



# LEISURE WORLD GOVERNANCE

## What to Expect:

High Level Overview of LW Governance

\* many moving parts, generalities, future changes

LW Governing Entities

BOD

Policy Process

Discuss Navigating the System



- Come from a working career as statistical programmer
- Years of involvement in Damascus Civic Alliance
- Eleven+ years resident of LW
- Eleven years on Mutual 10 board (LW BOD rep for 10 years)
- LW Exec Cmte for Six years
- LW BOD Chair for Three years
- Chair, GM Evaluation Spcl Cmte (3 of 5 yrs); Chair LW Name Spcl Cmte (1 yr)
- Chair, Security & Trans AC (2 of 4 years)
- LW Diversity Relations Council, Leader; FIA, LWAAAC, Chinese, Edmonson, CLL, LWF
- Webmaster – mutuals 10, 16, 19B, 20B, JRLW
- LW Groups.io List Serve owner/operator

# CLASS APPROACH

I DO NOT SPEAK FOR LW

INFORMATIVE CLASS NOT RESIDENT FORUM

NOT TO DEFEND SPECIFIC CONTRACTS/POLICIES

NO INDIVIDUAL PERFORMANCE REVIEWS



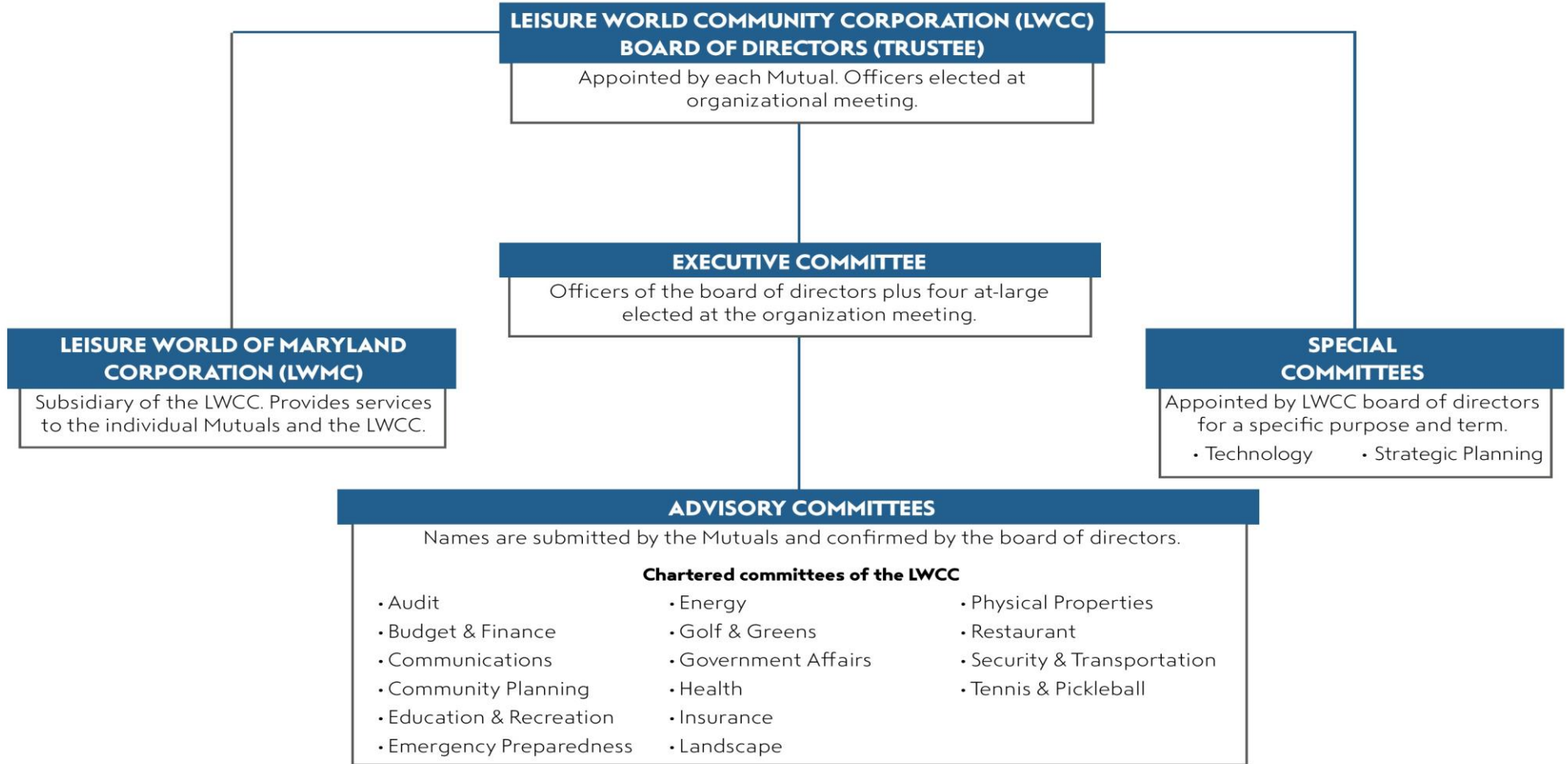
## FOCUSING ON ENTIRE COMMUNITY

Not dealing with mutual Governance

- Each Mutual Independently Incorporated as Part of LW Community (COG vs. Wheel)
- Member of LW Community Only
- Self-Governing with mutual board
- Separate Rules



# GOVERNANCE STRUCTURE OF LEISURE WORLD OF MARYLAND





[HTTPS://RESIDENTS.LWMC.COM](https://residents.lwmc.com)  
**COMMUNICATIONS IS A TWO-WAY STREET**

“DOCUMENTS”-“DOCUMENTS”-“GOVERNANCE”

LW Governance Documents:

LWCC GOVERNING DOCS - Umbrella HOA

\*\* Community Policy/Rules

LWMC GOVERNING DOCS – Mgmt Subsidiary

\*\* day-to-day operations



## WHERE DOES LWCC GET AUTHORITY?

How was Governance set up?

\* Trust is legal Corporation with set of Binding Rules

## DEMOCRATIC GOVERNANCE

- *Many forms of Democratic Governance, from Direct to Indirect representation*
- *Mistake to think all democratic models are the same – determined by founders*
- *US & India have democratic republics, England & Israel are parliamentary democracies, state is direct, fed is indirect....*
- *All are representative and allow citizen input*





# CREATION OF LEISURE WORLD

1966 – LW Trust Legally Incorporated

**Trust** - A **trust** is a legal relationship in which the holder of a right gives it to another person or entity who must keep and use it solely for another's benefit.

The **trustee** is the person/organization who **manages the assets** in the trust.

A **trustor** is an individual or organization that gifts funds or assets to others by transferring fiduciary duty to a third-party trustee.



# LW'S CURRENT TRUSTOR AND TRUSTEE

*Trust is based on a legally binding set of rules of governance*

LW Trustee –

LWCC – cannot amend Trust – residents - policy

LWMC – staff - manages/administers day-to-day operations, agent to members of Trust

LW Trustor - Mutual (Member/Client) – supermajority to amend Trust



## TRUST RULES APPLIED BY COMM FUNCTIONING

**A bylaw** is a rule or law established by an organization or community to regulate itself, as allowed or provided for by some higher authority.

LWCC policy/operations bylaws adhere to conform to Trust directives

Main Purpose of LWCC bylaws is to issue rules for the use and preservation of facilities and property in Leisure World and for participation in activities managed by the Corporation.



**SO, WHO'S THE LW BOSS?**

**The LWCC BOD Executes the will of the Trust  
(Trust is a legal agreement)**

“Insofar as permitted by law, to do any other thing that, in the judgment of the Board of Directors, will promote the business of the corporation and the common benefit of its members.” – LWCC Articles of Incorporation



## LEISURE WORLD BOARD OF DIRECTORS

LWCC Umbrella HOA overseen by a Board of Directors (BOD)

- supervise the activities of an organization
- group of individuals that represent member mutuals
  - Equitable representation of each mutual
- single representative director per 250 mutual unit



# EXTERNAL RULES FOR BOD

Federal Laws ie Discrimination

Maryland HOA Act - The Act governs the formation, management, powers, and operation of homeowners' associations in Maryland.

\*

MoCo Commission on Common Ownership Communities (“CCOC”)

Current Edition of Robert’s Rules - BOD Meeting Procedures



## MUTUAL BOD REPRESENTATION

- Each Mutual Entitled to Representation on the BOD
- One Director (Alternate) per 250 units
- Mutual determines representative's term  
BOD can only recommend removal for cause
- Three officers elected and Executive Cmte annually
  - Chair, Vice-Chair, Secy, Four At-Large



# LWCC BOD MEETINGS

Open to ALL Leisure World Residents

Compliance with all applicable laws

Meeting Procedure According to Current Robert's Rules

Chair responsible for Agenda and Mtg Facilitation

BOD imposed parameter's to Assure Business Mtg Priority

\*\* Limiting all input





## BOD VOTING

- Each Director Has One Vote
- Majority on most issues decides – hand count or role-call
  - Some issues require a super-majority (last minute agenda)
  - Some require majority of both director count and weighted vote (election of Exec Cmte)



# BOD ONGOING GOVERNANCE

Applying specific rules to current needs without conflict to create policy

Creating Policy through resolution - A resolution is **an original motion**, which because of its importance, length, or complexity is submitted in writing.

\*\*\* Bylaws are internal corporate rule of operating organization according to governance parameters

BOD can only Affect Policy (Bylaws), Not Trust Docs



## LWCC EXECUTIVE CMTE

- Prepares, coordinate, and otherwise facilitate the work of the BOD
- “Gatekeeper” of information to BOD
- Monitor Management of Operations as well as Policy
- Can be authorized by BOD to make decisions

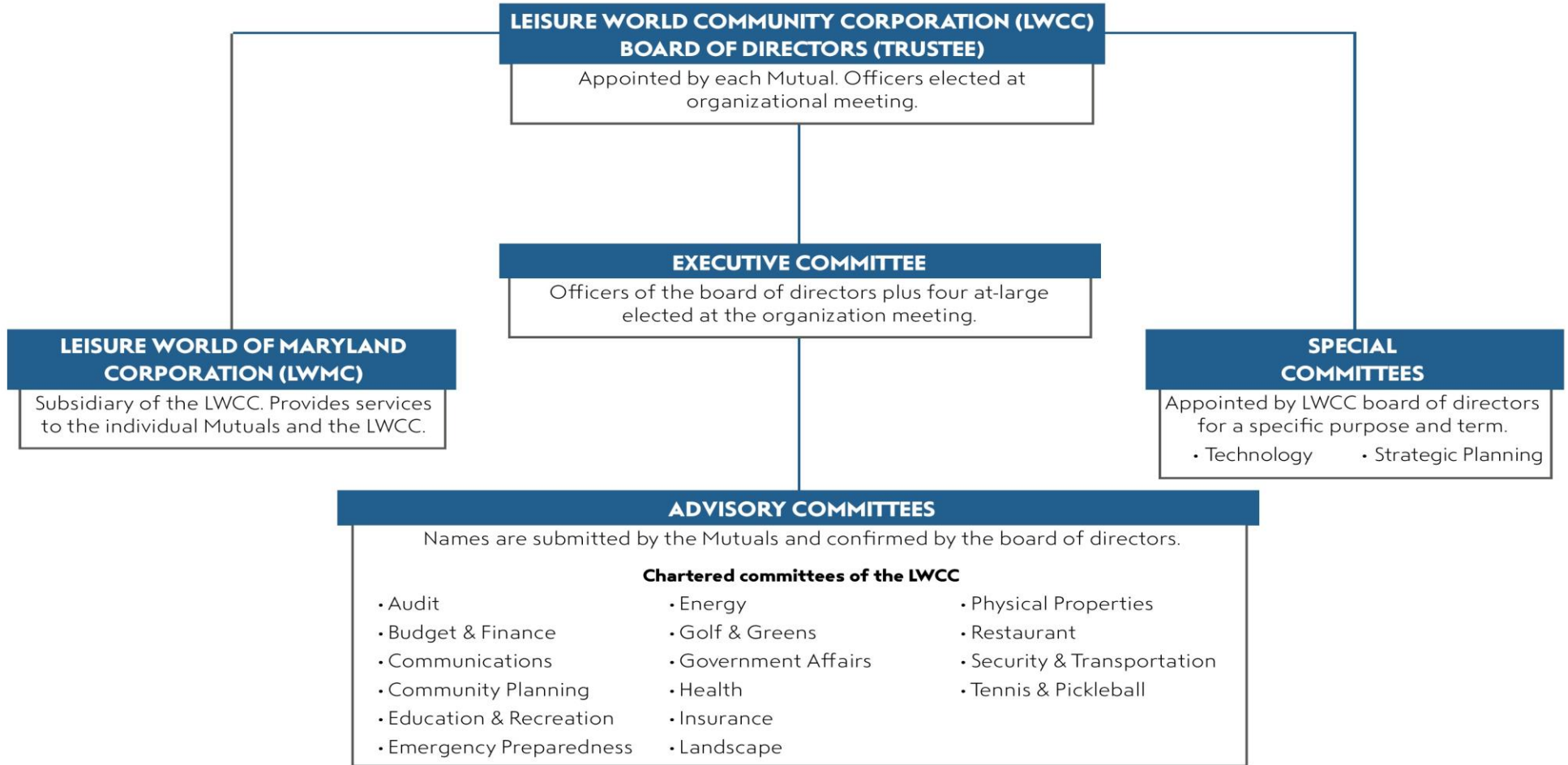


## LW ADVISORY/SPCL CMTES “GOVERNANCE”

- Create by the BOD to advise and assist – chartered cmte rules from BOD
- Must adhere to all rules and laws
- Chartered Standing AC focused on Ongoing Community Function
- Special AC task oriented
- Authority of final action for entire community is BOD's



# GOVERNANCE STRUCTURE OF LEISURE WORLD OF MARYLAND



## LW/E&R GROUPS, CLUBS, ORGANIZATIONS

### NOT LW GOVERNANCE ENTITY

Must meet E&R requirements to be approved to operate  
ie. Must have charter and officers; at least 30 members

Adhere to E&R operational Rules of RCGO

About 100 Special Interest RCGO's



# LW BUDGET

## DOCUMENTS-DOCUMENTS-FINANCE

Condo Fee Consists of Two Charges:

**#1 LW Facilities Fee** – Trust Services – Same for Each Unit - Capped

**#2 Mutual Operations** – mutual services – varies - Uncapped

Budget Year Begins Jan. 1; at AC level

LW AC/Department needs Communicated to Management

Management starts drafting LW budget in June

To BOD for Final Approval in September, then to Mutuals



## EXAMPLES: WORKING THE SYSTEM

1. Bus Configuration
2. Painting of Blvd Crosswalks
3. Crosswalk
4. Sound Barrier at Mutual I 3





## BEST APPROACH TO LWCC

- Bring Issue to Advisory Cmte via Mutual Rep
- Put Issue On Their Agenda for discussion
- Push for AC/BOD resolution to Exec Cmte
  - BOD Must Consider



# LW ONGOING PROJECTS

- New Admin Bldg
- Golf Course Renovation
- Strategic Plan
- Trust Reserve Study
- Auto Gate Entrance



EMAIL: GOVT@LWMI0.COM



## TOWN HALLS WITH GM

### Crystal Ballroom:

March 29th – 2 pm (Zoom)

March 30th - 6 pm

March 31st – 10 am