



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

**Tuesday, April 13, 2021, 9:30 a.m.
Open Session, Virtual Meeting
24351 El Toro Road, Laguna Woods, California**

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

Directors Absent: Cash Achrekar

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Eileen Paulin, Kurt Wiemann, Betty Parker, Steve Hormuth, Grant Schultz and Cheryl Silva

Others Present: VMS: Juanita Skillman, Norman Kahn

1. Call Meeting to Order/Establish Quorum

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

2. Acknowledge Media

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

3. Approval of Agenda

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

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

4. Approval of Minutes

a. March 9, 2021 – Regular Open Meeting

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

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5. Report of the Chair

President Margolis commented about the budgeting process.

6. Open Forum

Eileen Paulin read the member comments received.

Members made comments regarding the following:

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

7. Responses to Open Forum Speakers

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

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

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

8. Update from VMS – Juanita Skillman

VMS Director Skillman gave a report from the VMS Board.

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

Director Skillman and Addington gave an update from the CIA Law webinar and answered questions from the board.

9. CEO Report

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

- According to the Orange County Health Care Agency (OCHCA), there has been a steady decline in COVID-19 cases. Orange County have moved to the orange tier which allows more facilities to reopen with limited capacity.
- As COVID-19 cases and hospitalizations continue to decrease in Orange County, facilities will begin to reopen now that the county has moved into the orange category. The Governor of California announced that the state will reopen without any restriction on June 15, 2021 if the COVID-19 numbers keep declining. The Village reopening plan can be viewed on the website.

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

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

10. Consent Calendar

10a. Recommendation from the United Landscape Committee:

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

RESOLUTION 01-21-24

APPROVE REQUEST TO REVISIONS TO THE LANDSCAPING ADJACENT TO 577-A, AT THE EXPENSE OF THE REQUESTOR

WHEREAS, on March 11, 2021, the Landscape Committee reviewed a request to revisions to the landscaping adjacent to 577-A, at the expense of the requestor at 577-A, and;

WHEREAS, the Committee recommends approving the request for revisions to the landscaping adjacent to 577-A, at the expense of the requestor, at 577-A with the following conditions:

1. All costs for design, construction, and maintenance of the improvement are the responsibility of the Property's Member Owner at 577-A.
2. All irrigation modifications shall be performed by the Mutual as a chargeable service to the owner.
3. All materials and installations shall be approved by the Landscape Department prior to start of work
4. The requesting Members understand that the area will remain Common Area

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subject to the use and passage of all members of United Mutual.

NOW THEREFORE BE IT RESOLVED, April 13, 2021, the Board of Directors approves the request to revisions to the landscaping adjacent to 577-A, at the expense of the requestor at 577-A;

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

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

RESOLUTION 01-21-25
APPROVE REMOVAL
OF ONE ENGLISH HOLLY TREE
AT BUILDING 896

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

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

WHEREAS, on March 11, 2021, the Landscape Committee reviewed a request to remove one English Holly tree from the Member at 896-A, who cited the reasons as overgrown and the report of tree roots in the sewer lines, and;

WHEREAS, the Committee determined that the tree meets the guidelines established in Resolution 01-13-17, and thereby recommends approving the request for the removal of one English Holly tree located at Building 896.

NOW THEREFORE BE IT RESOLVED, April 13, 2021, the Board of Directors approves the request for the removal of one English Holly tree;

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

10b. Recommendation from the United Finance Committee:

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

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RESOLUTION 01-21-26
RECORDING OF A LIEN

WHEREAS, Member ID 947-391-11; is currently delinquent to United Laguna Woods Mutual with regard to the monthly assessment; and

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

NOW THEREFORE BE IT RESOLVED, April 13, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-391-11 and;

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

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

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

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

Discussion ensued among the directors.

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

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

President Margolis called for the vote on the remaining Consent Calendar items and the motion passed without objection.

11. Unfinished Business

11a. Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other board member reviewed the United Laguna Woods Mutual preliminary financials for the month of November 2020, December 2020, and February 2021; such review is hereby ratified.

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

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

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

Discussion ensued among the directors.

Steve Hormuth, Treasurer, answered questions by the board.

12. New Business

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

Director Addington read the changes in following resolution:

RESOLUTION 01-21-XX **Financial Qualifications Policy**

WHEREAS, United Laguna Woods Mutual (“United”) is formed to provide housing to its Members on a mutual nonprofit basis;

WHEREAS, United is authorized to adopt, amend or repeal necessary or desirable rules and regulations, through its Board of Directors, to carry out the purposes of this Corporation;

WHEREAS, on February 18, 2021, the Governing Documents Review Committee discussed a list of goals for the coming year, which includes the Community Services Division’s review and streamlining of the resale application process where applicable; and

WHEREAS, on March 18, 2021, the Community Services Division presented potential resale process efficiencies to the Governing Documents Committee for consideration; and

WHEREAS, on March 18, 2021, the Governing Documents Review Committee recommended that the Board of Directors consider the implementation of the resale process efficiencies; one of which would result in an adjustment to Income Requirement of the Financial Qualifications Policy as follows:

Prospective Shareholders shall submit from a recognized Credit Reporting Agency (e.g. Equifax, TransUnion, Experian) **a full credit report if FICO score is less than 700 or FICO score is 700 or higher with an outside mortgage. Submit a credit summary report if FICO score is 700 or higher without an outside mortgage. These reports must be dated within 60 days prior to the application submittal.**

NOW THEREFORE BE IT RESOLVED, April 13, 2021 the Board of Directors

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of this Corporation hereby introduces the amendment to the Financial Qualifications as outlined in this resolution; and

RESOLVED FURTHER, that Resolution 01-20-63, adopted October 13, 2020, is hereby suspended in its entirety and canceled; and

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

APRIL Initial Notification

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

Siobhan Foster-COO gave an overview of the staff report. Staff recommends approval of the updated Financial Qualifications Policy amending the income requirements section to require FICO scores less than 700 to submit a full credit report and FICO scores 700 or higher to submit a credit summary report only in the membership application package.

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

Discussion ensued among the directors.

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

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

RESOLUTION 01-21-XX

SUPPLEMENTAL FUNDING FOR INCREASED LEVEL OF SERVICE FOR LANDSCAPING

WHEREAS, the landscape shrub bed service level is currently at four cycles annually; each building receives shrub bed services which include weeding, shrub pruning, edging and cleaning, once every quarter;

WHEREAS, prior to 2016, shrub bed maintenance service levels were at five cycles annually;

WHEREAS, residents have voiced concerns regarding the frequency of landscaping shrub bed maintenance service, and;

WHEREAS, the Board of Directors requested staff research the costs involved to increase shrub bed maintenance service levels.

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NOW THEREFORE BE IT RESOLVED, xxx, 2021, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$267,480 from the Reserve Fund to re-establish shrub bed maintenance cycle frequency to five annual cycles;

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

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

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

Discussion ensued among the directors.

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

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

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

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

Steve Hormuth, Controller, gave a summary of the staff report. Staff recommends the Board approve the Finance Committee's endorsement to adopt a policy of temporarily borrowing monies from the reserve fund to pay for operating expenditures consistent with the Davis Stirling Act and Civil Code Section 5515. Payback of the borrowed monies to the advancing fund is not to exceed three months.

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

Discussion ensued among the directors.

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

A Member commented regarding Civil Code §5515.

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

12e. Appointment of Board Officers

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

Discussion ensued among the directors.

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

13. Committee Reports

- 13a.** Report of the Finance Committee / Financial Report – Director Asgari showed a presentation on the Treasurer’s Report and reviewed the resale and lease reports. Director Asgari asked for a correction on the Finance Committee Report of March 30, 2021. The committee met on March 30, 2021; next meeting will be April 27, 2021, 1:30 p.m. as a virtual meeting.
- 13b.** Report of the Architectural Control and Standards Committee – Director Gilmore. The committee met on March 18, 2021; next meeting April 19, 2021, at 9:30 a.m. as a virtual meeting.
- 13c.** Report of Member Hearings Committee – Director Achrekar gave a report from Member Hearings. The committee met on March 25, 2021; next meeting April 22, 2021, at 9:00 a.m. as a virtual meeting.
- 13d.** Report of the Governing Documents Review Committee – Director Addington gave a report from the last Committee meeting. The committee met on March 18, 2021; next meeting will be April 15, 2021, 1:30 p.m. as a virtual meeting.
- 13e.** Report of the Landscape Committee – Director Torng gave a report from the last Committee meeting. The committee met on March 11, 2021; next meeting will be April 8, 2021, at 9:30 a.m. as a virtual meeting.
- 13f.** Report of the Maintenance & Construction Committee – Director Randazzo gave a report from the last committee meeting. The committee met on February 24, 2021; next meeting April 28, 2021, at 9:30 a.m. as a virtual meeting.
- 13g.** Report of the Communication Committee – Director Ardani. The next committee is TBA.

14. GRF Committee Highlights

- 14a.** Report of the GRF Finance Committee – Director Asgari gave highlights from the last committee meeting. The committee met in closed session on February 17, 2021; next meeting will be April 21, 2021, 1:30 p.m. as a virtual meeting.

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

- 14c.** Report of the Community Activities Committee – Director Addington gave highlights from the last committee meeting. The committee met on April 8, 2021; next meeting May 13, 2021, 1:30 p.m. as a virtual meeting.
 - (1) Equestrian Center Ad Hoc Committee – The committee met on March 4, 2021; next meeting TBA.

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

- 14e.** Report of the GRF Maintenance & Construction Committee – Director Randazzo gave highlights from the last committee meeting. The committee met on February 10, 2021; next meeting will be April 14, 2021, 9:30 a.m. as a virtual meeting.
 - (1) Clubhouse 1 Renovation Ad Hoc Committee—Director Randazzo. The committee met on March 23, 2021; next meeting TBA.

- 14f.** Report of the Media and Communications Committee – Director Ardani gave highlights from the last committee meeting. The committee met on February 22, 2021; next meeting will be April 19, 2021, 1:30 p.m. as a virtual meeting.

- 14g.** Report of the Mobility and Vehicles Committee – Director Addington gave highlights from the last committee meeting. The committee on April 7, 2021; next meeting will be June 2, 2021, 1:30 p.m. as a virtual meeting.

- 14h.** Report of the Security and Community Access Committee – Director Armendariz. The committee met on February 22, 2021; next meeting April 26, 2021, at 1:30 p.m. as a virtual meeting.

- 14i.** Report of the Laguna Woods Village Traffic Hearings – Director Ardani. The hearings were held virtually on March 17, 2021; next hearings April 21, 2021, at 9:00 a.m. as a virtual meeting.

- 14j.** Report of the Disaster Preparedness Task Force – Director Casey. The Task Force met virtually on March 30, 2021; next meeting May 25, 2021, at 9:30 a.m. as a virtual meeting.

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

15. Future Agenda Items

- 15a.** 360 Investigation

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16. Director's Comments

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

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

The meeting recessed at 12:13 p.m. into the Closed Session.

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

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

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) February 9, 2021 – Regular Closed Session

Discussed and Considered Litigation and Legal Matters

Discuss and Consider Contractual Matters

Discussed Personnel Matters

Discuss Member Disciplinary Matters

18. Adjourn

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

DocuSigned by:

Neda Ardani

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Neda Ardani, Secretary of the Board
United Laguna Woods Mutual