

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

February 7, 2006

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 February 7, 2006, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: George Portlock, Marty Rhodes, Maury Kravitz, Mark Stein, Cynthia Chyba, Bob Miller (via telephone), Ruth May, Noel Hatch, Jack Bassler

Directors Absent: Joseph Heller, Bea McArthur

Others Present: Milt Johns, Patty Fox, Janet Price (9:42 A.M. – 10:28 A.M.)
Executive Session: Cris Trapp

CALL TO ORDER

George Portlock, President served as Chairman 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.

A moment of silence and reflection was held to honor our US Troops who are serving our Country, and for those who are in harm's way.

PLEDGE OF ALLEGIANCE TO THE FLAG

Director Ruth May led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Cheryl Walker from the News, and Staff from TV Channel 6 Camera Crew were acknowledged.

APPROVAL OF AGENDA

The agenda was approved as amended by adding under the Community Activities Committee Report a resolution to accept AARP Tax Services.

APPROVAL OF MINUTES

The Minutes of the Organizational Meeting of October 28, 2005, and the January 3, 2006 Regular Board Meeting were approved as submitted; and the minutes of the January 20, 2006 Special Board Meeting were approved as amended by adding a statement made by Director Hatch clarifying the Broadband System resolution at the bottom of page one.

CHAIRMAN'S REPORT

President Portlock wished Directors Bea McArthur and Bob Miller a speedy recovery; and commented on the upcoming land use meetings.

Ms. Janet Price entered the meeting at 9:42 A.M.

OLD BUSINESS

Director Marty Rhodes made a motion to remove the investment policy resolution from the table. Director Cynthia Chyba seconded the motion. By a unanimous vote of 8-0-0 the motion carried.

Following a request, the Secretary of the Corporation, Director Chyba reread the proposed resolution.

United Mutual Members Mike Curtis (342-A) and Libby Marks (82-Q) commented on the resolution.

By a unanimous vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-05-07

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
INVESTMENT POLICY

RESOLVED, February 7, 2006 that Professional Community Management Inc., managing agent of this corporation, and an outside Investment Manager are hereby authorized to invest the funds of the corporation which, in the opinion of said managing agent are not required within a reasonable time to pay obligations of the corporation; and

RESOLVED FURTHER, that the board of directors of this corporation hereby authorizes the Managing Agent of this corporation, Professional Community Management, Inc., to retain Merrill Lynch as Investment Manager and to give that Manager discretion to transact purchases and sales of investments for Golden Rain Foundation's account. Such discretion is subject to the underlying conditions as stated below. The Board will determine the amount to be managed in this discretionary account; and

RESOLVED FURTHER, 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 are subject to the following conditions:

1. Notification of confirmation shall be given to the managing agent and treasurer of this corporation upon completion of each investment transaction;
2. For funds administered by Professional Community Management, Inc., no investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without a demonstrated immediate need for the funds and the consent of any two of the following: the Treasurer, the President or

the 1st or 2nd Vice President of this corporation. Furthermore, if there is a request that an investment be sold, withdrawn or otherwise converted to cash prior to maturity where there has been no demonstrated immediate need, approval must be received from the Board of Directors of this corporation;

3. Funds shall be invested only in authorized investments as provided herein. Authorized investments are limited to obligations of, or fully guaranteed as to principal by, the United States of America;
4. Investments on behalf of this corporation may be made concurrently with investments made on behalf of other corporations at Laguna Woods Village. However, separate investment receipts will be held in the name of this corporation. Any such investments may be held for the account of the corporation in book-entry form;
5. Any authorized investments, as defined in Item 3 above, previously made by said Managing Agent, are hereby ratified; and

RESOLVED FURTHER, that Resolution 90-03-08 adopted on January 7, 2003, is hereby superseded and cancelled.

NEW BUSINESS

President Portlock introduced Ms. Mary Pat Toups of 3467-B Bahia Blanca West, a Laguna Woods Village resident and lobbyist, who provided a summary of AB12, a proposed Bill on a Revocable Transfer-on-Death Beneficiary Deed and encouraged the Membership to write to the California Law Review Commission in support of the Bill.

The Secretary of the Corporation, Director Chyba read a proposed resolution on the Nominating Committee Appointments. Director Chyba moved to approve the resolution. Director Stein seconded the motion.

United Mutual Member Mike Curtis (342-A) commented on the resolution.

By a unanimous vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-08

RESOLVED, February 7, 2006, that the following persons are hereby appointed to serve on the Nominating Committee of this Corporation:

Harry Curtis, Chair
Maxine McIntosh
Leslie Bagby
Sy Wellikson
Janet Schwartz
Marion Rosenstein

Hillel Pitlik

RESOLVED FURTHER, that Resolution 90-05-02, adopted January 4, 2005 is hereby superseded and cancelled.

The Secretary of the Corporation, Director Chyba read a proposed resolution on changing the July Regular Board Meeting date. Director Chyba moved to approve the resolution. Director Mark Stein seconded the motion, and by a unanimous vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-09

WHEREAS, the July, 2006 regular meeting of the Board of Directors of this Corporation scheduled for Tuesday July 4, 2006 falls on a holiday;

NOW THEREFORE BE IT RESOLVED, February 7, 2006, that the July regular meeting of the Board of Directors of this Corporation shall be held on Monday July 3, 2006, at 9:30 A.M. Thereafter, regular meetings of the Board of Directors shall be held on the first Tuesday of each month at 9:30 A.M. All such meetings shall be held at 24351 El Toro Road, Laguna Woods, California.

CONSENT CALENDAR

The consent calendar was approved and the following action was taken:

RESOLUTION 90-06-10

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
LAGUNA WOODS VILLAGE BUS SERVICE COMMITTEE CHARTER

WHEREAS, the Laguna Woods Village Bus Service Committee has been established pursuant to Article 7, Section 7.1.1 of the Bylaws of this Corporation; and

NOW THEREFORE BE IT RESOLVED, February 7, 2006, that the Board of Directors of this Corporation hereby assigns the duties and responsibilities of the Laguna Woods Village Bus Service Committee of this Corporation as follows:

1. Serve as a working liaison between the GRF Board and the Managing Agent's Vehicle Maintenance Department, specific to all Bus transportation issues.
2. Recommend, evaluate, review and approve any proposed service modification to the Laguna Woods Village bus system and present these

modifications to the GRF Board of Directors for final approval and implementation.

3. Develop specifications and recommendations for the purchase and replacement of Laguna Woods Village Transportation buses and recommend appropriate action to the GRF Board for final approval.
4. Develop specifications and recommendations for the purchase, maintenance, repair and location of benches and shelters (specific only to bus routing) within the Community and recommend appropriate action to the GRF Board for final approval.
5. Review and maintain Bus schedules and Bus routing providing recommendations that will improve the level of service to the community.
6. Develop, enhance and provide comprehensive educational literature and training classes for the bus riding community.

RESOLVED FURTHER, that the Committee shall perform such other duties and tasks relating to Bus utilization as may be assigned by the President of the Board of Directors of this Corporation; and

RESOLVED FURTHER, that Resolution 90-04-14, adopted February 3, 2004 is hereby superseded and cancelled.

COMMITTEE REPORTS

Director Maury Kravitz reported on the Treasurer's Report and from the Finance Committee.

Director Marty Rhodes reported from the Community Activities Committee.

The Secretary of the Corporation, Director Chyba read a proposed resolution on accepting a donation from the Duplicate Bridge Club for use in Clubhouse Seven. Director Chyba moved to approve the resolution. Director Rhodes seconded the motion. By a unanimous vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-11

RESOLVED, February 7, 2006 that the Board of Directors of this Corporation hereby accepts the following donations from the Duplicate Bridge Club, valued at a total of \$1625.03;

- Mail sorter with raiser and storage table, valued at \$968.05
- Work table 60"x30", valued at \$656.98

RESOLVED FURTHER, that such equipment shall be used in the Clubhouse Seven Bridge Room; and

RESOLVED FURTHER, that the President of this Corporation is hereby authorized to advise said donor in writing and to express the thanks of the corporation.

Third Mutual Member Hillel Pitlik reported on AARP's request to utilize a conference room in the Community Center for tax preparation services for the Community.

Director Rhodes made a motion to accept AARP's request, and approve the use of the Redwood Room, at no cost, each Wednesday at 9:00 A.M. until April 12, 2006. Director Stein seconded the motion. Discussion ensued. By a unanimous vote of 8-0-0, the motion carried.

United Mutual Member Maxine McIntosh (68-C) addressed Director Rhodes on his report.

No one reported from the Maintenance and Construction Committee.

Director Mark Stein reported from the Security and Community Access Committee.

Ms. Janet Price left the meeting at 10:28 A.M.

The Secretary of the Corporation, Director Chyba read a proposed resolution on authorizing a supplemental appropriation to purchase Closed Circuit TV Monitors for the Security Dispatch Room. Director Chyba moved to approve the resolution. Director Stein seconded the motion. By a unanimous vote of 8-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-06-12

WHEREAS, fifteen monitors being utilized by Security Dispatch have reached or are approaching their serviceable life; and

WHEREAS, monitoring efficiency has been adversely affected by problems of poor image quality due to the age and size of the current monitoring system in the Security Dispatch Room;

NOW THEREFORE BE IT RESOLVED, February 7, 2006 the Board of Directors of this Corporation hereby authorizes a supplemental appropriation of \$25,400 from the Equipment Fund; and

RESOLVED FURTHER, that such funds shall be used to replace and purchase fifteen monitors with 19" Closed Circuit TV Monitors in the Security Dispatch Room to enable better detection and evaluation of criminal activities in areas monitored; 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.

Third Mutual Member Marilyn Sortino (4008-1G) addressed the Board on the security cameras and fresh water at the RV Lot.

Director Chyba reported from the Government & Public Relations Committee on behalf of Director McArthur's absence.

United Mutual Member Mike Curtis (342-A) commented on the Board's support on proposed legislation; Third Mutual Member Mary Pat Touns (3467-B) commented on attending the GPRC Meeting to lobby her Bill.

Director Noel Hatch reported from the Broadband Services Committee on behalf of Director Miller.

United Mutual Member Mike Curtis (342-A) addressed the Board on adding channels and financing.

Director Maury Kravitz reported from the Bus Services Committee.

United Mutual Member Mike Curtis (342-A) addressed Director Kravitz on his report.

GOOD OF THE ORDER:

Mutual Members:

- Corky Eley (2401-2E) commented on the 2006 Business Plan and the governing documents
- Maxine McIntosh (68-C) thanked Ms. Touns for her lobbyist work, and renovating Clubhouse Two
- Ray Barrett (223-B) commented on additional monitors for Security Dispatch
- Mike Curtis (342-A) invited everyone, except present and past Board Directors, to the next Resident Voice Meeting in Clubhouse 5
- Libby Marks (82-Q) commented on closed meetings
- Jerry Sheinblum (3488-C) announced the next CCA Townhall Meeting

Board of Directors:

- General Manager Milt Johns commented on use of staff time during meetings
- Director Hatch commented on land use and GRF's governing documents
- Director Kravitz commented on land planning

RECESS INTO EXECUTIVE SESSION

The meeting recessed at 11:24 A.M. and went into Executive Session at 12:10 P.M.

During the January Executive Session the Board approved the minutes of the Special Executive Session Meeting of December 2, 2005, and the minutes of the Regular Executive

Session Meeting of December 6, 2005; discussed litigation, contractual, and member disciplinary issues; and reviewed the Litigation Status Report.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 1:47 P.M.

Cynthia Chyba, Secretary