



**OPEN MEETING**

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

**Tuesday, April 11, 2023 - 9:30 a.m.  
Board Room/Virtual Meeting  
24351 El Toro Road, Laguna Woods, California**

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Directors Present: Lenny Ross, Anthony Liberatore, Diane Casey, Alison Bok, Pearl Lee, Mary Simon, Maggie Blackwell, Azar Asgari, Sue Quam, Cash Achrekar

Directors Absent: Thomas Tuning

Staff Present: CEO Siobhan Foster, Makayla Schwietert, Paul Nguyen, Robert Carroll, Jose Campos, Carlos Rojas, Eric Nunez, Pamela Bashline, Catherine Laster

Others Present: GRF: None  
Third: None  
VMS: Manny Robledo and Norman Kahn

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

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

**2. Pledge of Allegiance to the Flag**

Director Liberatore led the pledge of allegiance.

**3. Acknowledge Media**

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

**4. Approval of Agenda**

President Ross asked if there were any changes to the agenda.

Director Lee made a motion to approve the agenda. Director Blackwell seconded.

Hearing no changes or objections, the motion to approve the agenda was approved unanimously.

## **5. Approval of Minutes**

- a. March 13, 2023 – Special Open Session
- b. March 14, 2023 – Regular Open Session
- c. March 23, 2023 – Agenda Prep Meeting

Director Achrekar entered the meeting at 9:33 a.m.

Hearing no objections, the meeting minutes were approved by unanimous consent.

## **6. Report of the Chair**

President Ross commented on the following items:

- Expressed his hope that the Board ensures the meeting runs as smoothly and professionally as possible.
- The budget process has begun and is to be completed during the next four months. President Ross shared the Board's goals for this budget process. One of the goals is to try to keep the HOA Assessments from increasing, while another goal is to look at potentially lowering the cost of Property Insurance.

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

*At this time Members addressed the Board of Directors regarding items not on the agenda*

The following members made comments:

- A member commented on alleged security harassment and concerns.
- A member's son commented on behalf of their parents to discuss a technical issue regarding nearby soil from the recent rains, and expressed his worries that this will have a negative effect on the property foundation.
- A member commented on flood damage in his unit that occurred from the recent rains.
- A member commented on water damage that occurred to their unit flooring and expressed that although the floors were replaced throughout the years, the water leak has not been resolved.
- A member commented on concerns regarding excessive water in the entryway and breezeway, as it had caused some damage to their unit from the recent rains. Expressed the importance of having drains in these types of flat outdoor areas.
- A member provided his stance on a negative comment made by a United Director towards the United Finance Ad Hoc Committee.
- A member commented on the importance of the United Board advising the GRF Board not to increase the cost of the Community Clubhouses.
- Assistant Corporate Secretary read a member comment regarding the need for repainting of his manor building.
- Assistant Corporate Secretary read a member comment regarding the need for their manor to be wheelchair/walker accessible.
- Assistant Corporate Secretary read a member comment regarding their objection of GRF's proposal to add flashing red stop signs throughout the community.

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

### **a. Response to Open Forum Speakers**

- Director Casey apologized for her comments towards the Finance Ad Hoc Committee.
- Director Simon commented on her concerns regarding the water damage and draining issues.
- Director Blackwell commented on the importance of reviewing resumes from advisors apart from various committees/ad hoc committees.
- Director Asgari thanked the members who expressed their concerns at the meeting and stated the importance of bringing these concerns to light.
- President Ross commented on how the community has received more damage concerns regarding the recent rain activity and stated the importance of looking into this matter during the budget process.

CEO Foster addressed some of the comments and concerns regarding the water damage and clubhouse fee increases.

### **b. Response to Past Open Forum Speakers – Director Bok**

- Director Bok commented on the responses to the previous Open Forum Speakers from the March board meeting and advised on updates.

## **9. VMS Board Update – Director Robledo**

VMS Director Robledo discussed the following topics:

- VMS Executive Committee
- Bright Ideas Program
- Strategic Plan Update – Objectives
- KPI Reporting
- Other Initiatives

Director Robledo answered questions from the Board.

## **10. CEO Report**

CEO Siobhan Foster discussed the following items:

- Simple ways to be informed
  - “What’s Up in the Village”
  - Subscribe to Board email updates
  - Check on the latest news via the Website
  - Facebook
  - Board and Committee Meetings (In-person and via Zoom/Granicus)
  - Watch meetings on TV6
  - CodeRed Emergency Notifications

CEO Foster answered questions from the board.

## **11. Consent Calendar**

All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the board by one motion. In the event that an item is removed from the Consent Calendar by members of the board, such item(s) shall be

the subject of further discussion and action by the board.

- a. **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 February 2023, such review is hereby ratified.**
- b. **Recommendation from the Landscape Committee**
  - (1) Recommendation to Deny Tree Removal Request: 370-B Avenida Castilla – Two Sweetshade Trees and Direct Staff to Make Corrective Trimming on the Trees

### **RESOLUTION 01-23-19**

#### **Deny Removal of two Sweetshade trees 370-B Avenida Castilla**

**WHEREAS**, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17, Tree Removal Guidelines:

- a. 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.
- b. Trees should not be removed because of view obstruction.
- c. Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- d. 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 27, 2023, the Landscape Committee reviewed a request from the Member at 370-B, to remove two Sweetshade trees, the reason cited is conflict with shrubs; and

**WHEREAS**, staff inspected the condition of the trees and found them to be in fair health with unbalanced canopies; and

**WHEREAS**, the committee determined that the trees do not meet the guidelines established in Resolution 01-13-17, and thereby recommends denying the request for the removal of two Sweetshade trees located at 370-B Avenida Castilla; and

**WHEREAS**, the committee directed staff to make corrective trimming on the trees;

**NOW THEREFORE BE IT RESOLVED**, April 11, 2023, the Board of Directors denies the request for the removal of two Sweetshade trees located at 370-B; and

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

- c. **Recommendation from the Architectural Control and Standards Committee - None**
- d. **Approve the Review of the United Sub-Leasing and Transfer of Trust Documents Approved in March 2023, and such review is hereby ratified.**
- e. **Recommendation from the Finance Committee – None**
- f. **Laguna Hills Memorial Day Half Marathon, 5K & 10K**

**RESOLUTION 90-23-13**

**City of Laguna Hills Memorial Day Half Marathon, 10K and 5K  
Request to Use a Portion of Laguna Woods Village**

**WHEREAS**, the City of Laguna Hills Memorial Day Half Marathon, 10K and 5K, is scheduled to take place on Monday, May 29 2023; and

**WHEREAS**, the City of Laguna Hills is requesting that the Golden Rain Foundation allow a portion of the course to traverse Laguna Woods Village, to enter in Gate 2, traverse around Via Estrada, to Calle Aragon, to Avenida Sevilla, to Avenida Majorca, back to Via Estrada and out Gate 2;

**NOW THEREFORE BE IT RESOLVED**, April 4, 2023, that the Board of Directors of this Corporation hereby authorizes the limited use of the Community streets inside Gate 2 on the morning of May 29, 2023, for the City of Laguna Hills Memorial Day Half Marathon, 10K and 5K event; and

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

Director Casey made a motion to approve the Consent Calendar. Director Asgari seconded.

Hearing no changes or objections, the motion to approve the Consent Calendar was approved unanimously.

**12. Unfinished Business**

- a. **Entertain a Motion to Adopt 2023 United Investment Policy (March initial notification – 28-day notification for member review and comments to comply with Civil Code §4360 has been satisfied)**

## **RESOLUTION 01-23-20**

### **United 2023 Investment Policy**

**WHEREAS**, on February 28, 2023 the United Finance Committee approved the United 2023 Investment Policy with a purpose to provide guidelines and limitations for the responsible management of cash available for investment which applies to all financial assets of United, Including all Cash in Investment Accounts both Discretionary and non- Discretionary; and

**WHEREAS**, that all investments on behalf of this corporation must be made with the underlying principles in the following order of priority: (1) safety, (2) liquidity, where applicable, and (3) yield; and

**WHEREAS**, it is the Policy of United to invest member's monies in a manner which will provide the maximum security of principal, while meeting the cash flow needs of United. In addition, these investments must conform to all State of California statutes governing the Investment of Common Interest Development's monies. Every effort must be made to match maturities to known cash flow needs;

**NOW THEREFORE BE IT RESOLVED**, April 11, 2023, that Board of Directors of this Corporation hereby approves the United 2023 Investment Policy as attached; and

**RESOLVED FURTHER**, the Resolution 01-19-87 adopted on November 12, 2019, is hereby superseded and cancelled.

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

Director Asgari made a motion to approve Resolution 01-23-20. Director Bok seconded.

Discussion ensued among the Board.

Hearing no changes, the motion was called to a vote and passed 9-1. Director Liberatore opposed.

### **13. New Business**

#### **a. Town Halls – (Oral Discussion)**

Director Blackwell provided updates regarding the Town Hall meeting that occurred on March 10, 2023.

Director Asgari commented on what will be discussed on the agenda for the Town Hall Meeting on Friday, April 14, 2023.

**b. Entertain a Motion to Approve the 2023 Annual Election Schedule**

Director Simon made a motion to approve the 2023 Annual Election Schedule. Director Casey seconded.

Hearing no changes or objections, the motion was called to a vote and passed unanimously.

**c. Entertain a Motion to Approve Stock Certificate Correction**

**RESOLUTION 01-23-21**

**Membership (Stock) Certificate Corrections to Membership and Signature Line**

**WHEREAS**, Article II, Section 4(m) of the Bylaws states that "The Corporation shall issue a Certificate of Membership upon admission to Membership;" and

**WHEREAS**, the Occupancy Agreement states that "the member is the owner and holder of one membership of the Corporation and of one membership of the Golden Rain Foundation"; and

**WHEREAS**, Resolution U-80-41 states that "the managing agent of this corporation is hereby authorized, on behalf of the corporation, to permit the placement of signatures of a vice president and assistant secretary of the corporation on membership certificates"; and

**WHEREAS**, after each annual organizational meeting, United appoints staff as vice president, ex officio; assistant secretary, ex officio; and vice treasurer, ex officio; and

**WHEREAS**, the current membership certificate as approved by Resolution 01-18-47 contains the following language: "This certificate evidences membership in United Laguna Woods Mutual held only by those signing below" which incorrectly indicates that the members are to sign their membership certificates, when in fact the two signature lines are currently reserved for the vice president, ex officio and the assistant secretary, ex officio; and it does not indicate that a member is also a member in the Golden Rain Foundation;

**NOW, THEREFORE BE IT RESOLVED**, April 11, 2023, that the Board of Directors of United hereby adopts the revised Membership (Stock) Certificate, as attached to the official meeting minutes, which evidences membership in the Golden Rain Foundation and that the certificate shall be signed by the vice president, ex officio and the assistant secretary, ex officio, and such change does not affect any other covenant, condition, restriction or other rule set forth in United's Governing Documents; and

**RESOLVED FURTHER**, that Resolution 01-18-47 adopted May 8, 2018 is hereby superseded and cancelled; and

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

Director Asgari made a motion to approve resolution 01-23-21. Director Casey seconded.

Hearing no changes or objections, the motion was called to a vote and passed unanimously.

**d. Entertain a Motion to Approve Supplemental Appropriation for Emergency Roof Repairs**

**RESOLUTION 01-23-22**

**Supplemental Appropriation for  
Emergency Roof Repairs**

**WHEREAS**, the 2023 Business Plan approved by the United Board allocates \$90,000, from the Reserve Fund for emergency roof repairs; and

**WHEREAS**, on March 28, 2023, the United Finance Committee endorsed a recommendation for a supplemental appropriation in the amount of \$50,000 for emergency roofing repairs;

**NOW THEREFORE BE IT RESOLVED**, on April 11, 2023, the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$50,000; and

**RESOLVED FURTHER**, a supplemental appropriation is authorized from the Reserve Fund in the amount of \$50,000 to be used for emergency roof repairs; and

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

Director Asgari made a motion to approve resolution 01-23-22. Director Simon seconded.

Discussion ensued among the Board.

Hearing no changes or objections, the motion was called to a vote and passed unanimously.

**The Board took a 5 – minute Break.**



#### 14. Director Comments (Two minutes per director)

- President Ross discussed the upcoming Town Hall Meetings.
  - President Ross made a motion to discuss Insurance at the May Town Hall Meeting. With no seconds, the motion did not move forward.
  - Discussion ensued among the Board.
  - President Ross made a motion to hold an open discussion at the upcoming May Town Hall meeting, and to discuss Insurance at the June Town Hall meeting. Director Asgari seconded.
  - Hearing no changes, the motion was called to a vote and passed 9-1. Director Liberatore opposed.

#### **COMMITTEE ASSIGNMENTS WAS NOT APPROVED DURING APPROVAL OF AGENDA. THIS MOTION WILL BE PROPERLY APPROVED AT THE NEXT BOARD MEETING.**

- Director Blackwell commented on the GRF Broadband Ad Hoc Committee.
  - Discussion ensued among the Board.
  - Director Bok made a motion to elect (3) members be placed on the Broadband Ad Hoc Committee to consist of Directors Diane Casey, Alison Bok, and Maggie Blackwell. Director Casey seconded.
  - Hearing no changes or objections, the motion was called to a vote and passed unanimously.
- Director Asgari commented her stance regarding the reviewing of advisor resumes.

#### 15. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Asgari. The Committee met on March 28, 2023; next meeting April 25, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
  - (1) Treasurer’s Report – March
  - (2) United Finance Committee Report – March
  - (3) Resales/Leasing Reports – February
  - (4) Report of the Private Loan Research Ad Hoc Committee – Director Asgari. The Ad Hoc Committee met on March 30, 2023; next meeting TBA.
- b. Report of the Architectural Controls and Standards Committee – Director Liberatore. The Committee met on January 19, 2023; next meeting April 20, 2023, at 9:30 a.m. in the Board Room and as a virtual meeting.
- c. Report of Member Hearings Committee – Director Lee. The Committee met on; March 9, 2023; next meeting April 13, 2023, 9:00 a.m. in the Sycamore Room and as a virtual meeting.
- d. Report of the Governing Documents Review Committee – Director Blackwell. The Committee met on March 16, 2023; next meeting April 20, 2023, 1:30 p.m. in the Board Room and as a virtual meeting.

- e. Report of the Landscape Committee – Director Casey. The Committee met on March 27, 2023; next meeting April 24, 2023, 1:30 p.m. in the Board Room and as a virtual meeting.
- f. Report of the Maintenance & Construction Committee – President Ross. The Committee met on February 22, 2023; next meeting April 26, 2023, at 9:30 a.m. in the Board Room and as a virtual meeting.
- g. Report of the United Resident Advisory Committee – Director Liberatore. The committee met on March 9, 2023; next meeting April 13, 2023, at 4:00 p.m. in the Elm Room and as a virtual meeting.

## **16. GRF Committee Highlights**

- a. Report of the GRF Finance Committee – Director Asgari. The committee met on February 15, 2023; next meeting April 19, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
- b. Report of the Community Activities Committee – Director Casey. The committee met on March 9, 2023; next meeting April 13, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
- c. Report of the GRF Landscape Committee – Director Casey. The committee met on February 8, 2023; next meeting May 10, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
- d. Report of the GRF Maintenance & Construction Committee – Director Simon. The committee met on December 14, 2022; next meeting April 12, 2023, at 9:30 a.m. in the Board Room and as a virtual meeting.
  - (1) Clubhouse (Facilities) Ad Hoc Committee – Director Simon. The Ad Hoc Committee met March 15, 2023; next meeting TBA.
- e. Report of the Media and Communication Committee – Director Blackwell. The committee met on March 20, 2023; next meeting May 15, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
  - (1) Website Ad-Hoc Committee – Director Asgari. The committee met on February 8, 2023; next meeting TBA.
  - (2) Broadband Ad Hoc Committee – Director Casey. The committee met on March 28, 2023; next meeting April 17, 2023, at 3 p.m. in the Sycamore Room
- f. Report of the Mobility and Vehicles Committee – Director Asgari. The Committee met on March 2, 2023; next meeting June 7, 2023, at 1:30 p.m. in the Board Room.

- g. Report of the Security and Community Access Committee – Director Blackwell. The Committee met on February 27, 2023; next meeting April 24, 2023, at 1:30 p.m. in the Board Room and as a virtual meeting.
- (1) Laguna Woods Village Traffic Hearings – Director Achrekar. The Traffic Hearings were held on March 15, 2023; next hearings on April 19, 2023, at 9:00 a.m. in the Board Room.
  - (2) Report of the Disaster Preparedness Task Force – Director Liberatore. The Task Force met on March 28, 2023; next meeting May 30, 2023, at 9:30 a.m. in the Board Room and as a virtual meeting.
  - (3) Report of the Compliance Ad Hoc Committee – Director Blackwell. The Committee met on April 3, 2023; next meeting TBA.
- h. Report of the Information Technology Advisory Committee – Director Casey. The Committee met on February 24, 2023; next meeting TBA.

## 17. Future Agenda Items

18. **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 1:35 p.m. into the Closed Session.

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

*Approval of Agenda*

*Approval of the Following Meeting Minutes;*

*(a) March 8, 2023 – Special Closed Session*

*(b) March 14, 2023 – Regular Closed Session*

*Discuss and Consider Member Disciplinary Matters*


*Discuss Personnel Matters*

*Discuss and Consider Contractual Matters*

*Discuss and Consider Legal and Litigation Matters*

## 19. Adjourn

The meeting was adjourned at 5:24 p.m.

DocuSigned by:  
  
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Mary Simon, Secretary of the Board  
United Laguna Woods Mutual

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**United Laguna Woods Mutual Investment Policy Statement**

**I. Purpose**

The purpose of the United Laguna Woods Mutual (United) Investment Policy Statement is to provide guidelines and limitations for the responsible management of United's cash available for investment.

**II. Definitions**

Investment Advisor / Portfolio Manager – An individual or company employed as a fiduciary by United to provide financial guidance and / or fee-based investment management.

Discretionary Investment - A form of investment management in which buy and sell decisions are made by a portfolio manager for the client's account. The term "discretionary" refers to the fact that investment decisions are made at the portfolio manager's discretion.

Non-Discretionary Investment – A form of investment management in which buy decisions are made by United's Board of Directors and administered by United's managing agent. Non-Discretionary investments consist exclusively of Treasury Bills and Treasury Notes. No non-discretionary investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without (1) a demonstrated immediate need for the monies and (2) written consent of at minimum three current United officers of the Board.

Managing Agent - a corporation or person who, for compensation or in expectation of compensation, exercises control over the assets of a common interest development.

Treasury Bill (T-Bill) - a short-term U.S. government debt obligation backed by the Treasury Department with a fixed interest rate and maturity of one year or less.



Treasury Notes – a U.S. government debt obligation backed by the Treasury Department with a fixed interest rate and maturity greater than one year with maximum of 10 years

Treasury Inflation Protected Securities (TIPS) – a United States treasury whereby the principal (called par value or face value) goes up with inflation and down with deflation. When a TIPS matures, you get either the increased (inflation-adjusted) price or the original principal, whichever is greater. You never get less than the original principal.

### **III. Scope**

This Policy applies to all financial assets of United, including all Cash in Investment Accounts accounted for in two possible strategies: Discretionary and non-Discretionary.

### **IV. Policy**

It is the Policy of United to invest member's monies in a manner which will provide the maximum security of principal, while meeting the cash flow needs of United. In addition, these investments must conform to all State of California statutes governing the Investment of Common Interest Development's monies. Every effort must be made to match maturities to known cash flow needs.

### **V. Objectives**

It is the Policy of this body to diversify its investment portfolio to minimize risk. Therefore, restraint must be made to minimize potential losses from over concentration of assets in a specific issuer, specific financial institution, specific maturity, or specific class of securities unless said security is 100% backed by the US Treasury.

To minimize market risk and reduce reliance on interest rate forecasting, it is United's Policy to structure its investment portfolio as a maturity ladder. Further, United must be the owner of the maturity.



The primary objectives, in priority order of United investment activities shall be:

- A. Safety:** Safety of Principal is the first and foremost objective for these investments. Preservation of Capital is of primary importance and should include a focus on both the current and future economic environment regarding inflation.
  
- B. Liquidity:** The Investment Portfolio will remain sufficiently liquid to enable United to meet all current and future operating requirements which might be reasonably anticipated.
  
- C. Yield:** The Investment portfolio shall have an aim to attain a market rate of return consistent with the higher priority constraints of Return of Capital and Liquidity to meet all anticipated Cash Flow needs.

## **VI. Prudence**

The money management standard to be used in the investment function of these assets, shall be governed by the “prudent investor” rule. Any person acting in an investment capacity will take aims to safeguard the principal and maintain the liquidity needs and make the utmost effort to make investment decisions in the best interest of United.

## **VII. Delegation of Authority**

The Managing Agent is designated as the Investment Officer of United’s monies and is responsible for investment management decisions and activities for the non – discretionary investments. They are also responsible for reviewing transactions of any Discretionary managers that United hires and reporting to the United Board to assist with the management of these investments.



United shall employ the services of a third-party professional money manager(s) to manage a Discretionary portfolio and the Advisor(s) shall act in accordance with this Investment Policy only and act as a fiduciary with a primary broker for all transactions. These managers must have an established professional reputation for asset management, knowledge of this Policy, familiarity of all State laws governing Common Interest Development (CID or Home Owner Association) asset management, and carry sufficient liability (errors and omissions) insurance for the size of this account.

The Board will interview and select the qualified financial advisor through use of an interview process. A minimum of two candidates should be reviewed before the selection is finalized. These managers can have their authority revoked at any time and their performance or a competitive review process should occur at least once every two or three years.

#### **VIII. Authorized Investments and Limitations**

Investments are limited to the following authorized investments and instruments:

##### **A. United States Treasury Bills, Treasury Notes, and Treasury Inflation Protected Securities (TIPS)**

Maximum Amount: No Limit

Maximum Maturity: 5 Years from the date of Purchase – However no more than 20% of the total assets can be invested for a four-year duration, with no more than another 20% of the total assets can be invested for a five-year duration.

##### **B. Money Markets and Money Market Mutual Funds**

Insured Bank Money Markets and US Government Security as well as US Treasury Security Money Market Mutual Funds are acceptable for use up to their Insured limit.





**C. Insured Certificates of Deposit**

United may invest money in FDIC insured Certificates of Deposits that are only issued directly by banks chartered by the Federal or California Government. United may, at the Board's direction, purchase Certificates of Deposit through the Certificate of Deposit Account Registry Service (CDARS) program available through financial institutions who offer IntraFi Network Deposits.

Maximum Amount: 40%

Maximum Maturity Value per Institution is \$250,000 or the lessor of the current FDIC Insured limit.

Maximum Maturity: 5 Years from the date of purchase – However no more than 20% of the total assets can be invested for a four-year duration, with no more than another 20% of the total assets invested for a five-year duration.

**IX. Prohibited Investments**

The following investments are prohibited by United and its Agents:

- A. Any form of Equities – Individually or as part of a Mutual Fund, ETF or Unit Investment Trust
  
- B. Bond Mutual Funds that are not considered Money Market Mutual Funds or any Individual Corporate Bonds
  
- C. Any leveraged or derivative instruments



- D. Any investment issued by the Government National Mortgage Association
- E. Any mortgage pass through security or collateralized mortgage obligation bond
- F. Any Inverse floaters

**X. Custody of Assets**

All investment securities including both Discretionary and non-Discretionary holdings must be held in safekeeping by a third party custodial financial institution. The custodian of these assets must present United with receipts and statements listing all holdings and securities transactions.

**XI. Internal Controls and Reporting**

United's managing agent, with approval from the Board, should have an established system of written internal controls which should occasionally be reviewed by the Board. The controls should be designed to prevent loss of United's monies due to fraud, errors, misrepresentation, or imprudent actions. The Board retains the right to review the written internal controls.

United's managing agent shall submit monthly investment reports to the Board consistent with the frequency required by California Civil Code 5500. The report should include a summary of any new investment transactions including: investment type, percent of portfolio, purchase date, maturity date, issuer, and purchase price. In addition, all existing positions should be updated to show: current market value, purchase price, anticipated maturity value and maturity date.

If United decides to employ the services of third-party professional money manager(s) to manage a Discretionary portfolio, then the Advisor(s) shall present to the Board a semi-annual presentation of their firms view on current and future economic conditions, including changes in inflation and interest



rates. Additionally, the professional money manager's presentation shall include the annualized average rate of return for the current year and inception to date.

This Investment policy document should be reviewed annually by the Board.