

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**January 6, 2015**

The Regular Meeting of the Golden Rain Foundation of Laguna Woods Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday, January 6, 2015, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Kathryn Freshley, Sharon Roddan, Lucy Shimon, Mary Stone, Dick Palmer, Stanley Feldstein, Margaret Klein, John Beckett, JoAnn di Lorenzo, Kim Shirley

Directors Absent: Sharon Roddan and Dick Palmer (Executive Session Only)

Others Present: Open Session: Jerry Storage, Kim Taylor, Cris Robinson, Wendy Panizza  
Executive Session: Jerry Storage, Kim Taylor, Cris Robinson, Blessilda Fernandez, and Dennis Cafferty from the El Toro Water District

**CALL TO ORDER**

President Kathryn Freshley served as Chair of the meeting and stated that it was a regular meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 9:30 A.M.

**PLEDGE OF ALLEGIANCE TO THE FLAG**

Director Kim Shirley led the membership in the Pledge of Allegiance to the Flag.

**ACKNOWLEDGEMENT OF MEDIA**

A representative of the Laguna Woods Globe and the Channel 6 Camera Crew, by way of remote cameras, were acknowledged as present.

**APPROVAL OF AGENDA**

Director Feldstein moved to approve the agenda as written. Director Shirley seconded the motion. By a vote of 9-0-0 the motion carried.

**APPROVAL OF THE MINUTES**

By way of unanimous consensus the Board approved the minutes of December 2, 2014 as written.

**MEMBER COMMENTS**

- Carol Skydell (3070-B) thanked the Board for their work and stated that the community is blessed to have such a great Board.
- Frieda Gorelick (2058-B) commented on AEDs in the community and asked the Board to place AEDs in the community buildings.
- Marian Levine (438-D) commented on the work of the Foundation of Laguna Woods and asked for GRF's support of the Foundation.

- Rae Tso (3256-A) commented on an article written by President Freshley in the Laguna Woods Globe.
- Mike Comer (380-A) commented on Mutual No. Fifty as well as his role as a consultant for Associa.
- Pamela Grundke (2214-B) thanked the Board for their work and stated that the Hospitality Room is being restored, announced a Saddle Club dinner, and invited everyone to visit the stables.
- Bert Moldow (3503-A) commented on the lighting/light bulbs in the board room.
- Maxine McIntosh (68-C) thanked the Board and requested the rotation of the Committee Reports on the agenda.

The Directors responded to Members' comments.

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

Mr. Storage reported on cost savings and efficiencies that Staff implemented in 2014.

### **CHAIR'S REPORT**

President Freshley spoke to some of the issues raised at the Board meeting last month; openness and transparency, honesty, opportunity to express opinions; provided clarification regarding her December 25<sup>th</sup> letter to the editor in The Globe; and spoke to the meeting with Associa on January 16, 2015.

### **UNFINISHED BUSINESS**

Director Stone read a proposed resolution approving prohibiting guest pass access to Gate 12 and limiting gate pass access to the designated phase only, which was postponed in October to comply with Civil Code §4360 and postponed again in December. Director Klein moved to approve the resolution. Director Feldstein seconded the motion and discussion ensued.

By a vote of 8-1-0 (Director Stone opposed) the motion carried and the Board approved the following resolution:

### **RESOLUTION 90-15-01** **ADOPTED DECEMBER 2014 JANUARY 2015**

#### **Prohibiting Guest Pass Access to Gate 12 and Limit Gate Pass Access to the Designated Phase Only**

**WHEREAS**, Gate Entry Passes provide access for non-residents into the Community at all gates; and

**WHEREAS**, Gate Entry Passes are issued by Phase: Phase 1 – Gates 1, 2, 3; Phase 2 – Gates 5, 6, 12; Phase 3 – Gate 7, 8, 9, 10; Phase 4 – Gate 14; Phase 5 – Gate 11; and

**WHEREAS**, GRF determined to limit access to passholders to better control access into the Community;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, the Board of Directors of this Corporation hereby directs that Gate Entry Passes will provide access only to residential areas of the Phase indicated on the pass; and

**RESOLVED FURTHER**, Gate Entry Passes will not provide access at Gate 12 due to its having no residential housing; and

**RESOLVED FURTHER**, all non-residents, including vendors and contractors, with the exception of real estate professionals, will need to be either accompanied by a resident or staff, or be listed in the Gate Clearance System to gain access at Gate 12; and

**RESOLVED FURTHER**, upon presentation of a valid driver's license and submittal of a real estate business card to the Gate Ambassador, the real estate professionals and his *their* client(s) will be provided access for the purpose of showing potential buyers the amenities located behind Gate 12; and

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

Director Stone read a proposed resolution approving revisions to the Equestrian Center Pricing Policy, raising the percentage of the Horse Boarding Fee, shared (subsidized) by the Community at large, from 64% to 65%, which was postponed in December to comply with Civil Code §4360. Director Stone moved to approve the resolution. Director Roddan seconded the motion.

By a vote of 9-0-0 the motion carried unanimously and the Board of Directors adopted the following resolution:

**RESOLUTION 90-15-02**

**Equestrian Center Pricing Policy**

**WHEREAS**, according to Resolution 90-12-132, which established guidelines for shared costs and fees, certain fees can be imposed upon users of various recreational facilities in order to control crowding and minimize over-usage, and to recover operating costs; and

**WHEREAS**, by way of Resolution 90-06-32, the Board of Directors adopted a Resident Division Fee Schedule which lists fees charged to residents and non-residents to use GRF shared facilities;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, that the Board of Directors of the Corporation hereby adopts the GRF Pricing policy relative to the Equestrian Center:

#### Equestrian Center Pricing Policy

##### Horse Boarding Fee

- A Horse Boarding Fee shall be charged, monthly, to residents who wish to board their horse(s) at the Equestrian Center.
- The fee, rounded up to the nearest dollar, shall be based on the estimated monthly cost to board a resident's owned or leased horse, and ~~64%~~ **65%** shared (subsidized) by the community at large.
- The fee will be adjusted annually on the basis of changes to the operational costs, depreciation costs, and percentage shared by the community at large.
- The GRF Board of Directors will periodically review the estimated monthly cost of boarded horses and determine what shared percentage to apply in order to maintain an equitable and reasonable division between the user and the monthly assessment (per Resolution 90-12-132, Guidelines for Shared Costs and Fees).
- The cost of feed will be fully absorbed by the resident based on their selection from the menu of options.

##### Horse Trailer Storage & Horse Transportation Fees

- If space allows, residents may store their horse trailers at the Equestrian Center. The fee to store a horse trailer shall be the same as that charged for a recreational vehicle in the RV Storage Lots.
- GRF shall be reimbursed the cost of transporting a horse for a resident. The costs include: labor, fuel, and wear and tear on the trailer and vehicle.

##### Trail Ride Fees

- A separate fee shall be charged for trail rides for residents and their guest(s).
- The fees, rounded up to the nearest dollar, shall be based on: the estimated hourly cost of labor and the cost of the horse used to lead the trail ride; and
  - for residents, 64% shared (subsidized) by the community at large
  - for guests, 25% mark up.
- The fee will be adjusted annually on the basis of changes to the operational costs, depreciation costs, percentage shared by the community at large for residents, and percentage mark up for guests.

##### Lesson Fees

- Fees shall be charged for individual and group lessons for residents and their guest(s).

- The fees, rounded up to the nearest dollar, shall be based on: the estimated hourly cost of labor and the cost of the horse used to provide the lesson; and
  - for residents, 64% shared (subsidized) by the community at large
  - for guests, 25% mark up.
- The fee will be adjusted annually on the basis of changes to the operational costs, depreciation costs, percentage shared by the community at large for residents, and percentage mark up for guests.

#### Horse Rental Fee

- A resident fee and a guest fee shall be charged for the use of a GRF owned horse for lessons and trail rides.
- The fees, rounded up to the nearest dollar, shall be based on the estimated hourly cost of a GRF owned horse; and
  - for residents, 64% shared (subsidized) by the community at large
  - for guests, 25% mark up.
- The fee will be adjusted annually on the basis of changes to the operational costs, depreciation costs, percentage shared by the community at large for residents, and percentage mark up for guests.

**RESOLVED FURTHER**, that Resolution 90-06-32 adopted May 2, 2006 is hereby amended (Resident Division Fee Schedule) and Resolution 90-13-02 adopted January 4, 2013 is hereby amended (Equestrian Center Pricing Policy); and

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

Director Stone read a proposed resolution approving revisions to the Media Policy, which was postponed in December to comply with Civil Code §4360. Director Stone moved to approve the resolution. Director Feldstein seconded the motion and discussion ensued.

Member Carol Skydell (3073-B) commented on the resolution.

By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following resolution:

### **RESOLUTION 90-15-03**

#### **Media Use Policy Mission Statement and Guidelines**

**WHEREAS**, the Board of Directors of this Corporation adopted a Media Use Policy Mission Statement and Guidelines in order to define the Community's policy for the administration and editorial oversight of all media, including, but not limited to leased access, commercial ad insertion, public service

announcements, and event sponsorships that will be consistent with the active lifestyle image of the Community;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, that the Board of Directors of this Corporation hereby adopts the revised Media Use Policy Mission Statement and Guidelines, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution 90-14-44, adopted September 2, 2014 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.

Director Stone read a proposed resolution adopting the Delegation of Authority Policy. Director Shimon moved to approve the resolution. Director Feldstein seconded the motion and discussion ensued.

Members John McRae (5500-2H), Bert Moldow (3503-A), Juanita Skillman (2154-N), Richard Johnston (5486-A), Franklin Smith (5369-3D), Maxine McIntosh (68-C), and Joan Brown (5587-A) commented on the resolution.

Stone moved to amend the motion to send the Delegation of Actions and Commitments to a Board Workshop before approving at the Board level. Director Shirley seconded the motion. By a vote of 8-2-0 (Director Feldstein and President Freshley opposed) the amendment carried.

By a vote of 9-0-0 the Board moved the Delegation of Actions and Commitments to a Board Workshop before approving at the Board level.

### **RESOLUTION 90-15-XX**

#### **Delegation of Actions and Commitments**

**WHEREAS**, in order to avoid confusion as to the role and responsibilities of the Board and the managing agent, a Delegation of Actions and Commitments Matrix was created to clearly define the responsibilities and authority of the Board and the responsibilities the Board may wish to delegate; and

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, that the Board of Directors of this Corporation hereby approves the attached document entitled "Delegation of Actions and Commitments" which identifies the responsibilities and duties of the Board, committees, and the managing agent; and

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

## **NEW BUSINESS**

Director Stone read a proposed resolution approving revisions to the GRF Ethics/Director Code of Conduct resolution. Director Beckett moved to approve the resolution. Director Roddan seconded the motion, discussion ensued and scribners errors were noted.

President Freshley moved to amend the resolution by removing "never to accept any gift from a person or entity that does business or seeks to do business with the Board, except promotional items having a value of \$20 or less."

Members Bert Moldow (3503-A), Mary Whipple (384-D) and Franklin Smith (5369-3D) commented on the resolution.

By a vote of 3-6-0 (Directors Freshley, Feldstein and Roddan in favor) the amendment failed.

By a vote of 8-0-1 (Director Palmer abstained) the original motion carried and the Board of Directors adopted the following resolution as amended:

### **Resolution 90-15-04**

#### **Code of Ethics for GRF Directors**

**WHEREAS**, the Board of the Golden Rain Foundation (GRF) wishes to institute a Code of Ethics for GRF Directors;

**THEREFORE, BE IT RESOLVED**, January 6, 2015, the Board hereby adopts the following Code of Ethics for GRF Directors;

**BE IT FURTHER RESOLVED**, that Resolution ~~90-13-34~~ **90-14-11** is hereby superseded and cancelled;

**BE IT FURTHER RESOLVED**, that a copy of this Resolution shall be given to every candidate for GRF Director;

**BE IT FURTHER RESOLVED**, that the Managing Agent is directed to carry out this Resolution.

#### **Code of Ethics for GRF Directors**

**We, the Board of Directors of the Golden Rain Foundation, do hereby adopt this Code of Ethics for GRF Directors, to guide our conduct and to serve as a guide for newly elected GRF Directors.**

#### **We acknowledge our duty to follow the Business Judgment Rule:**

1. A director shall perform his or her duties:
  - in good faith,
  - in a manner the director believes to be in the best interests of the Membership and the corporation, and
  - with such care as an ordinarily prudent person would use under similar circumstances.

2. A director shall make reasonable inquiry when circumstances indicate the need for inquiry.

3. A director shall be entitled to rely on the information, opinions, reports or statements provided by:

- officers and agents of the corporation that the director believes to be reliable and competent in the matters presented,
- experts, as to matters that are within the expert's competence,
- legal counsel, as to matters that are within counsel's professional competence,
- committees on which the director does not sit, as to matters within the committee's designated authority that the director believes merit confidence,

but only if the director:

- has made reasonable inquiry as to the person's competence, and
- acts without knowledge that that would cause such reliance to be unwarranted.  
(Corporations Code Section 7231)

**We pledge:**

- to act honestly, fairly, and ethically;
- to conduct ourselves in a professional, courteous and respectful manner;
- to obey all federal, state and local law;
- to act in compliance with the governing documents;
- to act in good faith, with prudent care, and due diligence;
- to avoid situations that may give rise to an actual or potential conflict of interest or the appearance of a conflict of interest, and report these situations to the Board in the event they arise;
- to make available to fellow Directors all documents and records that may assist those Directors in the performance of their duties;
- to serve impartially all three GRF corporate Members, and all ~~12,873~~ **12,736** resident **Mutual** Members;
- to share such information with the Board as may be appropriate;
- to respect the confidentiality of information relating to legal strategy, or personnel matters relating to the Managing Agent's employees, except when authorized or legally required to disclose such information;
- never to use confidential information acquired in the course of our service as Directors for personal advantage;
- never to allow our independent judgment to be subordinated;
- never to accept any gift from a person or entity that does business or seeks to do business with the Board, except promotional items having a value of \$20 or less.

No code or policy can anticipate every situation that may arise. Accordingly, a Director who has a question or concern regarding compliance with this Code should raise the matter with the Board, who will determine what action shall be taken.



Ms. Cris Robinson entered the meeting at 11:45 AM.

The Board discussed declassification of legal documents.

Director Feldstein moved that all legal documents which are at the point of being discarded or by the termination of an Attorney and need to be stored, be declassified of attorney client privilege and those documents be given to the Historical Society or another entity. Director Klein seconded the motion. Discussion ensued.

Member Franklin Smith (5369-3D) and Maxine McIntosh (68-C) commented on the motion.

Director Feldstein accepted a proposed amendment to his motion and agreed to remove "and those documents be given to the Historical Society or another entity" from his motion.

Director Feldstein withdrew his motion for further discussion and clarification and to work with staff. Director Klein accepted the withdrawal.

Ms. Cris Robinson left the meeting at 12:07 PM.

Director Stone read a proposed resolution approving holding hearings on behalf of the Mutuels in an effort to help the Mutuels collect delinquent assessments. Director di Lorenzo moved to approve the resolution. Director Shimon seconded the motion and discussion ensued.

Director Klein moved to have GRF Corporate Counsel opine on the subject before the Board moves forward with the request.

Members Judith Troutman (3011-B), John McRae (5500-2H) and John Luebbe (3301-A) commented on the resolution.

Without objection, the Board continued the resolution to the February meeting, and decided to have GRF Corporate Counsel opine on the subject before the Board moves forward with the request.

### **RESOLUTION 90-15-XX**

#### **GRF to Hold Hearings on Behalf of the Mutuels in an Effort to Help the Mutuels Collect Delinquent Assessments**

**WHEREAS**, GRF Bylaw Section 4.5.2 expressly authorizes its Board of Directors to take disciplinary action or suspension action against any Mutual Member, Qualifying Resident, Co-Occupant, Tenant, and their guests for breach of the governing documents and rules and regulations of this Corporation, or of the Mutual of such Mutual Member; and

**WHEREAS**, GRF Bylaw Section 4.5.1 references the permissible discipline or suspension action that may be taken, including the restriction of the right to use any GRF facility; and

**WHEREAS**, the Mutuals have limited options to collect delinquent assessments;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015 that the Board of Directors of this Corporation hereby specifically identifies that the right to take disciplinary or suspension action against a Mutual Member will include, but is not limited to, the suspension of the Mutual Member's right to use this Corporation's cable TV system in an attempt to help the Housing Mutuals collect delinquent assessments; and

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

Director Shimon moved to recess for lunch at 12:30 PM. and return at 1:00 PM. to continue the Open Session portion of the meeting. Director Stone seconded the motion.

By a vote of 9-0-0 the motion carried.

The Board discussed the CAI Board Membership Renewal for 2015, ECHO Membership Renewal for 2015, or a Membership in an Alternative Organization.

Director Stone moved to renew the ECHO Membership and not renew the CAI Membership. Director Shimon seconded the motion.

Director Roddan moved to amend the motion to also include a membership with the Center for California Homeowner Association Law. Director Feldstein seconded the motion.

Member Maxine McIntosh (68-C) and John Luebbe (3301-A) commented on the motion.

By a vote of 8-0-1 (Director Stone abstained) the amendment carried.

By a vote of 8-0-1 (Director Stone abstained) the amended motion carried.

### **CONSENT CALENDAR**

No Consent Calendar items came before the Board.

### **COMMITTEE REPORTS**

Director Klein reported from the Finance Committee.

Director Klein gave the Treasurer's Report.

Director Stone moved to approve the formation of a Select Audit Task Force with representation from each corporation (GRF, Third Mutual, United Mutual, and Mutual Fifty), at

the ratio 1-1-1-1. The respective corporation representatives will be appointed by the individual Mutuals and one at-large member with audit or financial expertise will be appointed by the Task Force. Each Mutual will approve the charter, and the Task Force will appoint a chair. Director Shimon seconded the motion.

By a vote of 9-0-0 the motion carried.

Director Stone read a proposed resolution approving a Select Audit Task Force Charter. Director Stone moved to approve the resolution. Director Klein seconded the motion and discussion ensued.

By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following amended resolution by replacing the word 'Committee' with 'Task Force' and adding 'appointed by the Task Force' in the third paragraph:

**RESOLUTION 90-15-05**  
**RESOLUTION 01-15-XX**  
**RESOLUTION M50-15-XX**  
**RESOLUTION 03-15-XX**

**LAGUNA WOODS VILLAGE CORPORATIONS  
SELECT AUDIT ~~COMMITTEE~~ TASK FORCE CHARTER**

**RESOLVED**, January 6, 2015, that the Boards of Directors of this Corporation hereby assigns the duties and responsibilities of this ~~Committee~~ **Task Force**, as follows:

**MISSION**

The purpose of the Select Audit ~~Committee~~ **Task Force** is to assist the Village corporations' oversight of:

- The independent public accounting firm's qualifications and independence.
- The performance of the independent public accounting firm and its relationship with the managing agent's accounting function.
- The managing agent's responsibilities to assure that there is in place an effective system of controls reasonably designed to:
  - Safeguard the assets and revenues of the corporations.
  - Assure the integrity of the financial statements of the corporations by ensuring all operating and reserve expenditures have been appropriately recorded and effectively presented to the corporate boards.
  - Maintain compliance with the ethical standards, policies, plans, and procedures of the four corporations and with all applicable laws and regulations.

**MEMBERSHIP** is determined by the Corporate Presidents, subject to approval by the respective boards. ~~It is suggested that appointees be individuals who are well-qualified in related fields.~~ The ~~Committee~~ **Task Force** shall be comprised of one representative from each corporation and one at-large member, ***appointed by the Task Force***, having audit or financial expertise. The ~~Committee~~ **Task Force** members shall appoint a chair.

## **DUTIES AND RESPONSIBILITIES**

The Select Audit ~~Committee~~ **Task Force** shall:

1. Meet as often as it determines is necessary to accomplish its duties and responsibilities.
2. Direct the preparation of Requests for Proposal for the annual audits of the financial statements of the Laguna Woods Village Corporations and determine firm to be engaged.
3. Recommend the scope of any additional audit activities not already provided for in corporations' budgets as deemed necessary and appropriate.
4. Have oversight of the selected accounting firm engaged for the annual audit of the four Laguna Woods Village Corporations and the engaged audit firm shall report directly to the Select Audit ~~Committee~~ **Task Force**.
5. Ensure the engaged audit firm submits to the ~~Committee~~ **Task Force** annually a formal written statement delineating all relationships between the audit firm and the managing agent including its subsidiaries.
6. Receive from auditors any concerns regarding accounting, internal controls or audit matters, including any confidential anonymous submission by any managing agent employee regarding questionable accounting or auditing matters.
7. Discuss with the managing agent and the engaged auditor any disagreements regarding the financial reporting, audit problems or difficulties, and the agent's response thereto.
8. Review and discuss with the managing agent and the auditors, the audit reports for each corporation, in respect to any significant accounting financial reporting policies, issues or judgments made in connection with preparation or audit of each of the Village corporation's financial statements and other financial or informational reports provided to the Village corporate boards.
9. Recommend to the Village Corporation Finance Committees any appropriate action in connection with the audit reports received, reviewed and discussed.
10. Annually review the ~~Committee~~ **Task Force** Charter and propose any changes deemed appropriate by the ~~Committee~~ **Task Force** to the Village Boards for approval.
11. Perform such other tasks as are assigned by the Laguna Woods Village Boards.

Director Stone read a proposed resolution approving a Supplemental Appropriation of \$6,000 from the Contingency Fund to obtain a membership to Direct Buy for the purposes of corporate procurement. Director Stone moved to approve the resolution. Director di Lorenzo seconded the motion and discussion ensued.

Director Klein noted that 'wholesale' should be changed to 'cost base' in the first Whereas.

By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following resolution as amended:

**RESOLUTION 90-15-06**

**Direct Buy Membership**

**WHEREAS**, Director Klein obtained information on Direct Buy, a membership-based service that provides ~~wholesale~~ **cost base** pricing on furniture, fixtures, blinds, fabric, wall coverings, etc.;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, the Board of Directors of this Corporation hereby approves a supplemental appropriation of \$6,000 from the Contingency Fund to obtain a membership to Direct Buy for the purposes of corporate procurement.

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

Director Klein reported on cost savings that have been brought to the Community by the current Board's actions in rescinding numerous resolutions approved by former GRF Boards.

Director Stone reported from the Community Activities Committee.

Director Stone read a proposed resolution approving a Supplemental Appropriation, not to exceed \$150,000 funded from the Equipment Fund, to replace items for Clubhouse Three. Director Stone moved to approve the resolution. Director Feldstein seconded the motion and discussion ensued.

By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-15-07**

**Clubhouse 3 Walk-Through Replacements**

**WHEREAS**, during the walk-through at Clubhouse 3 several items were noted as needing replacements; and

**WHEREAS**, the Golden Rain Foundation Community Activities Committee (CAC) has recommended that the Board approve the following:

1. Replace chairs in the Women's Restroom/Powder area
2. Replace sofas/furniture in lobby
3. New, uniform chairs in Conference room
4. New window coverings throughout the Clubhouse, possibly blackout for the Billiards room
5. New wall covering throughout Clubhouse
6. Shutters installed for kitchen pass-through, Dining Room 1 and Dining Room 2
7. New sofas for dressing rooms on stage
8. New chairs for Billiards room
9. Install trash receptacles in all bathroom stalls
10. Place new trash receptacles at the front of the building

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, the Board of Directors of this Corporation hereby approves a supplemental appropriation not to exceed \$150,000, from the Equipment Fund, to include a 10% Contingency to replace items as listed above from 1 through 10; and

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

Director Stone read a proposed resolution to approve revisions to the Room Reservation Policy:

### **RESOLUTION 90-15-XX**

#### **Revisions to the Recreation Division Policy - Room Reservations**

**WHEREAS**, the Golden Rain Foundation has established a Recreation Division Policy to streamline and reduce confusion regarding use of its facilities by residents; and

**WHEREAS**, the Golden Rain Foundation Community Activities Committee (CAC) has recommended revisions to the Recreation Division Policy with regard to Room Reservations;

**NOW THEREFORE BE IT RESOLVED**, March 3, 2015, that the Board of Directors of this Corporation hereby adopts the revisions to its Recreation Division Policy with regard to Room Reservations; and

**RESOLVED FURTHER**, that Resolution 90-14-12 adopted March 4, 2014 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.

Director Stone moved to accept the proposed revisions to the policy and postpone it to the March meeting to conform to the 30-day notification requirement. Director Shimon seconded the motion and discussion ensued.

Director Stone moved to amend the Room Reservation Policy to modify item f(1c) to read "Any reservation for non-profit fundraising activities, with the exception of the Laguna Woods Foundation, would be at the exception rate." Further to add to 1(c) "for profit". Director Feldstein seconded the motion.

Members Karen Wood (3160-A), Suzanne Stowe (5363-D), Donna Dwaileebe (3301-A), Barbara Vanalstine (15-D), John Luebbe (3301-A), and Jonathan Adler (2315-B) commented on the resolution.

By a vote of 9-0-0 amendment carried.

By a vote of 8-1-0 (Director Shirley opposed) the motion carried as amended.

Ms. Wendy Panizza and Ms. Cris Robinson entered the meeting at 3:15 PM.

Director Shimon reported from the Mobility and Vehicles Committee.

Director Klein reported from the Security & Community Access Committee.

Director Stone read a proposed resolution approving revisions to the Distribution of Publications by Non-Residents of Laguna Woods Village within Laguna Woods Village Policy:

**ADOPTED OCTOBER 1983, Resolution G-83-47**  
**REVISED JULY 1998, Resolution G-98-55**  
**REVISED MARCH 2015, Resolution 90-15-XXX**

**Distribution of Publications by Non-Residents of Laguna Woods Village  
within Laguna Woods Village**

**WHEREAS**, Golden Rain Foundation of Laguna Woods ("GRF") adopted a policy applicable to the distribution of all First Amendment publications within Laguna Woods Village by non-residents; and

**WHEREAS**, GRF's Board of Directors has determined that it is appropriate that said policy be updated and revised;

**NOW THEREFORE BE IT RESOLVED**, that on March 3, 2015 the Board of Directors of this corporation hereby adopts the following policy for the distribution of publications by non-residents of Laguna Woods Village within Laguna Woods Village:

Distribution of unsolicited materials **publications** by non-residents is strictly prohibited. Only materials **publications** specifically requested by resident(s) may be distributed to said resident(s).

Any non-resident individual or entity (the "Applicant") wishing to distribute publications within Laguna Woods Village shall complete and submit the Application for Pass(es) to Distribute Publications, obtain a Gate Entry Pass allowing entry for distribution, and comply with all applicable rules. The applicant shall provide the following information:

1. A subscriber list showing names and addresses of residents who have solicited the publication.
2. The name of the individual or entity intending to distribute such publication within Laguna Woods Village;
3. The address, phone number, fax number, e-mail address, and other pertinent identifying information so as to permit contact with the Applicant;
4. A brief description of the publication to be distributed, sufficient to allow GRF to determine if the publication that is actually distributed is the same publication described in the Application;
5. A brief statement as to the date(s) and frequency with which the Applicant intends to deliver its publication;
6. A statement to be executed by the Applicant pursuant to which the Applicant acknowledges that he, she, or it will be responsible for all acts of its employee or agents while they are distributing the publication on behalf of the Applicant within Laguna Woods Village, as well as agreeing to abide and be bound by all applicable Laguna Woods Village rules regarding distribution of publications (which is set forth on the reverse side of the Application);
7. An Acknowledgment by the Applicant that it shall only be entitled to distribute its publication following approval of Applicant's Application and the issuance of a Gate Entry Pass by GRF's managing agent. The application shall further state the Applicant shall be required to produce a Gate Entry Pass to Security personnel prior to gaining access to the Laguna Woods Village community.

**RESOLVED FURTHER**, that the basic rules for which all of the Applications shall be required to follow shall be as follows:

- a. While on the premises of Laguna Woods Village, knocking on doors, business solicitation, or other behavior which intrudes on the privacy of Laguna Woods Village residents is prohibited.
- b. Door-to-door distribution of **solicited** publications shall be permitted, so long as residents are not disturbed.



- c. ~~Material~~ **Publications** that ~~is~~ **are** distributed door-to-door may only be left on the surface of the thresholds of front doors. ~~Material~~ **Publications** may not be hung from doorknobs.
- d. The Applicant, its employees or agents must bring and present the Gate Entry Pass to Security personnel prior to gaining access to the Laguna Woods Village community.

**RESOLVED FURTHER**, this resolution shall in no way restrict legitimate distribution of political and/or campaign related ~~material~~ **publication**; and

**RESOLVED FURTHER**, that Resolution number G-98-55, dated July 7, 1998, is hereby superseded and all previous distribution policies are void; and

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

Director Stone moved to accept the policy as amended, send the document back to Counsel, and postpone it to the March meeting to conform to the 30-day notification requirement. Director Klein seconded the motion and discussion ensued. Scribner's errors were noted.

By a vote of 8-0-0 (Director Palmer was absent for the vote) the motion carried.

Ms. Wendy Panizza left the meeting at 3:30 PM.

Director Feldstein reported on the Traffic Hearings from the last month.

Director Roddan reported from the Maintenance & Construction Committee.

Director Stone read a proposed resolution to approve the cancellation of the Perimeter Wall Replacement Project along the 27-Hole Golf Course and El Toro Road (Capital Plan P12027). Director Stone moved to approve the resolution. Director Klein seconded the motion and discussion ensued.

Without objection, the Board added "cancels the balance of" to the second and third paragraphs of the resolution.

By a vote of 9-0-0 the motion carried and the Board of Directors adopted the following amended resolution:

### **RESOLUTION 90-15-08**

#### **Cancel Perimeter Wall Replacement along El Toro Road (P12027)**

**WHEREAS**, by way of Capital Plan P12027, the Board approved an appropriation of \$304,500 for the design and construction of a new perimeter wall along the 27-hole golf course and El Toro Road; and

**WHEREAS**, the GRF Maintenance and Construction Committee has recommended that the Board **cancel the balance of** Capital Plan P12027;

**NOW THEREFORE BE IT RESOLVED**, January 6, 2015, the Board of Directors of this Corporation hereby **cancel the balance of** Capital Plan P12027 for the perimeter wall replacement along the 27-hole golf course and El Toro Road; and

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

Director Feldstein reported from the Media and Communications Committee.

Director Feldstein moved to approve developing a website page for the Clubhouse 2 Renovation project on the Laguna Woods Village Website. Director Beckett seconded the motion. By a vote of 9-0-0 the motion carried.

Director Feldstein moved to approve including trademark matters and follow-up under the Legal Affairs Office Job Duties and to terminate the agreement with Hart King beginning December 31, 2014. Director Roddan seconded the motion. By a vote of 9-0-0 the motion carried.

Director Feldstein moved to appoint Carol Skydell and Jonathan Adler as Non-Voting Advisors to the Media and Communications Committee. Director Stone seconded the motion. By a vote of 9-0-0 the motion carried.

Director Shimon reported from the Landscape Committee.

Director Palmer reported from the Energy Committee.

Director Stone reported from the Clubhouse 2 Renovation Ad Hoc Committee.

Director Stone moved to approve Orange and Carlile Coatsworth Architects to provide a Conceptual Design for Clubhouse 2 not to exceed \$10,000 each, \$20,000 total, funded from the Clubhouse 2 Renovation Design (Job Number S14036). Director Shimon seconded the motion. By a vote of 9-0-0 the motion carried.

Director Stone moved to authorize the Owner's Representative to finalize the Acoustic Engineering Scope of Work for Veneklasen Associates Inc. and approve an expenditure not to exceed \$10,000 funded from the Clubhouse 2 Renovation Design (Job Number S14036). Director Shirley seconded the motion. By a vote of 9-0-0 the motion carried.

Director Stone moved to approve Change Order Approval Thresholds: 1) Owner's Representative, George Hedley, to approve project change orders up to \$5,000; 2) the Executive Committee (including the Committee Chair and the two GRF Directors on the Committee) to approve change orders between \$5,000 and \$25,000; 3) the Ad Hoc Committee to approve change orders that exceed \$25,000 **and up to \$75,000; and 4)**

**anything over \$75,000 to require approval from the Board.** Director Shimon seconded the motion.

By a vote of 9-0-0 the motion carried.

### **FUTURE AGENDA ITEMS**

Due to time constraints the Board did not discuss future agenda items.

### **DIRECTORS' COMMENTS**

The Directors made their final comments.

Member Larry Strauss (5396-A) commented on making a large donation to the Community.

### **MEETING RECESS**

The regular open meeting recessed at 4:25 PM. and reconvened into Executive Session at 4:30 PM.

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

During its Regular Executive Session Meeting of December 2, 2014, the Board approved the minutes of the November 4, 2014 Regular Executive Session. The Board held no member disciplinary hearings; discussed and considered legal matters; postponed Discuss and Consider AED Equipment in GRF Facilities to the January Closed Session meeting; and reviewed the Litigation Status Report.

During its Special Executive Session Meeting of December 22, 2014 the Board discussed and considered the Fox Network Contract, the ABC Contract, the Discovery Contract progress and the KRCA and KTLA must-carry requests.

During its Special Executive Session Meeting of December 29, 2014 the Board discussed Contractual Matters.

### **ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting adjourned at 5:25 PM.

---

Mary Stone, Secretary



## Policy and Procedures

*Channel 6 - 24351 El Toro Road, Laguna Woods, CA 92637*

T: (949) 597-4295

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***General Description***

Channel 6 Laguna Woods Village Television serves the Community of Laguna Woods Village, California.

Channel 6 provides local origination programming Monday - Friday, covering community news, highlights of community events, feature stories, entertainment programs, as well as live cablecasts of homeowners' association meetings and live cablecasts of the Laguna Woods City Council meetings.

It has been the mission of Channel 6, since 1967, to create a greater sense of belonging that leads to an informed and involved community. Residents and organizations connect with one another through the programming that Channel 6 offers. These Policies and Procedures set forth the guidelines under which Channel 6 operates.

For purposes of these Policies and Procedures the term "Program" or "Programming" shall mean any content aired on Channel 6; regardless if it is live or pre-recorded, regardless of length, and shall include all programs, announcements, appearances, interviews, messages, speech, statements, conduct and any other matter being aired by Channel 6.

Golden Rain Foundation (GRF) and Channel 6 provides various community themed local origination programming, allows various registered Clubs and Organizations the opportunity for the airing of short Programming without charge, airs various meetings, sells airtime for other Programming and also sells advertising time, including production and placement of advertising through Media Services 55. All rates contained herein are subject to change—interested parties should always request the most recent rate sheet.

Channel 6 reserves the right to suspend any Program which it feels may be detrimental, objectionable or otherwise unfit for the Community. The producers and/or suppliers of any

Program, including the various clubs, organizations and individuals shall be responsible for all copyright compliance and all content of messages delivered live or prerecorded and shall agree to indemnify Channel 6, the Community of Laguna Woods Village, the Golden Rain Foundation ("GRF") and the managing agent against any liability or claim arising from the programming, the content and or the messages delivered including but not limited to any claims of slander, defamation or copyright infringement, claims of false or misleading advertising, including in regards to political advertisements whether placed on behalf of a particular candidate or by any other outside organizations (e.g. Political Action Committee) and any damages or liability, including reasonable attorney's fees, which may ensue from the Program. Channel 6 may require disclaimers stating that the views are not those of Channel 6, the Community of Laguna Woods Village, GRF or the managing agent.

All Clubs and/or Organizations, individuals and others submitting Programming or appearing on TV6 understand that if the Program contains any content violating these Policies and Procedures, the Clubs and/or Organizations, individuals or others submitting or appearing on the Programming may be subject to civil suit or criminal prosecution.

GRF and Channel 6 staff reserve the right to preempt any program, announcement or message to be cablecast over Channel 6 for reasons of maintenance, emergency, community public service or other rescheduling needs at its sole discretion. Preempted time due to the above reasons shall be rescheduled, if timeslots are available.

### ***Programming Policy***

**1. The Program must not violate any section of California state law or federal law regarding obscenity and must otherwise comply with all laws including prohibitions against false, misleading or deceptive claims and defamatory or libelous content. The Channel 6 Policy on Indecent Programming is attached as Exhibit 1 and shall be applicable to all Programming.**

2. In the event Channel 6 receives a complaint, which indicates the program contract has been violated or the Program violates any Policy, programming playback may be postponed until Channel 6 can verify the contract or policy compliance.

3. All Programming shall comply with applicable federal law (47 U.S.C. §559) which provides that whoever transmits over any cable system in any matter which is obscene or otherwise unprotected by the Constitution of the United States shall be subject to a fine of up to \$10,000 or imprisonment of up to two years, or both, and that local access programming may not be used for criminal activity or other illegal purpose, or otherwise in any manner which violates any local, State or federal law. All submitters of Programming, including those appearing in Programming, agree that if there is a complaint that the material in said Programming violates a criminal law GRF and/or Channel 6 staff may notify the appropriate law enforcement agency and suspend any further airing of the Program(s) until the law enforcement agency resolves whether or not the material is criminal in nature.

4. These following warranties and representations are applicable to any Club and/or Organization, individual, business or other entity appearing on or placing a Program on Channel 6. All individuals and entities providing the Programming accept full responsibility for the content of the Programming, and further warrant that they have the authority, as local

producer or sponsor, to submit the Program for cablecast. The following types of Program content are specifically prohibited by GRF:

- a. Any noncompliance with applicable federal, State and local laws and regulations.
- b. Any promotion for public office candidates or political advertisement.\*
- c. Any advertising material designed to promote the sale of commercial products or services.\*
- d. Any advertisement of, or information concerning any lottery or similar scheme offering prizes dependent in whole or in part on chance.
- e. Any political advertisement or promotion containing false information regardless if it is placed by a particular candidate or other organization (e.g. Political Action Committee).
- f. Any unauthorized copyrighted material.
- g. Any obscene or indecent material.
- h. Any material that defames the race, ethnicity, sexual orientation, age, disability, income source, or religious affiliation or any individual member of such group.
- i. Any promotion of violence, or words which are designed to invoke violence.
- j. Any slanderous or libelous materials.
- k. Any material that promotes an appeal for funds.

The warranties and representations noted by an asterisk (\*) are applicable only to any Club and/or Organization in order that the Program be cablecast free of charge on Channel 6.

### ***Channel 6 Programming***

The following is a summary of programming currently available on Channel 6. Channel 6 reserves the right to add or discontinue programming, change programming schedules or modify the format of its programming:

#### **thisday**

**thisday**, a one-hour interview style program which is cablecast live each weekday morning at 8:30am and re-cablecasts at 12:30pm and 5:00pm, is the premier connection to the Community of Laguna Woods Village. **thisday** covers a wide range of subjects of interest to the community, such as consumer protection, current legislation, general financial advice, medical news, travel, cooking and housing.

All Laguna Woods Village corporations (HOAs) are afforded the opportunity to appear on, **thisday**, once a week for a ten minute interview segment. The ten minute segment is an opportunity to convey to their membership news and information regarding their corporation (HOAs). Appearances on **thisday** must be scheduled in advance and coordinated by the corporation President. The segment must comply with all policies of Channel 6.

Clubs and Organizations registered with the Community Recreation Department are afforded a ten-minute interview on the program to promote their activities and meeting dates, at no



cost. Clubs and Organizations are limited to one appearance per month. The segment must comply with all policies of Channel 6. The Club or Organization may also purchase additional short form air time segments which must comply with all policies of Channel 6.

Individuals, businesses and advertisers may purchase short form air time on **thisday** program to promote their business and/or interest, to generate awareness throughout the community for a fee payable to GRF and by executing the Local Origination Agreement as set forth in Attachment C.

The short form air time segment fees on **thisday** are:

5 Minutes \$150.00            10 minutes \$250.00            15 minutes \$300.00

### Trading Post

**The Trading Post** is a free service provided only to Laguna Woods Village Residents who are looking to sell, buy or trade their personal items. **The Trading Post** prohibits businesses and individuals representing business related enterprises from promoting their goods or services on the program. Channel 6 staff reserves the right, in its sole discretion, to refuse the promotion of items that are intended to be resold or are manufactured by a resident as a way of generating income or the sale of any services. Channel 6 may refuse to accept the promotion of any items it finds objectionable including, but not limited to, guns, alcohol, personal services or investment type activities.

Residents may only post three items at one time, during any three (3) week period of time.

**The Trading Post** items are cablecast at least three times and items may not be re-submitted more than three times.

**The Trading Post** is cablecast each weekday from 11:00am – 11:30am and re-cablecast at 1:30pm the same day. Cablecasts may be preempted due to homeowner association meetings. The Trading Post is hosted by Channel 6 resident volunteers and staff provides production services. Laguna Woods Village residents may submit their request by calling (949) 830-0182 or by visiting the Channel 6 Offices located on the third floor of the Community Center.

### Community Bulletin Board

Channel 6 manages an electronic **Community Bulletin Board** (Message Board) which airs daily whenever regularly scheduled programs are not cablecast. Clubs and Organizations registered with the Community Recreation Department are afforded one electronic page per month to promote their activities and meeting dates at no cost.

**Community Bulletin Board** messages must be submitted at least 10 days prior to the day of the event. Messages will appear on Channel 6 approximately 4 to 7 days prior to the event depending on space available. **Exceptions:** An event which has a deadline date, such as catered affairs or bus transportation, will appear 4 to 7 days prior to the reservation deadline date. *Please include the deadline date in your message.* Messages for overnight trips (such as Las Vegas, Laughlin, etc.) are not permitted unless paid for as described below.

Individuals, local businesses and advertisers may purchase air time on the **Community Bulletin Board** to promote their business and/or interest to generate awareness throughout the community for a fee payable to the GRF. **Community Bulletin Board Advertising Rates:** Two Electronic Pages

Weekday \$75.00

Weekends \$200.00

Week \$350.00\*

\* includes one ten minute segment on the "thisday" program.

### ***Community Clubs and Organization Sponsored Programming***

Clubs and Organizations registered with the community Recreation Department are afforded a half-hour Program to promote their activities and meeting dates at no cost.

Clubs and Organizations may provide one live or pre-recorded Program per month, with air time and re-cablecasts being limited by availability.

Programs are produced live utilizing the Channel 6 Staff, Television Equipment and Studio. Due to limited personnel, applications will be processed and scheduled on a first come, nondiscriminatory basis to ensure that no club and/or organization monopolizes cablecast time to the disadvantage of others.

Clubs and Organizations may submit a cablecast quality video of their program or meeting for cable cast on Channel 6 instead of the live program. Submitted programs may not be more than two hours in length.

Programs are re-cablecast on Channel 6 three times within a thirty day period, provided time is available.

Clubs and Organizations must complete the local origination program agreement in Attachment C prior to cablecast.

### ***Purchase of Airtime Programming***

#### **Purchase of Airtime**

Individuals, local businesses and advertisers may purchase long form air time on Channel 6 to promote their business and/or interest to generate awareness throughout the community for a fee payable to the GRF. Purchasers of Airtime Programming must complete the local origination program agreement in Attachment C prior to cablecast.

#### **Channel 6 Air Time**

28.5 minutes \$300.00

58 minutes \$500.00

[Request for Channel 6 Cablecast of GRF Board Meetings shall be per Resolution 90-08-20](#)

Whereas, the Golden Rain Foundation (GRF) provides the oversight and funding for the Community's cable system, including Channel 6, its local origination channel; and whereas, it has been the practice of Channel 6 staff to tape selected special meetings and re-cablecast as required, and if the GRF President directed, time allowed, and programming was not impacted, staff has cablecast special meetings live; however, the number of special meetings has increased, thus increasing the impact of programming and advertising requirements; Now therefore be it resolved, March 4, 2008, that the Board of Directors of this Corporation hereby adopts the following Special Board Meeting Cablecast Policy for any Governing Board:

1. At least 7 business days prior to the scheduled date, the chair calling the special meeting will submit to the General Manager's office a written request to air the special meeting which will include the location of the meeting, preferred time for the meeting to be aired and expected duration of the meeting;
2. Within 2 business days of the receipt of the request by Broadband Services staff, the Broadband Services Director will inform, in writing, the chairperson whether the meeting can be cablecast at the requested time or not and if not, offer a reason and an alternate time to cablecast the meeting;
3. If a mutually acceptable time cannot be agreed upon, the Broadband Services Director will submit the request to the GRF President for review. Upon the President's determination as to when the meeting will be cablecast, the Broadband Services Director will inform the chairperson in writing;
4. If an acceptable time for the meeting is agreed upon, the Broadband Services Director will notify all board members involved of the pending meeting;
5. Channel 6 will include the meeting details on its message board, and notify the Laguna Woods Globe of the change to the Channel 6 programming schedule;
6. If time allows, the interactive program guide on the Community's cable system will be updated for Channel 6.

Resolved further, that such policy shall be effective March 4, 2008; and resolved further, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

### ***Production Rates***

Day Rate for Clubs and Organizations requesting television production services - \$60.00 per hour.

Evening Rate for Clubs and Organizations requesting television production services - \$75.00 per hour.

Digital Editing Services - \$75.00 per hour

Computer Graphic Generation - \$50.00 per hour

Voice Over Service - \$75.00 for a thirty-second commercial

Channel 6 Studio Rental - \$350.00 per hour

All applicable rates above require a one hour minimum.

### ***Duplication Services***

#### **DVD to DVD or CD to CD Duplication Rates**

Number of Copies	Cost Per Copy
1-5	\$10.00 each
6-10	\$8.00 each
11-25	\$5.00 each

Price includes: Brand Name, High Grade DVD, Full Color Label, and White Sleeve.

VHS and VHS-C to DVD Duplication - \$15.00 each

Cassettes and Vinyl Records to CD Duplication - \$15.00 each

Duplications require a two (2) day turnaround.

## ***Media Services 55***

MEDIA SERVICES 55 provides advertising which is 100% targeted to the Laguna Woods Village Community on 24 cable networks. In association with Channel 6 Laguna Woods Village Television, Media Services 55 provides a comprehensive list of client services for advertisers, including quality commercial production, promotional opportunities, live interviews, and long-form programming.

Media Services 55 provides short-form advertising (branding and direct response), long-form advertising & programming (direct response television-infomercials), full service production and post-production (high definition cameras), live and taped segments and educational interviews, and Community Bulletin Board (Message Board) announcements. Local, regional and national enterprises look to Media Services 55 to help increase sales and create greater and measurable brand awareness for products and services. Politicians and legislative propositions regard this community as a 'must' for their media campaigns, as it has one of the highest percentage per capita voting blocs in the nation.

Media Services 55 offers focused advertising, affordable rates and a comprehensive list of client services, including quality commercial production, exciting promotions, as well as co-op and long-format advertising opportunities. Media Services 55 is committed to providing our advertisers with the best products and services designed to optimize their advertising investment, helping local businesses reach their marketing goals, and helps politicians reach the coveted 50+ engaged voter.

## **MARKET DEMOGRAPHICS**

1. Designated Marketing Area (DMA): Los Angeles/Orange County
2. System Code (SYSCODE): 3501
3. City: Laguna Woods, California
4. Exclusive Zip Code: 92637
5. Cable Households: 12,736 (100% Penetration)
6. Median Household Income: \$36,713.00
7. Cable Television Viewers: 16,000
8. Median Age: 76.8
9. Gender: 65% Female / 35% Male
10. Marital Status: 29.2% Married /60.8% Single
11. Owner Occupied: 78.8%
12. Registered Voters: 14,851
13. Education: 94% High School Graduate or Higher / 41.9% Bachelor's Degree or Higher

Statistical information provided by the 2010 United States Census Bureau

# **Media Services 55 Rate Sheet\***

***Monday through Sunday***

	<i>Mid-6am</i>	<i>6am-4pm</i>	<i>4pm-Mid</i>	<i>Fix Day Part</i>	<i>Prime Time</i>
<b>NEWS</b>					
Fox News	\$5.00	\$15.00	\$30.00	\$25.00	\$40.00
CNBC	\$5.00	\$12.00	\$25.00	\$20.00	\$30.00
CNN	\$5.00	\$15.00	\$30.00	\$25.00	\$40.00
CNN Headline	\$5.00	\$12.00	\$25.00	\$20.00	\$30.00
MSNBC	\$5.00	\$15.00	\$30.00	\$25.00	\$40.00
<b>SPORTS</b>					
ESPN	\$4.00	\$12.00	\$25.00	\$15.00	\$30.00
Fox Sports Net	\$4.00	\$10.00	\$20.00	\$12.00	\$25.00
Golf Channel	\$4.00	\$10.00	\$20.00	\$12.00	\$25.00
<b>ENTERTAINMENT</b>					
A&E	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
Hallmark	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
Bravo	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
FX	\$3.00	\$10.00	\$15.00	\$12.00	\$25.00
Lifetime	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
TBS	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
TNT	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
USA	\$4.00	\$10.00	\$18.00	\$12.00	\$25.00
<b>LIFESTYLE</b>					
Discovery	\$3.00	\$10.00	\$18.00	\$12.00	\$22.00
Food Network	\$3.00	\$10.00	\$18.00	\$12.00	\$22.00
HGTV	\$3.00	\$10.00	\$18.00	\$12.00	\$22.00
History Channel	\$3.00	\$10.00	\$18.00	\$12.00	\$22.00
TLC	\$3.00	\$8.00	\$15.00	\$10.00	\$20.00
Travel Channel	\$3.00	\$10.00	\$18.00	\$12.00	\$20.00
TruTV	\$3.00	\$10.00	\$18.00	\$12.00	\$20.00
Weather Channel	\$3.00	\$8.00	\$15.00	\$10.00	\$20.00

\*Inventory is limited and subject to availability. Rates are good for seven days and are subject to change. All rates are based on each thirty (:30) second commercial. Rates do not include commercial production. Deadlines: Three (3) day turnaround for traffic and insertion. Restrictions on type of advertising may apply depending on the applicable channel. Advertiser is required to indemnify and hold-harmless GRF, the managing agent and the applicable channel against any claims of false or misleading advertising including any losses, damages and attorney fees associated with investigating and responding to such claims. Advertising placements may be suspended in the event that claims of false or misleading advertising are raised.

Commercial Format: Beta SP / DV Cam / Digital

Rates may change-please contact Media Services 55 for current rate sheet.

### Attachment C

#### CHANNEL 6 LAGUNA WOODS VILLAGE TELEVISION LOCAL ORIGATION PROGRAM AGREEMENT

**Programmer** (Laguna Woods Village Club/Organization or Business Name):

Program Name:

Person Submitting Program:

Title:

Phone:

E-Mail:

Fee (Payable in Advance):

Media Format (circle one): DVD DVCAM, mini-DV (Digital Tape) LENGTH:  
Instructions and Requirements for Program Submission:

1. Program must be accompanied by a Channel 6 Local Origination Program Agreement signed by the program provider and delivered no later than two weeks (but not more than 30 days) prior to the first agreed upon cablecast date.
2. A producer or sponsor may submit multiple programs to be cablecast within the same calendar year. Each program shall be consistent with the terms and conditions of this agreement and the rules and procedures referenced herein.
3. Program must comply with local origination operating rules and procedures of Channel 6.
4. Program videotape must meet or exceed technical requirements of Channel 6, and be enclosed in a case with proper label on videotape and case, including program runtime.
5. Channel 6 may insert a disclaimer at the beginning of each program stating:

*THE VIEWS AND COMMENTS EXPRESSED ON THIS PROGRAM ARE THOSE OF THE PRODUCERS OF THIS PROGRAM AND NOT THOSE OF THE GOLDEN RAIN FOUNDATION, OR CHANNEL 6.*

#### 1. LOCAL ORIGATION CHANNEL

Local origination programming is aired on Channel 6, Laguna Woods Village Television, which is operated by the Golden Rain Foundation ("GRF"), and Channel 6. Throughout the Agreement, when 'Channel' is used, it is understood to also mean any agent or designated provider of GRF, or Channel 6.

#### 2. PROGRAM SUBMITTAL

Programs must be submitted to the Channel at least fourteen days in advance (but not more than thirty days) of their scheduled cablecast. Programming may be submitted at 24351 El Toro Road, Laguna Woods California 92637 ATTENTION: Channel 6. Programming must be submitted in an enclosed case along with a completed copy of this Agreement. A Programmer may submit multiple programs to be cablecast within the same calendar year, provided no more than three programs are submitted at any one time. Each program or cablecast must be consistent with the rules and procedures referenced herein. The videotape or DVD and case

must be clearly labeled stating the program title, subtitle (when applicable), program run-time to the nearest second, and name, address and telephone number of the sponsor. Sponsors are encouraged to provide a copy of the program to the Channel, and not the original. Programs left with the Channel beyond 60 days will be recycled or discarded.

### **3. TECHNICAL REQUIREMENTS**

All programs submitted for cablecast must be formatted as DVD, DVCAM, or mini-DV, hereafter referred to as Media. Community Bulletin Board (Message Board) items must be submitted in a text format. Programs submitted for cablecast on other formats will not be played. Programs must meet or exceed the following minimum technical quality requirements of the FCC and industry standards:

- a. Peak audio level should fall within -12 dB, with reasonable clarity.
- b. All Media must contain 15 seconds of black at the beginning and ending of each program.
- c. All videotapes must begin within the first 90 seconds of the tape.
- d. Only one program per Media is permitted.
- e. Program title and run-time must be noted on the Media.

The Channel reserves the right to refuse playback of programming that does not meet these technical requirements.

### **4. PROGRAM RESTRICTIONS AND WARRANTY**

Programmer warrants that it has the right and authority to enter into this Agreement and to perform all of its obligations hereunder. Programmer understands that presentation of the following materials on the Channel is specifically not authorized by GRF, the managing agent, and Channel 6 and may subject the sponsor to criminal prosecution or civil liability.

Programs containing the following materials are prohibited:

- a. Any advertisement of, or information concerning any lottery, gift enterprise, or similar scheme offering prizes dependent in whole or in part on chance.
- b. Any unauthorized copyrighted material.
- c. Any obscene or indecent material.
- d. Any material that defames any race, ethnicity, gender, sexual orientation, age, disabled, source of income, or religious group or any individual member of such group.
- e. Any material advocating violence, or words which are designed to invoke violence including any excessively violent, obscene or indecent content.
- f. Any slanderous or libelous materials.
- g. Any noncompliance with applicable federal, State and local laws and regulations, including but not limited to any advertising regulations. False or misleading advertising is strictly prohibited.
- h. Any political advertisement or promotion containing false information regardless of if placed by a particular candidate or other organization (e.g. Political Action Committee).

Programmer shall be solely responsible for all program content. Programmer hereby warrants and represents that its Programming complies in every respect with every applicable federal, state, and local statute or law, including without limitation all such laws relating to false and misleading advertising; and does not infringe the personal rights or the property rights of any person, corporation or other entity and is compliance with the restrictions set forth above. In addition, Programmer warrants that its Programming does not violate copyright laws or other laws protecting intellectual property, and that all necessary copyright clearances have been obtained (including synchronization rights and music performance rights); does not infringe any trademark, trade name, service mark, or any other property right; does not contain libelous or slanderous material; and does not constitute invasion of privacy, incitement, obstruction of law



enforcement, or create a danger of injury to persons or property. Programmer shall be solely responsible for assuring that all participants and spectators are aware that the event will be cablecast and that they are consenting to the use of their likeness and image to appear the cablecast of the event.

Programmer further warrants that its Programming does not contain obscene or indecent content. Channel 6 may refuse to transmit any program or portion of such a program that contains obscene or indecent materials, that contains excessive violence or that otherwise fails to comply with the Policy on Indecent Programming attached as Exhibit 1, in its sole discretion, or any applicable laws, rules or regulations.

#### **5. PROGRAM CONTENT**

Each Programmer has responsibility for the creative control of the content of each program. It is the policy of the Channel not to preview such material for the purpose of censorship. Therefore, the Channel may insert a disclaimer at the beginning of each program stating:

THE CONTENT, VIEWS AND COMMENTS EXPRESSED ON THIS PROGRAM ARE THOSE OF THE PRODUCERS OF THIS PROGRAM AND NOT THOSE OF THE GOLDEN RAIN FOUNDATION, OR CHANNEL 6.

#### **6. PROGRAM SCHEDULING**

The Channel commits to no more than three scheduled playbacks on Channel 6 for each program. Scheduled playbacks shall appear within a forty-five day period from the original "live" cablecast date. In the event of a scheduling conflict, the Channel reserves the right to assign program scheduling as necessary. Due to limited playback time, applications will be processed and scheduled on a first come, nondiscriminatory basis to ensure that no one person or organization monopolizes cablecast time to the disadvantage of others.

#### **7. PROGRAM AND MEDIA RIGHTS**

Ownership, non-commercial copyrights and content responsibilities belong to the Programmer of the material submitted to the Channel. However, the Channel reserves the right to cablecast any program or any portion of a program at any time and for any purpose. The Channel is not responsible for loss or damage of Media submitted for cablecast. Programmers are encouraged to provide a copy of the program to the Channel, and not the original. Media left with the Channel beyond ninety days will be recycled or discarded.

#### **8. CABLECAST PREEMPTION**

The GRF, the managing agent and/or Channel 6 reserve the right to preempt any program, announcement or message to be cablecast over Channel 6 for reasons of maintenance, emergency, community public service or other rescheduling needs at its sole discretion. Preempted time due to the above reasons shall be rescheduled, if timeslots are available.

#### **9. INDEMNIFICATION AND HOLD-HARMLESS.**

Programmer shall indemnify, defend and hold-harmless GRF, the managing agent and Channel 6 and their officers, directors, agents and employees from and against any and all liabilities, damages, losses, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses of defending claims or litigation) or other injury or claim of injury arising, directly or indirectly, from or related to:

- a. Programmer's use of the Channel or the cablecast of any material provided by Programmer hereunder.
- b. Breach by Programmer of any representation, warranty, covenant or other provision of this Agreement, including but not limited to those contained in Section 4 above;

- c. Any claims which may be made by any governmental body or agency or any person or entity (including, but not limited to, Programmer or Programmer's agents or employees) in connection with the Programming or use of the System;
- d. Any injury to any person (including without limitation the Channel's agents, employees, or invitees) or damage to any property (including without limitation Channel's equipment or other assets) resulting from the Programming or use of the Channel;
- e. The content of the Programming or the Channel's use and delivery of the Programming, including but not limited to claims that the material contains false or misleading information;
- f. The violation of the rights of any third party, including without limitation any claims based on alleged or proven libel, slander, defamation, invasion of privacy, unlawful use of image, failure to obtain proper consents, wrongful publicity, misrepresentation, obscenity, indecency or other forms of speech, whether protected or not by the Constitution of the United States or any state; infringement of common law or statutory copyright, literary right or music performance or synchronization right; unauthorized use of any trademark, trade name or service mark; breach of contractual or other obligations; and any other claim arising from the production, or insertion or transmission of the Programming or any advertisements in connection with the Programming.

#### **10. INDEMNIFICATION PROCEDURE**

Channel 6, GRF and/or the managing agent ("Indemnity") shall give notice to Programmer, within a reasonable time after receiving notice of any claim, event or condition giving rise to a claim of indemnification. Indemnity shall have the right to defend any claim by a third party with counsel of its own choosing (and to be indemnified for the fees and expenses of such counsel), but Programmer may participate in any such defense with its own counsel at its own expense. Indemnity shall have the right to settle any such third party claim subject to the consent of Programmer, such consent not to be unreasonably withheld, conditioned or delayed. In all cases, the obligation to indemnify shall survive the termination or expiration of this Agreement.

#### **11. LIMITATION OF LIABILITY**

- a. This Agreement shall create no rights in any party other than Programmer on the one hand and GRF, managing agent and Channel 6 on the other. GRF, managing agent and Channel 6 are not responsible to Programmer or any other party for signal quality or for outages of whatever duration and howsoever caused. If the Channel fails or is unable for any reason to perform any of its obligations pursuant to this Agreement and as a result subscribers do not receive the Programming or receive the Programming in a technically degraded form, Programmer's sole and exclusive remedy shall be a re-cablecast of the affected Programming on the Channel. Similarly, GRF, the managing agent and Channel 6 shall not be liable for the safety of equipment, tapes, or other materials of Programmer that are in their possession, and in the event of any damage to any such equipment, tapes or other materials, for which Channel is adjudicated liable, Channel's liability shall be limited to the replacement cost of such physical material. Neither GRF, the managing agent nor Channel 6 shall have any duty to prescreen or monitor the Programming.
- b. Except as specifically provided in Paragraph 10(a) above, GRF, the managing agent and Channel 6 shall have no liability for any claim, loss, damage, expense, or problem of any kind or nature, whatsoever. Nor shall there be any claim against GRF, the managing agent and Channel 6 for any damages or losses (except as provided immediately above) based upon any breach of warranty, breach of contract, negligence, strict tort, or any other legal theory arising from or otherwise relating to (i) the deficiency or inadequacy of the cablecast for any purpose or purposes whatsoever, whether or not known by or disclosed to GRF, the managing agent and/or Channel 6; (ii) any deficiency or defect in

the programming or related programming materials; (iii) the use or performance of the Channel's cablecast obligations; (iv) any actual or claimed interruption or loss of services; or (v) any loss of business, income, revenue, profits, anticipated profits, or any consequential, incidental, special, direct, or indirect loss or damage to Programmer or third parties, whether or not resulting from any of the foregoing clauses or otherwise including, but not limited to, loss of savings or revenue, loss of use of the services or any associated goods, wares, or services, cost of capital, cost of procuring substitute cable or similar services, facilities or materials, down time, legal related costs and expenses or attorney fees, amounts which may become owing by the Programmer to third persons or entities as a result of the failure by GRF, the managing agent and/or Channel 6 to cablecast part or all of the Programming for any reason whatsoever, and the claims of other third persons or entities, including customers, clients, purchasers, or sellers or real property, brokers, dealers, agents, and any and all other injuries to person or property.

#### **12. INSURANCE**

If Channel 6, with the approval of the GRF Board, determines that liability insurance is reasonably necessary, Programmer, at Programmer's sole expense, shall obtain and keep in force, throughout the term of this Agreement, with a reputable insurance company approved by Channel 6 and authorized to do business in California, a policy or policies of liability insurance as described in Exhibit 2, generally insuring against all perils and hazards and any negligent, willful, intentional or other conduct of Programmer, and all other risks reasonably associated with Programmer's obligations under this Agreement.

#### **13. ASSIGNABILITY**

Programmer shall not relinquish, sublease, assign, sell or otherwise transfer its rights and obligations under this Agreement to any other person or entity without the express prior written consent of Channel 6.

#### **14. TAXES**

Programmer agrees to indemnify and hold-harmless, GRF, the managing and Channel 6 from any tax or assessment including but not limited to excise, franchise, sales, use, utility, copyright or royalty fee or tax now or hereafter imposed or levied by any association, government or governmental agency by virtue of Programmer's activities hereunder.

#### **15. LEGAL STATUS**

It is understood and agreed that the business to be operated by Programmer is separate and apart from any which may be operated by GRF, the managing agent or Channel 6 and no representation will be made by any party which would create an apparent agency, independent contractor or partnership relationship or suggest or imply a joint venture.

#### **16. FORCE MAJEURE**

Channel 6 performances hereunder shall be excused by the occurrence of any Act of God, natural disaster, act of war, terrorist attack or other cause or occurrence beyond Channel 6 control.

#### **17. ENTIRE AGREEMENT**

This document constitutes the entire agreement between the parties and supersedes all prior agreements and understandings concerning the subject matter hereof. Except as otherwise provided, this Agreement may not be altered except by an instrument in writing signed by all parties hereto.

The parties execute this Agreement as of the Agreement Date.

**Programmer Channel 6**

By: \_\_\_\_\_

By: \_\_\_\_\_

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

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

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

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



## Exhibit 1

### **POLICY ON INDECENT PROGRAMMING**

As authorized by federal law, it is the policy of Laguna Woods Village Television to refuse carriage of indecent or obscene programming on its system. Consequently, any provider of Programming shall not transmit, or submit for transmission, any such programming for cablecast on Channel 6.

Channel 6 does not intend to routinely pre-screen programming for indecency. Rather, Channel 6 will rely on provider's warranty, made in the Programming Agreement that the provider will not transmit, or submit for transmission, any indecent or obscene program material. However, Channel 6 reserves the right to pre-screen programming from time to time, at its discretion. If, in pre-screening programming or through notification from subscribers, officials, community residents or otherwise, Channel 6 discovers that the programming contains indecent or obscene material, Channel 6 will prohibit transmission of that programming or take other appropriate action. Any person who provides indecent or obscene programming, or submits such programming for transmission over this cable system, in violation of this policy or in breach of the warranties made in its Programming Agreement will subject the Programming Agreement to immediate termination.

Indecent material is defined by the federal Communications Act as "programming that the cable operator reasonably believes describes or depicts sexual or excretory activities or organs in a patently offensive manner as measured by contemporary community standards." 47 U.S.C. § 532(h)". In evaluating whether material is indecent, Channel 6 will apply a good faith judgment under this standard, and may look to such explanations published by the FCC or other authority that may come to attention of Channel 6.

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## Exhibit 2

### INSURANCE LIABILITY INSURANCE

**Programmer is required to maintain the insurance coverage detailed below.**

Programmer shall obtain and maintain insurance coverage complying with the following requirements:

Amount of Coverage: \$1 Million Dollars (\$1,000,000.00)

The following requirements apply:

1. Terms to cover any and all perils, hazards, negligent and willful conduct of Programmer.
2. Terms to cover cable caster liability and errors and omissions.
3. The Golden Rain Foundation, the managing agent and Channel 6 to be additional insured.
4. Presentation of evidence of coverage will be required before Channel 6 will sign the Programming Agreement.
5. Certificate to warrant that insurance shall not be canceled or modified except upon the delivery of 30 days' prior written notice to Channel 6, such cancellation without replacement giving Channel 6 the right to immediately terminate this Agreement.
6. Certificate to indicate coverage for the entire term of this Agreement or Programmer shall provide (and shall continue to provide) subsequent certificates of insurance so as to provide to Channel 6 evidence of continuous insurance coverage that satisfies the above requirements throughout the Term of this Agreement.

## **DELEGATION OF ACTIONS AND COMMITMENTS**

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### **I. INTRODUCTION**

One of the core principles of the laws governing corporations, both for-profit and nonprofit, is that the ultimate responsibility for the business and operations of the corporation and thus the ultimate authority to take action rests with the corporation's Board of Directors. The board then has the right to determine under what circumstances to delegate specific actions and commitments to committees, committee chairs, to management, to other agents, professionals or contractors.

The Golden Rain Foundation Board of Directors has created a Delegation of Actions and Commitments Matrix that can be used to guide current and future Board members in the responsible delegation of duties and responsibilities. The intent is to develop a document that can be adopted by each of the four boards and can be used to clearly define the responsibilities and authority of the boards and those responsibilities they may wish to delegate.

The goal of the matrix and this accompanying memorandum is to identify more clearly those who have the principal responsibility for performing certain actions or duties and those who are expected to render services and assistance in an advisory capacity to add value and expertise to foster better actions and decisions by the principal decisionmaker(s).

### **II. AUTHORITY**

In order for an individual or an organization to accomplish a task, they need a certain amount of authority to carry out the assigned activity. However, implicit in the delegation of authority is that the responsibility for the outcome of the activity remains with the individual or organization that delegated the authority.

When the governing Board of a homeowners' association delegates responsibility and authority to others, it becomes vital to maintain control through the timely reporting of data and information and monitoring the progress or outcome of the delegated responsibilities or functions. This is typically accomplished through timely financial reports that can be evaluated in the context of budgeted/projected income and expenditures for a given fiscal period, and the receipt of progress reports that address work status and milestones achieved during the specified period, such as a calendar month, quarter or fiscal year.

### **III. DELEGATION MATRIX**

The Matrix that accompanies this Memorandum presents four categories of functions that are part of the day-to-day responsibilities of Laguna Woods Village Corporations, namely the formation of contracts, the conduct of Board, Committee and member meetings, financial matters, and manner in which legal services are solicited and utilized by the corporations. Then, in the columns opposite these four substantive areas of corporate action, the Matrix presents a description of the appropriate role and responsibilities of:

## **DELEGATION OF ACTIONS AND COMMITMENTS**

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the Association's Board of Directors; Board Committee Chairs; Board Committees; and the management agent. The matrix is set forth on Page 8 of this memorandum.

Regardless of any delegation indicated, the Board always has the option to become directly involved in any and every process and item in the Matrix.

#### **IV. PURPOSE OF THIS MEMORANDUM**

The principal purpose of this Memorandum is to provide explanatory text that clarifies and further elaborates on each of the action items in the Matrix.

##### **A. Contracts**

###### **1. Request for Analysis-Determination of Objectives**

The decision to commission a subject report request primarily resides with the Board of Directors; however, a committee chair with committee approval may also request a subject report from the managing agent. There may be situations where a committee will request reports from other professional organizations. Certain contracts are processed based upon board-approved service levels and appropriations, and are not a result of a subject report.

###### **2. Subject Report**

The committee having jurisdiction over this activity has the option to prepare the subject report, unless otherwise directed by the Board of Directors when the project is assigned to the committee. However, the report preparation usually will be performed by the managing agent. Occasionally, another professional organization may be requested to draft the report.

###### **3. Approval of Appropriation by Resolution of Board**

This activity is reserved for the Board of Directors. The approval follows the review of the subject report by the appropriate committees with their respective recommendation submitted for action. The board will then review the subject report and the attendant recommendations and either approve the recommended action or return the subject report to committee for further consideration.

###### **4. Draft of Specifications for a Contracted Activity**

This activity, which is a statement of particulars, such as, type, scope, size, performance, terms, conditions, etc., will be performed by the managing agent.

###### **5. Approval of Scope of Work/Specifications**

The scope of work/specifications will be reviewed and approved by the appropriate committee. In circumstances where the expected value of the contract will be less than \$25,000 the managing agent has the authority to approve the scope of work/specification without committee review and approval.

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###### **6. Preparing the RFP with Approved Scope of Work/Specifications**

The managing agent will prepare the RFP and if the value of the contract is expected to be less than \$25,000 and is within the approved budget, staff has the authority to issue the RFP with the appropriate scope of work/specifications without review by the appropriate committee.

###### **7. Approval of RFP with Approved Scope of Work/Specifications**

The committee will approve all RFPs with expected values greater than \$25,000. For RFPs with expected values less than \$25,000, the managing agent will proceed to send the RFP to the selected vendors.

###### **8. Creation of Initial Bidders List (Excluding Financial and Legal Contracts)**

The bidders list will be created by the managing agent following approval of the RFP. The committee may recommend appropriate bidders be added to the list.

###### **9. Approval/Modification of Final Bidders List**



If the contract is expected to exceed \$25,000, the appropriate committee may choose to approve the bidders list.

**10. Delivery of Request for Proposal (RFP)**

This activity is performed by the managing agent.

**11. Pre-bid Meeting**

The Pre-bid Meeting, if required, will be set up and conducted by the managing agent. The Board may request that appropriate committee representatives participate in the meeting.

**12. Bid Opening**

The Board does not have to participate in this activity; they may delegate the responsibility to an appropriate committee or, if the expected contract is less than \$25,000, delegate the responsibility to the managing agent.

**13. Bid Analysis**

The Board does not have to participate in Bid Analysis; they may delegate the responsibility to an appropriate committee who may elect to exercise control of the bid review and prepare a recommendation to the Board or, if the expected contract is less than \$25,000, delegate the responsibility to the managing agent.

**14. Recommendation for Award of Contract**

The managing agent will prepare a memo with the recommendation of the vendor that best fulfills all aspects of the RFP and the required specifications of the work to be performed. This activity may include a concurrent report by the committee involved in the RFP and Bidding process. For contracts valued at less than \$25,000 and within the budget for the activity, the managing agent is delegated the authority to award the contract to the vendor best fulfilling the requirements of

**DELEGATION OF ACTIONS AND COMMITMENTS**

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the RFP and the scope of work/specifications without committee review and board approval.

**15. Approval to Award Contract**

For contracts valued at less than \$25,000 and within the budget for the activity, the managing agent is delegated the authority to award the contract to the vendor best fulfilling the requirements of the RFP and the scope of work/specifications without committee review and board approval.

For contracts in excess of \$25,000 the appropriate committee will review and approve the award of contract. For activities requiring expenditures exceeding the budget, the appropriate committee will review and recommend approval of the contract to the Board. The Board will proceed to approve a resolution to award the contract to the recommended vendor.

**16. Administration of Contract and/or Work**

The managing agent performs this activity with reporting, when requested, to the appropriate committee of progress and discussion of any issues arising during the previous month with the vendor, such that there are no surprises for Board members regarding the contract work and activities.

**B. Agendas and Minutes – Board and Committee Meetings**

**1. Determine Format and Level of Reporting of Board and Committee Minutes**

This activity is performed by the Board with guidance from their legal counsel

and the managing agent.

## **2. Production of Draft Agendas**

This activity is performed by the managing agent after review with the board.

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

This item is performed by the Board. A draft agenda will be prepared by the managing agent and reviewed by the presiding officer prior to distribution. The final agenda must be approved by the Board at the beginning of the board meeting.

## **4. Approval of the Committee Agenda**

This item is performed by the committee chair. A draft agenda will be prepared by the managing agent and reviewed by the presiding officer prior to distribution.

## **5. Production of Draft Minutes (Board and Committee)**

This item is performed by the by the managing agent, unless the minutes pertain to an executive session regarding management where, with the advice of legal counsel, management should be excluded from the need to know what transpired in the executive session. In this situation, the Board Secretary will prepare the minutes of the session for the Board members and an abstract copy will be

## **DELEGATION OF ACTIONS AND COMMITMENTS**

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provided for the Corporate Records maintained by the managing agent for the corporation.

## **6. Approval of the Board Meeting Minutes**

The text of the minutes must be approved by the Board.

## **7. Approval of the Committee Meeting Minutes**

The text of the minutes must be approved by the respective committee.

## **C. Financial Analysis and Reporting**

### **1. Initiate Request for Analysis/Report—Determination of Objectives**

The initiation of a report on a financial topic primarily resides with the Board of Directors; however, a committee may also request a financial topic report from either the managing agent or another professional organization.

### **2. Prepare Financial Topic Report**

The committee has the option to prepare the financial topic report. Unless otherwise directed by the Committee, this activity will be performed by either the managing agent or a selected professional organization with input from other community sources as the committee deems appropriate.

### **3. Review of Report and Acceptance of Recommendation**

The committee chair and committee will perform a detailed review of the report and the committee will act on the report. If a resolution is required for implementation of a change in operating practice or requires funding, the committee will forward a recommendation to the board for action.

### **4. Adoption of Recommendation**

The Board approves the recommendation that has been forwarded by the finance committee and the managing agent implements the new or revised practices. If the recommendation is not approved, the subject will be returned to committee.

### **5. Budget Preparation**

The responsibility for a budget to be prepared, as required by law, resides with the

Board who initiates the preparation process. In practice, the preparation process is delegated to the managing agent. Several successive versions of the budget are prepared as a result of reviews by appropriate committees. A final version is presented to the Board for review and approval.

#### **6. Budget Approval**

The final version of the budget is reviewed and approved by the Board by way of resolution approving the key criteria and elements of the document.

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#### **7. Reserve Studies**

The responsibility for a reserve analysis to be performed resides with the Board who initiates the process as part of the budgeting process when legally required. The Reserve Analysis is reviewed and approved by the Finance Committee prior to being submitted to the Board for a resolution approving the key criteria and elements of the document.

#### **8. Annual Audits –RFP**

The responsibility for a RFP to be prepared for conducting the annual audit of the books of the four Laguna Woods Village corporations resides with the GRF Finance Committee of which the Treasurer of each mutual participates. Preparation of the RFP is performed by the Managing Agent.

#### **9. Annual Audits – Review and Approval**

The preliminary audit review is conducted by the GRF Finance Committee. Once the preliminary review has been completed, an open meeting of the corporations is held where the firm performing the audit presents its findings and answers questions from the GRF Finance Committee and the membership in attendance. The joint GRF Finance Committee then presents the Audit Report for approval by the boards of the four Laguna Woods Village Corporations.

### **D. Requests for Legal Opinions/Guidance/Interpretation & Distribution of Same**

#### **1. Selection of Appropriate Legal Counsel**

This responsibility resides with the Board to initiate and perform the selection process. The board may have their committee and management agent participate in the selection process. However, there is no obligation for the Board to consult with the managing agent if the purpose of the counsel is to evaluate the performance, acts or omissions of management.

#### **2. Formulation of Legal Question**

The formulation of a question requiring a legal opinion may occur from the Board, a committee chair and/or committee (if the question is within the committee's charter), or the managing agent.

#### **3. Request Submitted to Law Firm to Answer Question**

If the question arises within a Board committee, the Board president would submit the question to the corporation's counsel, unless the Board approves having the question submitted by the managing agent. The managing agent is delegated the authority to submit questions to corporate counsel regarding occupancy and membership issues, such as lien filings, etc. or issues arising from lending organizations for member mortgages.

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#### **4. Opinion Tendered and Received**

The legal opinions received will be directly submitted to the Board President for distribution to the full Board, except for those opinions dealing with the resident occupancy issues initiated by the managing agent who will provide the opinion during the Board's monthly executive session.

#### **5. Opinion Summarized with Appropriate Action Plans and Budgets**

Oftentimes, it is more effective for the non-attorney Board members to have legal opinions summarized and this activity may be delegated, by the committee or board that requested the opinion, to the managing agent. Legal counsel's opinion often includes a summary. The committee chair may prepare an abstract of the summary and opinion for presentation to the committee. Part of the summary will include an action plan developed by the committee chair and the managing agent. Any Board resolution necessary and appropriate to implement the opinion will be prepared by managing agent.

#### **6. Implementation of the Opinion**

The managing agent will implement the action plans within the established funds appropriated by the Board in the resolution.

#### **IV. SUMMARY**

The delegation of actions and commitments by a community association Board of Directors is fundamental to the effective management of a homeowners' association. Every Board will approach the delegation of responsibility and commensurate authority somewhat differently; however, it is critical that the Board clearly establish how much authority it is willing to delegate to its committees, committee chairs and to the managing agent. Otherwise, conflicts arise or some activities will not be accomplished because clear objectives and corresponding authority was not defined.

Unfortunately, this can be a very challenging activity, but each Board needs to develop an orientation program for new Board members so that, upon election, each Board member understands the scope of his or her fiduciary responsibilities and duties that are incumbent upon being a Board member in a common interest development or any other non-profit mutual benefit corporation. The laws governing the duties and governance of homeowners' associations and common interest communities are different from the rules that apply to towns, cities, and municipalities; therefore, it is necessary to have an understanding of the differences between the two community organizational structures, and particularly, the duties of care, inquiry and loyalty, which are specifically defined in Corporations Code, Section 7231 and are critical to individual Board members and ensuring that the Board of Directors operates successfully.

## G. ROOM RESERVATIONS

### 1. General

- a. Facilities may only be rented by residents of Laguna Woods Village (except for memorials). The requestor must be prepared to show his/her Laguna Woods Village identification card upon request in order to check room availability or make/change/cancel reservations
- b. Requestor must be an authorized agent of a club/organization to check availability or make/change/cancel reservations on behalf of the club/organization
- c. Reservations are not permitted for commercial **for profit** programs. A commercial program is defined as a program or presentation the purpose of which is to generate interest in or sales for a product or service even if the product or service is not being sold at the event. The sale of CD's, DVD's, or books performed or written by the entertainer or speaker is permissible.
- d. Rooms are assigned based on planned attendance and availability; exclusive use of the patio is included for those rooms with patio access
- e. Clubhouse reservation hours are 8:00 AM until 10:00 PM seven days per week; extended hours may be available but must be scheduled with the Clubhouse Supervisor at least two weeks in advance
- f. The GRF Pricing Policies contains two rates: resident rate and exception rate, refer to the GRF Pricing Policies
  - (1) Exception rate applies:
    - (a) To all weddings and/or wedding receptions for non-residents and are limited to only parents, children, and grandchildren of residents
    - (b) To any outside organization/club/group for which a resident makes a reservation
    - (c) Any reservation for **non-profit** fundraising activities, **with the exception of the Laguna Woods Foundation, would pay the exception rate**
- g. It is prohibited to use the room for anything but the stated purpose (birthday party, anniversary, family reunion, etc.)
- h. There is a limit of 6 resident private parties per membership annually and it is prohibited to charge a fee for admittance to a resident private party
- i. Reservations may be cancelled or moved as necessary to accommodate government elections, GRF and Mutual meetings, facility renovations, GRF approved requests, Recreation coordinated community-wide events, etc.; Clubhouse Three Rehearsal Room reservations may be cancelled or moved if the Auditorium is booked
- j. The length of a reservation must include the set up/decorating, caterer preparation, and clean up time
- k. Every reservation must submit an attendance form at the conclusion of the event
- l. Cancellation of a paid reservation requires 14 days notice and contact with the reservation desk; cancellation or changes to paid reservations

(with the exception of an extension in hours) will result in a fee of the minimum for that facility per reservation

- m. Refunds will be credited to the requestor's credit card or via check request
- n. "No shows" and cancellation within 14 days of the reservation date will result in the complete forfeiture of the room reservation fees