

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 5, 2008**

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 5, 2008, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

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

Directors Absent: Noel Hatch

Others Present: Milt Johns, Patty Fox, and Janet Price (11:36 A.M.– 11:42 A.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.

#### **PLEDGE OF ALLEGIANCE TO THE FLAG**

Director Erwin Stuller 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.

#### **APPROVAL OF AGENDA**

Without objection, the agenda was approved as written.

Member Mike Curtis (342-A) commented on an item on last month's closed session agenda.

#### **APPROVAL OF MINUTES**

Without objection, the Minutes of the Regular Board Meeting of January 2, 2008 were approved as amended by revising the sentence on page 4, second paragraph, to read "7-0-0, (Director May recused herself from the vote)."

#### **MEMBER COMMENTS**

- Rich Haskell (3240-A) commented on GRF's decision to remove the shade cover from the 2008 Business Plan for the Tennis Clubhouse
- Jeannette Harmeyer (2032-D) commented on a contractor's employee and work performed at her manor
- Iris Gorin (828-Q) commented on returning operating surplus to residents and paying for additional GRF projects

- Libby Marks (82-Q) commented on the temperature fluctuations in the Clubhouse Three auditorium
- Connie Grundke (2214-B) commented on obtaining a response to his inquiries
- Gene Ryan (3361-O) commented on cost increases in the community
- Pamela Grundke (2214-B) announced the next Resident's (sic) Voice Meeting
- Corkie Eley (2401-2E) commented on an article placed in the Orange County Register regarding the community governance
- Dave Frisoni (464-P) commented on the need for shade at the Tennis Clubhouse
- Roger Dunbar (5511-2B) supported Rich Haskell's comments regarding the shade cover
- Mike Curtis (342-A) commented on Mr. Johns' interview on Channel 6 regarding the Outreach Program
- Kay Margason (510-C) commented on the GRF Trust and routing the assessment checks directly to the bank
- Frankie Henry (679-C) commented on a letter to the Editor regarding the Curtis litigation
- Roy McLane (2078-E) commented on voting rights
- Israel Gorin (828-Q) commented on cold temperature in the Clubhouse Three auditorium
- Jerry Sheinblum (3488-C) announced that the next CAC Townhall Meeting
- Bud Nesvig (2392-3H) commented on taking appropriate action against PCM
- Delsie Zuzak (674-A) commented on continuous issues

#### **DIRECTORS' RESPONSE**

- Director Stuller responded to Mr. Grundke's comments regarding not obtaining a response to his inquiries.
- Director Gros commented on the work performed on his manor regarding a water leak and complimented PCM on the work
- President Miller briefly answered comments from the members
- Mr. Johns responded to Mrs. Grundke's request to meet and corrected Mr. Curtis' comments regarding the Outreach Program statistics and the lawsuit
- Director Heller encouraged the residents to attend the 2009 budget proceedings
- Director Tibbetts responded to Mr. Grundke's comments and indicated that Mr. Grundke did not attend the Finance Committee as was requested of him so that his questions could be answered
- Director Hammer responded to Mr. Grundke's comments regarding an audit
- Director Bassler commented on responding to resident comments and spending money and need to maintain manors
- Director Schneider addressed Mr. Ryan on his comments regarding spending money and the Board procedures for approving requests.
- Director May commented that those who asked questions are no longer in the meeting

## **CHAIR'S REPORT**

President Miller commented on the Broadband Division's services and operating budget and the ability to reduce assessments.

## **OLD BUSINESS**

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

### **RESOLUTION 01-08**

**WHEREAS**, United Mutual desired an evaluation of Electronic Personal Assistive Mobility Devices (EPAMD or Device), 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 adult guests; and

**WHEREAS**, of particular interest to United is a Device 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**, April 1, 2008 that the Board of Directors of this Corporation hereby allows the use of EPAMDs within the Mutual, with the following contingencies to which each operator of such device shall agree to:

- 1) Operate the Device at a speed that is reasonable and prudent but never faster than 4.5 MPH on sidewalks and crosswalks in the community;
- 2) Not operate a Device 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 a Device 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 Device only on sidewalks and crosswalks in the Community;
- 5) Indemnify, defend and hold harmless GRF, the housing mutuals and their agent for loss arising out of the ownership, maintenance or use of the Device;

- 6) Abide by all state and local laws and community rules; and
- 7) The owner and/or operator shall be responsible for safe use of the Device and will be responsible for complying with all safe use measures recommended by the manufacturer or any other regulating body

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

- 1) A written statement signed by the operator's physician that the operator has consulted with their physician and that they are in satisfactory health and are able to operate the Device. Medical consultation is at the member's cost; and
- 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 a one time permit processing fee of \$10 shall be charged to the applicant at the time of original application; and

**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 404, adopted August 22, 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 McArthur moved to approve the resolution. Director May seconded the motion and discussion ensued.

Director Erwin Stuller amended to motion to add the word "prohibits" in place of "allows" in the fifth paragraph and strike out the rest of the resolution. Director Don Tibbetts seconded the motion and discussion ensued.

Director Schneider made a motion to table until the Mutuals decide on the issue. Director Joseph Heller seconded. By a vote of 9-0-0 the motion carried.

## **NEW BUSINESS**

President Miller announced the proposed appointees to the GRF Nominating Committee.

The Secretary of the Corporation read the following proposed resolution on approving the Inspectors of Election for the Counting of Ballots for the Corporate Members Meeting. Director McArthur moved to approve the resolution. Director Hammer seconded the motion and the Board of Directors adopted the following resolution:

**RESOLUTION 90-08-04**

**RESOLVED**, February 5, 2008, that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election for the counting of ballots at a duly noticed Corporate Members Meeting on February 15, 2008 for the approval of appointees to the GRF Nominating Committee:

Ellen Dalrymple  
John Fuller, Alternate

The Secretary of the Corporation read a proposed resolution on allowing the President to designate an alternate GRF Director to fill temporary absence at GRF Committee meetings.

Director Hammer moved to approve the resolution. Director May seconded the motion and discussion ensued.

Director Schneider made a motion to amend the motion to add the word "GRF" before the word "Board" in the first paragraph. The motion was seconded and carried unanimously.

Members Maxine McIntosh (68-C) and Barbara Copley (410-D) commented on the resolution.

By a vote of 7-1-1 (Director Bassler opposed and Director Heller abstained), the motion, as amended, carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-08-05**

**WHEREAS**, there are occasions when an assigned *GRF* Board member cannot attend a GRF Committee meeting;

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the GRF President may designate an alternate GRF Director to fill this temporary absence, and only during the absence; and

**RESOLVED FURTHER**, that such alternate shall have the same rights and powers to vote as the regular appointee at that particular GRF Committee; and

**RESOLVED FURTHER**, that the Committee Chair will be advised of this action prior to the Committee meeting.

The Secretary of the Corporation read the following proposed resolution on approving a Gate Renovation Ad Hoc Committee Charter:

**RESOLUTION 90-08-**

**GOLDEN RAIN FOUNDATION  
GATE RENOVATION AD HOC COMMITTEE CHARTER**

**WHEREAS**, on February 5, 2008 the Board of Directors of this Corporation (Board) created a Gate Renovation Ad Hoc Committee for the purpose of recommending to the Board improvements to the Community's gates/entryways:

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby assigns the duties and responsibilities of this Ad Hoc Committee as follows:

1. In accordance with Capital Plan Item P08015 (Plan), the Gate Renovation Ad Hoc Committee will work with a professional consultant and staff to compile and determine all design criteria for a Gate Renovation Program.
2. In addition, together with the consultant and staff, the Committee will present to the Board for review and approval an implementation plan for the scope of work defined in the Plan.
3. When evaluating Community-wide concepts such as architectural treatments, the Committee shall consider an overall Community Plan, even though the current appropriation contemplates only two gates.
4. The Committee will focus on areas such as:
  - Wall placement and finishes
  - Signage and logo placement/integration
  - Gatehouse architectural treatment
  - Focal features
  - Planting plans
  - Security
  - Pavement
  - Traffic engineering and management

**RESOLVED FURTHER**, that the Ad Hoc Committee shall report and make recommendations to the GRF Board, but will also request comments on its recommendations prior to submittal of its work to the Board from the following GRF committees: Landscape, Maintenance and Construction, and Security and Community Access Committees; and

**RESOLVED FURTHER**, that the Ad Hoc Committee shall report on its activities to the GRF Board periodically or when requested by the GRF Board; and

**RESOLVED FURTHER**, that upon conclusion of the Committee's work, it will be disbanded by the Board; and

**RESOLVED FURTHER**, that the Gate Renovation Ad Hoc Committee shall perform such other duties as may be assigned by the Board.

Director McArthur moved to approve the resolution. Director Ray Gros seconded the motion and discussion ensued.

Members Mike Curtis (342-A), Barbara Copley (410-D) and Bud Nesvig (2392-3H) addressed the Board on the resolution and the need to save money.

Director May made a motion to table the resolution. Director Hammer seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read a proposed resolution on approving the Gate Renovation Ad Hoc Committee. Director McArthur moved to approve the resolution. The motion was seconded.

Members Mike Curtis (342-A) and Kay Margason (510-C) commented on spending money.

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

**RESOLUTION 90-08-06**

**WHEREAS**, on September 4, 2007, the Board of Directors of this Corporation appropriated monies to fund a Gate Beautification Project, and in order to determine a scope of work for the renovation project, an ad hoc committee needs to be established;

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby establishes a Gate Renovation Ad Hoc Committee for the purposes as defined in the appurtenant charter; 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 McArthur made a motion to rescind Resolution 90-07-51, adopted June 5, 2007 to accept a donation of a large screen television from the Laguna Woods Men's Golf Club. Director May seconded the motion and the motion carried.

Director May made a motion to accept membership in the Community Association Institute (CAI) for the Board Members. The motion was seconded and discussion ensued.

Members Libby Marks (82-Q), Carol Skydell (3070-B), Mike Curtis (342-A), Maxine McIntosh (68-C), Iris Gorin (828-Q) addressed their comments and concerns with the need for the membership

By a vote of 5-4-0 (Director McArthur, Bassler, Heller and Tibbetts opposed) the motion carried.

## **CONSENT CALENDAR**

Absent objections, the Consent Calendar was approved as written and the following actions were taken:

### **RESOLUTION 90-08-07**

#### **GOLDEN RAIN FOUNDATION OF LAGUNA WOODS GOVERNMENT & PUBLIC RELATIONS COMMITTEE CHARTER**

**RESOLVED**, February 5, 2008, the Board of Directors of this corporation hereby assigns the duties and responsibilities of this Committee, as follows:

1. Perform the duties imposed upon all standing committees as set forth in the resolution, "General Duties of Standing Committees."
2. Serve as liaison between GRF Board of Directors and community relations, social services and legislative affairs personnel.
3. Make recommendations to GRF Board of Directors on matters related to areas of responsibility in this Charter.
4. Review capital requirements, requests for capital equipment and programs, and projected revenues and determine service levels related to community relations, social services and legislative affairs.
5. Communicate with and monitor actions of external governmental bodies and other organizations whose policies and actions may have an impact on Laguna Woods Village.
6. Promulgate appropriate public relations programs and policies, such as, but not limited to special events, in order to promote good relations among Laguna Woods Village residents, GRF and the housing corporations.
7. Accumulate and disseminate data on monthly resales, inventory and rentals.
8. Educate local real estate companies regarding CC&Rs, standards and other policies and legal requirements attendant to owning manors and living in Laguna Woods Village.
9. Review and evaluate such programs as may be devised and recommended by the community relations, social services and legislative affairs personnel; such as, but not limited to, proposals for Social Services, gerontological and other health related studies.

**RESOLVED FURTHER**, that Resolution 90-04-26, adopted April 7, 2004 is hereby superseded and cancelled.

**RESOLUTION 90-08-08**

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS  
COMMUNITY ACTIVITIES COMMITTEE 2008 CHARTER**

**WHEREAS**, a Community Activities Committee has been established pursuant to Article 7, Section 7.1.1 of the Bylaws of this Corporation:

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 the Board of Directors of this Corporation hereby assigns the duties and responsibilities of this Committee, as follows:

1. Perform the duties imposed upon all standing committees as set forth in the current resolution entitled, "General Duties of Standing Committees."
2. Develop programs and procedures utilizing advice and assistance from the Recreation Division and make appropriate recommendations to the GRF Board.
3. Review the capital requirements, service levels, and projected revenue related to Recreation Division operations and recommend appropriate action to the GRF Business Planning Committee.
4. Review all unbudgeted requests for programs or capital equipment originated by the Recreation Division and recommend appropriate action to the GRF Board.
5. Review and evaluate existing community activity policies, including the Recreation Division Policy and recommend changes of said policies, as appropriate, to the GRF Board.
6. Evaluate and respond to suggestions and/or complaints regarding the use, modifications, or expansion of facilities designed to meet the recreational and social needs of the community. If said modification or expansion requires additional facilities, major reconstruction or potential relocation, all suggestions shall be forwarded to the appropriate committee for consideration and prioritization.
7. Consider recommendations and requests by Advisory Groups – Equestrian Center, Aquatics, Active Facilities, Golf, Garden Centers, Computer Learning Centers and Workshop, Continuing Education, and Clubhouses; and encourage the participation of residents in the diverse recreational, social, educational, and cultural activities and programs provided and/or sponsored by this corporation.

8. Establish ad hoc and/or sub committees and/or study groups of CAC, as needed and consider their requests and recommendations.
9. Review on a regular basis the Community Facilities Utilization Reports and summarize same as requested by the Board.
10. Review, analyze, and develop information and proposals regarding the need for fees for use of the community facilities by residents, guests, and outside organizations.

**RESOLVED FURTHER**, that the Committee shall perform such other tasks as may be assigned by the GRF President or Board; and

**RESOLVED FURTHER**, that Resolution 90-07-06, adopted February 6, 2007 is hereby superseded and cancelled.

#### **COMMITTEE REPORTS**

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

The Secretary of the Corporation read a proposed resolution on changing the funding source for reconstructing the storm drain piping. Director McArthur moved to approve the resolution. Director Tibbetts seconded the motion.

Ms. Janet Price entered the meeting at 11:36 A.M.

Member Barbara Copley (410-D) commented on the funding source.

President Miller relinquished the chair to First Vice President May and left the meeting at 11:37 P.M.

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

#### **RESOLUTION 90-08-09**

**WHEREAS**, the 2008 Capital Plan authorized item P08018 for the reconstruction of the storm drain piping under Monte Hermosa with an appropriation of \$154,000 from the Facilities Fund; and

**WHEREAS**, by definition the General Operating Fund is used for the repair or rebuilding of existing facilities damaged by uninsured or unexpected disasters;

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby authorizes that the funding source for such work be changed from the Facilities Fund to the General Operating 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.

Director Stuller reported on the financial situation of Merrill Lynch/Black Rock.

President Miller returned to the meeting at 11:41 A.M.

Ms. Price left the meeting at 11:42 A.M.

Director Ken Hammer reported from the Bus Services Committee.

Members Mike Curtis (342-A) and Linda Wilson (816-P) commented on the Bus Services report.

Director Mark Schneider reported from the Community Activities Committee.

The Secretary of the Corporation read a proposed resolution on approving the request from the Saddleback Memorial Foundation. Director McArthur moved to approve the resolution. Director Heller seconded the motion and discussion ensued.

By a vote of 8-1-0 (Director Hammer opposed) the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION 90-08-10**

**WHEREAS**, a request was received from the Associates Board of Directors for the Saddleback Memorial Foundation for use of the Laguna Woods Village Golf Course and Clubhouse Two to hold its Annual Golf Classic on September 8, 2008;

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby authorizes the use of the golf course, and participants shall be charged resident rates for golf carts and green fees; and

**RESOLVED FURTHER**, that the Saddleback Memorial Foundation shall be charged the regular clubhouse rental rate; 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 proposed resolution on approving the donation of a billiards table. Director McArthur moved to approve the resolution. Director Heller seconded the motion and discussion ensued.

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

**RESOLUTION 90-08-11**

**RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby accepts the donation of a four-by-eight foot billiards table from the Estate of Franklin K. Prophet, Jr. for use and enjoyment by the members; 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.

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 on approving a supplemental appropriation. Director McArthur moved to approve the resolution. Director Tibbetts seconded the motion.

Members Mike Curtis (342-A), Bud Nesvig (2392-3H), Linda Wilson (816-P), and Barbara Copley (410-D) commented on the need for an additional truck.

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

**RESOLUTION 90-08-12**

**WHEREAS**, the United 2008 Business Plan includes an additional inspector, assigned solely for the purpose of inspection of United Mutual buildings with respect to component replacement and standard compliance issues; and

**WHEREAS**, GRF has historically provided vehicles for all work performed within the Community including Mutual-specific services, but no capital request was submitted to GRF in time for the preparation of the 2008 capital planning process;

**NOW THEREFORE BE IT RESOLVED**, February 5, 2008 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount \$16,000 from the Equipment Fund to purchase one small pickup for an additional inspector, assigned solely for the purpose of inspection of United Mutual buildings; 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 Bea McArthur reported from the Broadband Committee.

Director Ruth May reported from the Government and Public Relations Committee.

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

President Miller announced that the Board inadvertently overlooked the appointment of members to the Gate Renovation Ad Hoc Committee as indicated on the agenda.

Without objection the Board appointed Bea McArthur, Don Tibbetts, and Jack Bassler to the Gate Renovation Ad Hoc Committee.

**DIRECTOR'S COMMENTS:**

- Director Bassler commented on receiving ECHO magazines
- Director Hammer commented on his voting experience
- Director Heller encouraged the residents to attend committee meetings to obtain the proper information
- Director May thanked the remaining members in the audience for staying
- Director McArthur commented on her "I love the Village" pin
- Director Gros thanked Staff and Board members for the well wishes he received during his surgery, and commented on the Earthworks Group
- Director Schneider welcomed the residents to attend the next CAC meeting and commented on the budget for the Recreation Division

**MEETING RECESS**

The meeting recessed at 12:28 P.M. and went into Executive Session at 1:14 P.M.

During its Regular Executive Session Meeting of January 2, 2008, the Board reviewed and approved the Minutes of the Regular Executive Session of December 4, 2007; discussed member discipline, contractual and potential litigation issues. During its Special Executive Session Meeting of January 16, 2008, the Board discussed contractual issues and member discipline.

**ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting adjourned at 3:41 P.M.

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Elizabeth C. McArthur, Secretary