicle in space		
Failure to provide Registration paperwork		Utilizing RV vehicle as living quarters		Vehicle utilized for storage		
		Clutter		Generator running unattended		
		Storage outside of vehicle		Portable sheds or tents erected outside of vehicle		
		Wash-rack violation		Illegal Jack (R & R Section "X" Violation)		

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

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



FINANCIAL QUALIFICATIONS POLICY

Revised, May 14, 2019

Resolution 01-19-47

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

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

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

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

ASSET REQUIREMENT

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

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

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

Excluded from consideration are the following, among others:

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

INCOME REQUIREMENTS

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

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

1. Acceptable verifications include, among others:

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

2. Unacceptable income verifications include, among others:

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

OWNERSHIP OF MULTIPLE MEMBERSHIPS

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

FINANCIAL QUALIFICATION WAIVERS

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

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

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

DISCRETIONARY AUTHORITY

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

MEMBERSHIP

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

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