

## OPEN MEETING

### MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF LAGUNA WOODS MUTUAL NO. FIFTY A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

October 19, 2017

The Board of Directors of Laguna Woods Mutual No. Fifty, a California non-profit mutual benefit corporation, met at 1:30 p.m. on Thursday, October 19, 2017 at 24055 Paseo Del Lago West, Laguna Woods, California.

**Directors Present:** Ryna Rothberg-Chair, June Greenwald, Al Amado, Inesa Nord-Leth

**Directors Absent:** Irving Waaland

**Staff Present:** Katy Howe, Kristen Orr, Alex Banegas, Chuck Johnson, Ed Presley

#### **CALL TO ORDER**

President Rothberg called the meeting to order at 1:32 p.m. and established that a quorum was present.

#### **PLEDGE OF ALLEGIANCE**

Director Amado led the membership in the Pledge of Allegiance to the Flag.

#### **APPROVAL OF AGENDA**

By consensus, the Board approved the agenda.

#### **APPROVAL OF MINUTES OF MEETING**

Without objection, the Board approved the regular open meeting minutes of:

- (a) September 20, 2017 – Regular Meeting
- (b) September 26, 2017 – Special Open Meeting
- (c) October 5, 2017 – Special Open Meeting (Budget)
- (d) October 12, 2017 – Special Open Meeting (Budget)

#### **PRESIDENT'S COMMENTS**

President Rothberg commented on:

- No single resident can claim a table in the dining rooms as their own each night.
- The Community Associations Institute is planning to come and do a study on The Towers.
- The importance of civil discourse among neighbors at The Towers.

- The 10/19/17 Globe newspaper announces the 10/29/17 New Buyer Reception.

### **GOLDEN RAIN FOUNDATION REPORT**

Ms. Howe did not have a report to give.

### **GENERAL MANAGER'S REPORT**

Ms. Howe presented the monthly Maintenance Report, Food Service Report, and Resale and Leasing Report and gave updates regarding the "Great Shake Out" Earthquake Drill, the emergency practice drill with the Golden Rain Foundation's Security Department occurring at Clubhouse 5, staffing changes in the administration office, candidates for the Mutual 50 board election, the exterior painting project, the energy management project, the new Sodexo lunch program, conduct around painting equipment, Inesa Nord-Leth joining the Board as a new member, the annual meeting coming up on December 7, the business planning process, and the addition of seven new juvenile fish to the koi pond.

Sy Wellikson, unit 1161, inquired about when the vacancy on the Board was filled. Ms. Howe noted that the vacancy was filled at the open Board meeting held on September 26, 2017.

### **TREASURER'S REPORT/FINANCE COMMITTEE**

Director Amado presented the Treasurer's report including a review of year to date income and expenses. Director Amado noted that the corporation currently has a year to date deficit.

Dianne Schlientz, unit 705, inquired about the costs of dining services.

Hillard Gerseten, unit 902, requested clarification on the Sodexo contract. Ms. Howe explained that Sodexo's contract is a pass-through contract with a set monthly management fee. She noted further that Mutual Fifty only pays for staff and food actually used, so the more food ordered and staff on the floor, the higher the cost to Mutual Fifty.

Dianne Schlientz, unit 705, inquired about the increase in managers having an effect on Sodexo's management fee. Ms. Howe explained increasing managers does not increase the monthly management fee. She noted that it does increase the pass through costs to the association.

Diane Lynch, unit 1160, inquired into the cost overruns with the current Sodexo contract. Ms. Howe noted that Sodexo's estimate during bidding was lower than the actual cost of food service. She noted that the way the bidding process was completed, it was initiated confidentially, Sodexo was unable to obtain a complete picture of food service needs at The Towers.

John Dalis, unit 1202, thanked the Board for the new point system and how well it benefits Towers residents.

### **MEMBERS' COMMENTS**

- Sy Wellikson, unit 1161, commented on the follow through and oversight of staff, providing an example from last night with Seating Rules in Lortscher Hall.
- Renee Merer, unit 1005, complimented the point system and added that additional training is needed for new wait staff.
- Irv Fenton, unit 1060, questioned the dining services food prices going up and the food quality going down.
- Hiliard Gersten, unit 902, asked about new restrictions at the "Men's Table."
- Laura Husak, unit 758, commented on her satisfaction with dining services and requested a copy of the proposed 2018 Budget.
- Harriet Klein, unit 452, inquired into further sound upgrades at Lortscher Hall. She also noted that painters have covered her windows for over 3 weeks.
- Ann Gilbert, unit 1403, congratulated the Board on doing a great job.
- Ruth Stone, unit 602, commented on her satisfaction with dining services.
- Steve Handelman, unit 251, asked about new restrictions at the "Men's Table," commented on coffee at the Men's Forum on Saturdays, and commented on his satisfaction with the dining services point system.

### **RESPONSE TO MEMBERS' COMMENTS**

Directors and the staff responded to Members' comments.

### **CONSENT CALENDAR**

#### **Unit 962 Construction Request**

Approved.

### **OLD BUSINESS**

#### **M50 Committee Assignments**

Secretary Greenwald read the proposed resolution:

#### **RESOLUTION M50-17-52**

#### **Mutual Fifty Committee Appointments**

**RESOLVED**, October 19, 2017, the Board of Directors of this Corporation is hereby authorized on behalf of the Corporation to establish and appoint members to the following Laguna Woods Mutual No. Fifty committees:

**Activities Committee:**

Sylvia Quittman is an addition to the Committee

**Dining Services Committee (Committee of the Whole)**

Inesa Nord-Leth (Replacing Sy Wellikson)

**RESOLVED FURTHER**, that Resolution M50-17-10, adopted March 16, 2017 is hereby updated; 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.

Secretary Greenwald moved the resolution. Director Nord-Leth seconded the motion. By a vote of 3-0-0, the motion carried.

**GRF Committee Assignments**

Secretary Greenwald read the proposed resolution:

**RESOLUTION M50-17-53**

**GRF Committee Assignments**

**RESOLVED**, October 19, 2017 that the following changes are hereby made regarding appointments to serve on the Committees of Golden Rain Foundation:

**Media and Communication**

Ryna Rothberg (to replace Sy Wellikson)

**Landscape**

Inesa Nord-Leth (to replace Sy Wellikson)

**RESOLVED FURTHER**, that Resolution M50-17-23, adopted June 15, 2017 is hereby modified; 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.

Secretary Greenwald moved the resolution. Director Amado seconded the motion. By a vote of 3-0-0, the motion carried.

**NEW BUSINESS**

**Approve Final 2018 Business Plan**

Secretary Greenwald read the proposed resolution:

**RESOLUTION M50-17-54**

**LAGUNA WOODS MUTUAL NO. FIFTY – 2018 BUSINESS PLAN RESOLUTION**

**RESOLVED**, October 19, 2017, that the Business Plan of this Corporation for the year 2018 is hereby adopted and approved; and

**RESOLVED FURTHER**, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the sum of \$8,396,141 is required by the Corporation to meet the Laguna Woods Mutual No. Fifty operating expenses and reserve requirements for the year 2018 from which will be deducted \$877,392 expected from various sources of revenue. In addition, the sum of \$741,063 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2018. The Board of Directors hereby estimates that the net sum of \$8,256,812 is required to be collected from and paid by members of the Corporation as basic monthly assessments; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$460,500 from the Replacement Funds; and

**RESOLVED FURTHER**, that all sums paid into the replacement reserves shall be used for capital expenditures only and shall be credited on the books of account of the Corporation to Paid-In Surplus as a capital contribution; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2018 and as filed in the records of the Corporation; said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2018; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments required to be paid by members of the Corporation effective January 1, 2018 as follows:

<b>Unit Model</b>	<b>Monthly Assessment</b>
A	\$2.053.25

B	\$2,087.73
C	\$2,246.34
D	\$2,218.76
F	\$2,411.85
G	\$2,184.27
H	\$2,356.68

Secretary Greenwald moved the resolution. Director Nord-Leth seconded the motion. By a vote of 4-0-0, the motion carried.

### **Room Reservation Policy and Agreement**

Secretary Greenwald read the proposed resolution:

#### **Resolution 50-17-55**

#### **Common Space Reservation Agreement**

**WHEREAS**, Laguna Woods Mutual No. Fifty allows private room reservations (with no fee) to be made by Towers' residents; and

**WHEREAS**, staff is requesting the approval of an agreement outlining the limitations for residents and their guests when reserving and occupying a reserved common space for a private event,

**NOW THEREFORE BE IT RESOLVED**, September 20, 2017, that the Board of Directors of this Corporation hereby adopts the following Common Space Reservation Agreement:

#### **Common Space Reservation Agreement**

Reserving a space for a private event at The Towers calls for the Resident to agree to the following terms and conditions:

\_\_\_\_\_, Unit \_\_\_\_\_, shall have access to and use of \_\_\_\_\_ from \_\_\_\_\_ o'clock to \_\_\_\_\_ o'clock on \_\_\_\_\_, for the purpose of hosting the Resident's \_\_\_\_\_ event.

Please initial the following:

\_\_\_\_\_ The Resident shall remove all personal property and other items that were not present in the space when the Resident took control of it.

\_\_\_\_\_ The Resident will be liable for any physical damages that occur while the Resident is in control of the space.

\_\_\_\_\_ The Resident or any guest of the Resident is not to operate or tamper with any audio/visual equipment located in the reserved space. The Resident or any guest of the Resident is not to borrow or remove any property kept on the premises.

\_\_\_\_\_ The Resident or any guest of the Resident is not permitted to advertise or extend an open invitation to an event taking place in a reserved space at The Towers. This includes but is not limited to advertisement utilizing newspaper, television, radio and/or social media.

\_\_\_\_\_ Staff is responsible for setting up the space in the agreed upon format. At no other time will a staff member be present to assist with the event.

\_\_\_\_\_ All food or beverage being served in the reserved space is to be provided through the Catering Services of Sodexo, USA Inc. Outside food and/or beverage is not permitted in the reserved space.

\_\_\_\_\_ The total number of people occupying the reserved space is not to exceed \_\_\_\_\_.

**RESOLVED FURTHER**, that this agreement will be effective on November 1, 2017, 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.

Secretary Greenwald moved the resolution. Director Amado seconded the motion. By a vote of 4-0-0, the motion carried.

**Final 2018 Collection and Lien Enforcement Policy**  
Secretary Greenwald read the proposed resolution:

### **Resolution 50-17-56**

#### **Lien and Collection Enforcement Policy**

**WHEREAS**, Section 5310 of the California Civil Code requires that homeowner associations have a specific policy relating to collection of delinquent assessment accounts and enforcement of liens placed upon such delinquent properties; and

**NOW THEREFORE BE IT RESOLVED**, October 19, 2017, that the Board of Directors of this Corporation hereby approves the attached Collection and Lien Enforcement Policy and Procedures for Assessment Delinquencies, effective January 1, 2018; and

**RESOLVED FURTHER**, that Resolution M50-16-44, adopted October 20, 2016 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.

Director Greenwald noted that this resolution and policy have met the 30-day notification requirement mandated by state law and moved the resolution. Director Nord-Leth seconded the motion. By a vote of 3-0-0, the motion carried.

**Approve Election Ballot for 2018 Board Election**

Director Rothberg tabled this item.

**Supplemental Appropriation for Air Conditioning Line Repairs for 59 Series**

Secretary Greenwald read the proposed resolution:

**Resolution 50-17-57**

**Supplemental Appropriation for Air Conditioning Line Repairs for 59 Series**

**WHEREAS**, Mutual No. Fifty budgets a contingency of \$50,000 annually for plumbing, mechanical, and electrical replacements in its 2017 Reserves Expenditures Plan; and

**WHEREAS**, Staff has discovered a known problem where air conditioner riser pipes fail in an entire "stack" in the last two years; and

**WHEREAS**, Staff, during the most recent heat wave, discovered a failure in the 59 series; and

**WHEREAS**, the estimate is \$22,000 per riser stack to replace risers and have the air conditioning function;

**NOW THEREFORE BE IT RESOLVED**, October 19, 2017, that the Board of Directors of this Corporation hereby approves a supplemental appropriation not to exceed \$22,000 from the Replacement Fund for the replacement of the cold water risers on the 59 series of units; 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.



Director Greenwald moved the resolution. Director Nord-Leth seconded the motion. Discussion ensued. By a vote of 3-0-0, the motion carried.

### **Bingo Seating**

Ms. Howe read a memo highlighting the proposed Bingo Seating Guidelines, explaining the need for guidelines for this particular room setup. Ms. Howe is seeking the incorporation of these into the Lortscher Hall Seating Rules.

Director Nord-Leth moved to add the Bingo Seating Guidelines to the Lortscher Hall Seating Rules. Director Greenwald seconded the motion. By a vote of 4-0-0, the motion carried.

### **Hosting Community Association's Institute's PCAM Study**

Secretary Greenwald read the proposed resolution:

#### **Resolution 50-17-58**

#### **Host Community Association Institute's PCAM Study**

**WHEREAS**, Laguna Woods Mutual No. Fifty has been requested to host the Community Association Institute's Professional Community Association Manager training study from November 30 to December 1, 2017; and

**WHEREAS**, the Community Association Institute fully funds the cost of the study; and

**WHEREAS**, hosting the study will allow Mutual Fifty to gain consulting expertise at no cost to Mutual Fifty;

**NOW THEREFORE BE IT RESOLVED**, October 19, 2017, that the Board of Directors of this Corporation hereby approves the hosting of the Community Association Institute's Professional Community Association Manager training study from November 30 to December 1, 2017.

Director Greenwald moved the resolution. Director Amado seconded the motion. Ms. Howe added that members of The Board will also be invited to attend at certain times. By a vote of 3-0-0, the motion carried.

### **Building-wide Recycling Plan**

Ms. Howe outlined the plan for reduction in residential waste-hauling and increased residential recycling at The Towers.

Secretary Greenwald read the proposed resolution:

### **RESOLUTION 50-17-59**

#### **Residential Recycling at The Towers**

**WHEREAS**, Laguna Woods Mutual No. 50 contracts with Waste Management for waste handling, and

**WHEREAS**, Waste Management evaluated recycling options for the Towers and considered the best option to be the placement of an additional 2 yard bin on Mutual property and recycling containers in each trash room to be utilized by staff to utilize on a regular schedule, and

**WHEREAS**, Staff will collect on a scheduled basis and dump recyclables from smaller bins placed in the trash rooms of each floor on a scheduled basis, and

**NOW THEREFORE BE IT RESOLVED** on October 19, 2017, that the Board of Directors authorizes staff to proceed with implementing this program as soon as possible, 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.

Director Greenwald moved the resolution. Director Amado seconded the motion. Director Rothberg provided two scrivener's edits to the resolution to read that "Staff will collect on a scheduled basis" and to read that the program will be implemented "as soon as possible."

Herb Harris questioned the potential success of the plan, given the residents at The Towers often do not choose to comply with posted rules.

By a vote of 3-0-0, the motion carried.

#### **Building-wide Weather Stripping Plan**

Director Rothberg tabled this item.

#### **Veteran's Day Celebration**

Ms. Howe asked for approval from The Board to supplement the cost of the Veteran's Day dinner by approximately \$500 in order to provide a exemplary experience for Towers' veterans. Director Nord-Leth moved to supplement the cost of the Veteran's Day dinner. Director Greenwald seconded the motion. By a vote of 3-0-0, the motion passed.

## **MUTUAL FIFTY COMMITTEE REPORTS**

### **Activities Committee Report – Saretta Berlin**

Ms. Berlin reported on the actions of the Activities Committee.

### **Marketing Committee – Ryna Rothberg**

Director Rothberg reported on the actions of the Marketing Committee.

### **Orientation Committee Meeting**

No meeting, no report.

### **Building Inspections and Maintenance Committee**

No meeting, no report.

## **GRF COMMITTEE REPORTS**

### **Community Activities Committee**

No report.

### **Business Planning Committee – Ryna Rothberg**

Director Rothberg reported on the actions of the Business Planning Committee.

### **Finance Committee**

No report.

### **Landscape Committee**

No report.

### **Maintenance and Construction Committee**

No report.

### **Media and Communications Committee**

No report.

### **Mobility and Vehicles Committee**

No report.

### **Security and Community Access**

No report.

### **Laguna Woods Traffic Hearings**

No report.

**Board Member Closing Comments**

None.

**ADJOURNMENT**

The meeting was adjourned at 3:28 p.m.

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

During its Regular Executive Session meeting of September 19, 2017, the Board approved the minutes of the August 16, 2017 Regular Executive Session and the August 25, 2017 Special Executive Session (Dining Services) meetings.

The meeting was adjourned at 4:21 p.m.

  
June Greenwald, Secretary