

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

October 2, 2007

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 October 2, 2007, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: George Portlock, Ruth May, Bob Miller, Mark Schneider, Don Tibbetts, Bea McArthur, Joseph Heller, Cynthia Chyba, Jack Bassler, Noel Hatch

Directors Absent: Erwin Stuller

Others Present: Milt Johns, Patty Fox
Executive Session: Milt Johns, Patty Fox, Cris Trapp

CALL TO ORDER

George Portlock, President, 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.

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 Bea McArthur led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

No one was present from the Laguna Woods Globe, and by way of remote cameras, the TV Channel 6 Camera Crew staff were acknowledged.

APPROVAL OF AGENDA

The agenda was approved as submitted.

APPROVAL OF MINUTES

The Minutes of the Regular Board Meeting of September 4, 2007 were approved as written, the Action by Way of Written Unanimous Consent of September 5, 2007 were approved as amended by adding another subtotal of \$18,800 in the resolution, and the Special Board Meeting of September 27, 2007 were approved as written.

CORPORATE MEMBER AND RESIDENT MEMBER COMMENTS

- Libby Marks (82-Q) commented on staff's expenditure policy
- Denny Welch (5517-1C) thanked the membership on attending the logo unveiling and the Veterans Awareness Day, and announced the next CCA Townhall Meeting at Clubhouse 5

- Lev Peverieri (76-P) commented on employee support expenditures
- Katherine McDaniel (3379-N) commented on the baby boomer generation
- Pamela Grundke (2214-B) announced the next Resident's Voice Meeting
- Mary Wall (239-D) commented on her request for information on the oak seedlings for the Great Park
- Corkie Eley (2401-2E) commented on the Community's governing documents
- Leland Chelsey (162-A) commented on pool usage and requested longer pool hours
- Kay Margason (510-C) commented on association fees appropriated in the GRF Trust and need for forensic audit
- Delsie Zuzak (647-A) commented on the cost of the new logo
- Gene Ryan (3361-O) commented on the Managing Agent policies and need for forensic audit
- Bob Zuzak (647-A) commented on staff expenditures
- Karel Brouwer (3189-C) commented on the new logo design
- Jerry Sheinblum (3488-C) commented on baby boomers

Cheryl Walker of the Laguna Woods Globe entered the meeting at 9:55 AM

CHAIR'S REPORT

President Portlock provided Mr. Johns an opportunity to comment on statements made during Member Comments. President Portlock congratulated the newly elected Directors of Third Mutual, and commented on the Community's make-up and governance.

OLD BUSINESS

No old business came before the Board.

NEW BUSINESS

The Secretary of the Corporation, Director Cynthia Chyba, read a proposed resolution on approving the Inspectors of Election for the 2007 Election of the Golden Rain Foundation Board of Directors. Director Chyba moved to approve the resolution. Director Miller seconded the motion.

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

RESOLUTION 90-07-77

RESOLVED, October 2, 2007 that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election for the counting of ballots at the duly noticed Annual Meeting of the Corporate Members on Thursday November 8, 2007:

Ruth McGovern
Bill Johnston
Connie McAndrew
John Fuller, Alternate

CONSENT CALENDAR

No actions were taken under the Consent Calendar.

COMMITTEE REPORTS

Director Bob Miller reported on the Treasurer's Report and from the Finance Committee.

The Secretary of the Corporation read a proposed resolution on rescinding unspent monies from the 2003 Capital Plan. Director Miller moved to approve the resolution. Director Joseph Heller seconded the motion.

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

RESOLUTION 90-07-78

WHEREAS, the 2003 Capital Plan includes funding in the amount of \$179,518 to purchase composting equipment (P03003); and

WHEREAS, the Board of Directors of this Corporation recently removed a contingency in the operating budget to be used in the event the composting operation was relocated to a smaller site;

NOW THEREFORE BE IT RESOLVED, October 2, 2007, that the Board of Directors of this Corporation is hereby authorized on behalf of the Corporation to rescind inactive Capital Item P03003 appropriated in the 2003 Capital Plan totaling unspent amounts of \$179,518 from the Equipment Fund; 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.

Mutual Members Mary Wall (239-D), Jerry Sheinblum (3488-C), Libby Marks (82-Q), and Corkie Eley (2401-2E) addressed Director Miller on his report.

Director Cynthia Chyba reported from the Bus Services Committee.

Director Ruth May reported from the Community Activities Committee.

The Secretary of the Corporation read a proposed resolution approving an exception to the GRF Golf Policy. Director May moved to approve the resolution. Director Don Tibbetts seconded the motion.

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

RESOLUTION 90-07-79

WHEREAS, a resident who is getting married on Sunday February 10, 2008 requested an exception to the GRF Golf Policy regarding the number of guests allowed to play prior to noon so his wedding party and out of town guests can play golf on Saturday morning;

NOW THEREFORE BE IT RESOLVED, October 2, 2007 that the Board of Directors of this Corporation hereby approves the request and waives the maximum number of guests allowed to play golf on Saturday February 9, 2008; 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.

A discussion was held relative to establishing a Shared Cost Concept Ad Hoc Committee. The Board agreed to wait until the new Board was seated to discuss the issue further.

Director Bea McArthur reported from the Landscape Committee.

Mutual Members Karel Brouwer (3189-C) and Corkie Eley (2401-2E) addressed Director McArthur on her report.

On Director Noel Hatch's behalf, Director McArthur reported from the Broadband Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

The Secretary of the Corporation read a proposed resolution authorizing a supplemental appropriation in the amount of \$77,000 to re-plaster the Clubhouse Four pool and spa. Director Miller moved to approve the resolution. Director Tibbetts seconded the motion and discussion ensued.

Mutual Member Libby Marks (82-Q) addressed Director Heller on his report.

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

RESOLUTION 90-07-80

WHEREAS, the pool and spa at Clubhouse Four are showing signs of severe deterioration to the plaster surfaces;

NOW THEREFORE BE IT RESOLVED, October 2, 2007 that the Board of Directors hereby authorizes a supplemental appropriation in the amount of \$77,000 from the Facilities Fund to re-plaster the pool and spa at Clubhouse Four; 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 Mark Schneider reported from the Government and Public Relations Committee.

Director Bob Miller reported from the Security and Community Access Committee.

DIRECTOR'S COMMENTS:

Director Bassler commented on continual comments re staff expenditures and made a motion that the Board identifies staff expenditures made prior to 2005. The motion failed due to the lack of a second.

Director Heller commented on the Resident's Voice request for a forensic audit

Director Hatch commented on the approved expenditures policy and the Needs Assessment timeline

Director May commented on Director Hatch's remarks

Director Tibbetts commented on the Board's action appointing Mutual 50 as a Committee of the Whole

Director Schneider commented on working in an ever changing environment as a Board Member

President Portlock thanked the remaining audience members for attending the meeting

MEETING RECESS

The meeting recessed at 12:01 P.M. and went into Executive Session at 12:48 P.M.

During its Regular Executive Session Meeting of September 4, 2007, the Board discussed member discipline, contractual, and potential litigation issues.

During its Special Executive Session meeting of September 24, 2007, the Board of Directors discussed contractual issues.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 3:30 P.M.

Cynthia Chyba, Secretary