

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

**December 4, 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 December 4, 2007, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Bob Miller, Ruth May, Mark Schneider, Don Tibbetts, Bea McArthur, Ken Hammer, Joseph Heller, Jack Bassler, Noel Hatch, Erwin Stuller, Ray Gros

Directors Absent: None

Others Present: Milt Johns, Patty Fox, Janet Price (10:58 A.M.–12:11 P.M.)  
*Executive Session:* Milt Johns, Patty Fox, Cris Trapp

**CALL TO ORDER**

Bob Miller, 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 Jack Bassler led the membership in the Pledge of Allegiance to the Flag.

**ACKNOWLEDGEMENT OF PRESS**

Cheryl Walker was present from the Laguna Woods Globe, and by way of remote cameras, the TV Channel 6 Camera Crew staff was acknowledged.

President Miller introduced the new members of the Board, Directors Ray Gros and Ken Hammer, and announced the new Officers.

**APPROVAL OF AGENDA**

The agenda was approved as amended by adding under New Business: *Consider Third Board's request to replay their December 3, 2007 Special Board meeting.*

**APPROVAL OF MINUTES**

The Minutes of the Regular Board Meeting of November 6, 2007 and the Organizational Meeting of November 8, 2007 were approved as written.

## **MEMBER COMMENTS**

- Peggy Crandall (5448) introduced her daughter who requested that the Board of Directors consider the Laguna Hills High School Music Booster request to hold a fund raiser at the resident rental fee
- Mike Curtis (342-A) commented on his letter to GRF regarding the property value of the old Administration Building land
- Gene Ryan (3361-O) commented on Third Mutual's Special Board Meeting
- Bud Nesvig (2392-3H) commented on GRF ownership of Community amenities
- Libby Marks (82-Q) expressed her sentiments on her living in the Community
- Frankie Henry (679-C) commented on GRF Board actions

## **CHAIR'S REPORT**

President Miller and Mr. Milt Johns addressed comments made during member comments.

## **OLD BUSINESS**

No old business came before the Board.

## **NEW BUSINESS**

UPS representatives, Stephanie Dexter and George O'Neill, gave a presentation to the Board requesting to store a UPS trailer at Clubhouse One and possibly a second trailer at Clubhouse Two during the holiday season to assist in delivering packages to the residents. Mr. O'Neill reported that UPS would be responsible for any liabilities.

Director Schneider made a motion to approve the request. Director Stuller seconded the motion and discussion ensued.

Member Mike Curtis (342-A) addressed the Board on the request.

By a vote of 10-0-0 the motion carried.

The Secretary of the Corporation, Director Bea McArthur, read a resolution on approving the GRF Committee Appointments.

Director Ray Gros made a motion to approve the resolution and Director Stuller seconded the motion.

Without objection, the Board agreed to remove Director Larry Souza from the Broadband Committee.

By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

### **RESOLUTION 90-07-86**

**RESOLVED**, December 4, 2007, that the following persons are hereby appointed to the Committees of this corporation:

**Broadband Services Committee**

Noel Hatch, Chair (GRF)  
Bea McArthur, Vice Chair (GRF)  
Ruth May (GRF)  
~~Larry Souza~~ (Third)  
Don Lippert (Third)  
Lloyd Foster (United)  
Marty Rubin (United)  
Richard Wurzel (Mutual 50)  
*Non-Voting Advisors: Eliot Brody, Bob Payne*

**Business Planning**

Bob Miller, Chair (GRF)  
Don Tibbetts, Vice Chair (GRF)  
Noel Hatch (GRF)  
John Paulus (Third)  
Bob Hatch (Third)  
Jim McNulty (United)  
Beth O'Brien (United)  
TBA (Mutual 50)

**Bus Services Committee**

Ken Hammer, Chair (GRF)  
Ray Gros, Vice Chair (GRF)  
Ruth May (GRF)  
Dominic Burrasca (Third)  
Jim Matson (Third)  
John Dalis (United)  
Mary Stone (United)  
TBA (Mutual 50)  
*Non-Voting Advisors: Maury Kravitz*

**Community Activities**

Mark Schneider, Chair (GRF)  
Jack Bassler, Vice Chair (GRF)  
Bea McArthur (GRF)  
Carol Moore (Third)  
Isabel Muennichow (Third)  
Jan McLaughlin (United)  
Jim McNulty (United)  
TBA (Mutual 50)

**Finance**

Don Tibbetts, Chair (GRF)  
Erwin Stuller, Vice Chair (GRF)  
Mark Schneider (GRF)  
Robert Hatch (Third)  
John Paulus (Third)

Jim McNulty (United)  
Burns Nugent (United)  
TBA (Mutual 50)  
*Non-Voting Advisor: Allen Cohen, Jim Hart*

**Government & Public Relations**

Ruth May, Chair (GRF)  
Bea McArthur, Vice Chair (GRF)  
Erwin Stuller (GRF)  
Isabel Muennichow (Third)  
Dominic Burrasca (Third)  
Burns Nugent (United)  
Mary Stone (United)  
TBA (Mutual 50)  
Non-Voting Advisor: TBA

**Landscape Committee**

Bea McArthur, Chair (GRF),  
Mark Schneider, Vice Chair (GRF)  
Jack Bassler (GRF)  
Carol Moore (Third)  
Gunter Vogt (Third)  
Linda Wilson (United)  
Maxine McIntosh (United)

**Maintenance & Construction**

Joseph Heller, Chair (GRF)  
Ken Hammer, Vice Chair (GRF)  
Noel Hatch (GRF)  
Jim Matson (Third)  
Don Lippert (Third)  
Lloyd Foster (United)  
Bevan Strom (United)  
*Non-Voting Advisor: Bob Morton*

**Security and Community Access**

Erwin Stuller, Chair (GRF)  
Ray Gros, Vice Chair (GRF)  
Joseph Heller (GRF)  
Dominic Burrasca (Third)  
John Paulus (Third)  
Linda Wilson (United)  
Lloyd Foster (United)  
*Non Voting Advisor: Libby Marks, John Dudley*

**Select Audit**

Bob Miller  
Don Tibbetts

**Transportation Sub-Committee**

Mary Stone

**Laguna Canyon Foundation**

Mark Schneider

**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; and

**RESOLVED FURTHER**, that Resolution 90-07-35 adopted May 1, 2007 is hereby superseded and cancelled.

The Secretary of the Corporation read a proposed resolution approving the date change to hold the January Regular Board Meeting.

Director McArthur made a motion to approve the resolution and Director Ruth May seconded the motion.

By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-07-87**

**WHEREAS**, the January, 2008 regular meeting of the Board of Directors of this Corporation scheduled for Tuesday January 1, 2008 falls on a holiday;

**NOW THEREFORE BE IT RESOLVED**, December 4, 2007, that the January regular meeting of the Board of Directors of this Corporation shall be held on Wednesday January 2, 2008, 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; 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.

Without objection, the Board appointed Director Joseph Heller to the City of Laguna Woods' Blue Ribbon Committee.

The Board considered the use of Electronic Personal Assistive Mobility Devices in the Community.

Mutual Members Denny Welch (5517-1C), Linda Wilson (816-P), and Mike Curtis (342-A) commented on the devices.

Dolores O'Connor (2200-D), the resident requesting the use of the Segway, addressed the Board on the issue.

The Secretary of the Corporation read the following proposed resolution on approving the use of Electronic Personal Assistive Mobility Devices in the Community:

**RESOLUTION 90-07**

**WHEREAS**, GRF desired an evaluation of Electronic Personal Assistive Mobility Devices (EPAMDs), as defined by the State of California, to ensure equal treatment of both existing and emerging technologies affecting safe personal transportation needs of its members; and

**WHEREAS**, of particular interest is an EPAMD with the commercial name of "Segway," and

**WHEREAS**, the Segway meets the state of California's definition of an EPAMD; and

**WHEREAS**, The State of California encourages the use of EPAMDs in an effort to reduce the state's traffic and air pollution problems and declares that the EPAMD is part of the state's program to use no-emission vehicles;

**NOW THEREFORE BE IT RESOLVED**, December 4, 2007 that the Board of Directors of this Corporation hereby allows the use of EPAMDs within the Community, with the following contingencies to which each operator of such device shall agree to:

- 1) Not operate an EPAMD at a speed greater than is reasonable and prudent (not to exceed 4.5 MPH) having due regard for weather, visibility, pedestrians, and other traffic;
- 2) Not operate an EPAMD at a speed that endangers the safety of persons or property, or with willful or wanton disregard for the safety of persons or property;
- 3) Operate an EPAMD in such a way as to yield the right-of-way to all pedestrians on foot, including persons with disabilities using assistive devices and service animals that are close enough to constitute a hazard;
- 4) Operate the EPAMD only on sidewalks and cross walks in the Community,
- 5) Indemnify, defend, and hold harmless GRF and its managing agent for any loss arising out of the ownership, maintenance, or use of the EPAMD, and
- 6) Abide by all state and local laws and community rules

**RESOLVED FURTHER**, that in order to endeavor to ensure safe operation of the devices, an annual permit shall be required for operation of EPAMDs on sidewalks in the community, which shall include:

- 1) A statement that the operator has consulted with their physician and that they are in satisfactory health to operate the EPAMD,
- 2) Proof of Homeowners' Liability Insurance, Personal Liability Insurance, or Personal Umbrella Liability Insurance, with limits per person or combined single limit of not less than \$500,000 per occurrence.

**RESOLVED FURTHER**, that the use of roller skates, in-line skates and any skateboard-based scooters within the Community shall be prohibited; and

**RESOLVED FURTHER**, that Resolution number 2621, adopted September 5, 1978 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 May moved to approve the resolution. The motion failed by a lack of a second.

A motion was made and seconded to approve Third Mutual's request to air both its November 28, 2007 and December 3, 2007 Special Board Meetings at a time that does not interfere with regular programming. Discussion ensued.

Mutual Members Isabel Muennichow (5285), Mike Curtis (342-A), Frankie Henry (679-C), and Craig Fletcher (3018-B) addressed the Board on the request.

Ms. Janet Price entered the meeting at 10:58 AM.

Director Hatch amended the motion to have HKC draft a disclaimer notice to place before playing the meetings. Director Bassler seconded the motion and discussion ensued.

Mutual Members Isabel Muennichow (5285), Mike Curtis (342-A), and Linda Wilson (816-P) addressed board on the issue.

By a vote of 3-7-0 (Directors Schneider, Stuller and Hammer voted in favor) the amendment failed.

By a vote of 8-1-1(Director Hammer opposed and Director Heller abstained) the motion carried.

President Miller reported on the transactions on the sale of the old Administration building and the San Sebastian project property value.

Mutual Members Mike Curtis (342-A) and Bud Nesvig (2392-3H) addressed the President on his report.

## **CONSENT CALENDAR**

No actions were taken under the Consent Calendar.

## **COMMITTEE REPORTS**

Director Don Tibbetts reported on the Treasurer's Report and from the Finance Committee.

Ms. Price announced the changes to the GRF Investment Policy.

Director Hatch made a motion to waive the reading of the resolution approving the GRF Investment Policy and to approve the Policy. Director Bassler seconded the motion.

By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

### **RESOLUTION 90-07-88**

#### GOLDEN RAIN FOUNDATION OF LAGUNA WOODS INVESTMENT POLICY

**RESOLVED**, December 4, 2007, 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 **and its affiliate BlackRock** 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 90-06-07 adopted on February 7, 2006, is hereby superseded and cancelled.

A discussion was held relative to Third Mutual's decision to donate \$1,000 to the Community Civic Association to include in its annual mailing information on insurance.

Mutual Members Isabel Muennichow (5285) and Sy Wellikson (5026) commented on distributing the membership list.

Mr. Scott Dunhan, Risk Manager, addressed the board on liability issues.

Director Hatch made a motion to confirm that residents have a right to receive a membership list from their respective mutual. Director McArthur seconded the motion. Discussion ensued and the motion carried.

Ms. Janet Price left the meeting at 12:11 P.M.

Director Ken Hammer reported from the Bus Services Committee.

Director Ruth May reported from the Community Activities Committee.

Director Bea McArthur reported from the Landscape Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

The Secretary of the Corporation read a proposed resolution to approve a supplemental appropriation to replace the old Clubhouse Two men's locker room heating system.

Director McArthur made a motion to approve the resolution and Director Heller seconded the motion. By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-07-89**

**WHEREAS**, the heating system for the men's locker rooms at Clubhouse Two is inadequate due to the age of the equipment and modifications made over the years to the original design;

**NOW THEREFORE BE IT RESOLVED**, December 4, 2007 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$20,000 to be funded from the Trust Improvement Fund to replace the old Clubhouse Two men's locker room heating system with a new heating system similar to the system installed at Clubhouse One; 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.

The Secretary of the Corporation read a resolution authorizing a supplemental appropriation regarding construction of the Phase 1 parking improvements at the GRF Maintenance Center.

Director McArthur made a motion to approve the resolution and Director Tibbetts seconded the motion. By a vote of 10-0-0 the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-07-90**

**WHEREAS**, there is a shortage of parking for GRF vehicles at the GRF Maintenance Center; and

**WHEREAS**, the reconfiguration of a curbed island will result in the addition of approximately 15 new spaces;

**NOW THEREFORE BE IT RESOLVED**, December 4, 2007 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$40,000 to be funded from the Facilities Fund for the construction of the Phase 1 parking improvements at the GRF Maintenance Center as shown on Exhibit B, as attached to the official minutes of this meeting; 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 Noel Hatch reported from the Broadband Committee.

Director Mark Schneider reported from the Government and Public Relations Committee.

Director Erwin Stuller reported from the Security and Community Access Committee.

**DIRECTOR'S COMMENTS:**

- Director Hammer commented on implementing a policy on utilizing the buses more
- Director Tibbetts addressed Mr. Johns on his memo regarding the names of the community's golf courses
- Director Heller wished everyone a happy and healthy holidays
- Mr. Johns clarified Ms. Curtis' statements on the buy/sale agreement on the Administration building
- Director Schneider wished everyone a Happy New Year and Merry Christmas and welcomed the new Board members
- Director Stuller commented the limitations on the Constitutional right to speak
- Director Gros wished everyone Happy Holidays and thanked the Board for voting for him
- Director McArthur wished everyone Happy Holidays
- Director May wished everyone Happy Holidays and thanked Director Schneider for his services on the various committees

**MEETING RECESS**

The meeting recessed at 12:30 P.M. and went into Executive Session at 1:15 P.M.

During its Regular Executive Session Meeting of November 6, 2007, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of October 2, 2007; discussed member discipline, contractual, and potential litigation issues.

**ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting adjourned at 3:40 P.M.

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Elizabeth C. McArthur, Secretary