

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

March 4, 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 March 4, 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, Noel Hatch

Directors Absent: None

Others Present: Milt Johns, Patty Fox, and Janet Price (10:48 A.M.-10:58 A.M.)
Executive Session: Milt Johns, Patty Fox, Cris Trapp

Designated Representative: None

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 Ray Gros 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.

APPROVAL OF MINUTES

Without objection, the Minutes of the Regular Board Meeting of February 5, 2008 were approved as written.

MEMBER COMMENTS

- Connie Grundke (2214-B) commented on Directors' responding to comments made by Members and his request to the Finance Committee
- Jerry Sheinblum (3488-C) announced the next CAC Town Hall Meeting
- Gene Ryan (3361-O) commented on cost increases in the community
- Pat Whitson (3-H) commented on credit card charges

- Mike Curtis (342-A) commented on credit card charges and the Select Audit Committee
- Pamela Grundke (2214-B) announced the next Resident's (sic) Voice Meeting and invited the Directors to attend
- Kay Margason (510-C) commented on obtaining the correct property tax information and performing a forensic audit

DIRECTORS' RESPONSE

- President Miller briefly responded to Members' Comments and encouraged Mr. Grundke and Ms. Margason to attend the Finance Committee Meetings
- Director Hammer spoke to the relative costs of the Village's assessments
- Director Schneider commented on reviewing the Management Agreement and employee incentive plan
- Director Gros commented on credit card usage
- Milt Johns briefly responded to Mr. Curtis', Mr. Grundke's, and Ms. Margason's comments.

CHAIR'S REPORT

President Miller read a thank you letter from the Registrar of Voters for use of the Clubhouses for poll worker training.

Director Joseph Heller made a motion to amend the agenda to add a motion directing staff to draft an RFP to search for a CPA firm to perform a certified audit. Director Don Tibbetts seconded the motion and discussion ensued re the Board's ability to add agenda items.

Without objection, Director Heller withdrew his motion and the Board agreed to consider the motion at the next regular meeting.

President Miller announced the Budget Kick-Off Meeting to be held on March 5, 2008 at 1:30 P.M. and encouraged the directors and residents to attend.

OLD BUSINESS

The Secretary of the Corporation, Director Bea McArthur, read the proposed changes to the Committee Appointments. Director McArthur moved to approve the resolution. 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 90-08-14

RESOLVED, March 4, 2008 that the following persons are hereby appointed and ratified to serve on the Committees of this Corporation:

Broadband Services Committee

Noel Hatch, Chair (GRF)

Bea McArthur, Vice Chair (GRF)

Ruth May (GRF)
Stanley Feldstein (Third) (replaced Larry Souza)
Don Lippert (Third)
Lloyd Foster (United)
Marty Rubin (United)
Keith Wallace (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)
Richard Wurzel (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)
Janet Schwartz (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)
Richard Wurzel (Mutual 50)
Non-Voting Advisor: Jim Bragg

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)
Richard Wurzel (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)
Richard Gray (Mutual 50)
Non-Voting Advisor: Bevan Strom

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)
Larry Souza (Third) (replaced Don Lippert)
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

GRF Designated Representative

Keith Wallace (Mutual 50)

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 90-07-86 adopted December 4, 2007 is hereby superseded and cancelled.

President Miller entertained a motion to consider approval of funding for the tennis court sun shade.

Director Jack Bassler made a motion to reinstate the appropriation for the sun shade and to rescind Resolution 90-08-02 adopted January 2, 2008. Director Ray Gros seconded the motion and discussion ensued.

Members Rich Haskell (3240-A), Maxine McIntosh (68-C), Bud Nesvig (2392-3H), Mike Curtis (342-A), and Dave Frisoni (464-P), Don Cole (3365-2A), Karel Brouwer (3189-C), Marty Rhodes (5369-2A), and Paolo Dimiziani (680-P) addressed their comments and concerns with the motion.

By a vote of 5-4-1 (Directors Schneider, Hatch, Hammer, and McArthur opposed, and Director May abstained), the motion carried.

NEW BUSINESS

The Secretary of the Corporation read the following resolution ratifying the appointees to the GRF Nominating Committee:

RESOLUTION 90-08

WHEREAS, on February 15, 2008, per the GRF Bylaws, adopted May 31, 2006, the Corporate Members of this Corporation at a duly noticed Corporate Members Meeting approved the appointees to the GRF Nominating Committee;

NOW THEREFORE BE IT RESOLVED, March 4, 2008, that the following persons are hereby ratified to serve on the Nominating Committee of this Corporation:

Harry Curtis, Chair
Eliot Brody
Charlie Little
Arthur Moss

Bob Payne
Jim Shaffer
Pat Whitson

RESOLVED FURTHER, that Resolution 90-07-24, adopted April 3, 2007 is hereby superseded and cancelled.

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

Without objection, the Board agreed that a motion was not necessary and ratified the appointees to the Nominating Committee.

The Board considered the question of allowing advertising on GRF Buses.

Members Denny Welch (5517-1C), Isabel Muennichow (5285), Linda Wilson (816-P), Jerry Sheinblum (3488-C), Maxine McIntosh (68-C), and Marty Rhodes (5369-2A) commented on the matter.

Ms. Janet Price entered the meeting at 10:48 A.M.

The Board agreed to discuss the issue further at the committee level.

CONSENT CALENDAR

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

RESOLUTION 90-08-15

WHEREAS, there are currently 22 clubhouse reservations that have been treated annually as rollover reservations, which should be lottery reservations in accordance with GRF Policy;

NOW THEREFORE BE IT RESOLVED, March 4, 2008 that the Board of Directors of this Corporation hereby grandfathers the 22 remaining exceptions as rollover reservations and agrees to adhere to the GRF lottery reservation policy for all new requests; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

RESOLUTION 90-0816

RESOLVED, March 4, 2008, that the Board of Directors of this Corporation hereby approves the request of the Laguna Woods Village Men's Golf Club to charge guests the reduced rate of \$25.00, during their Annual Father-Sibling

Golf Tournament on May 10, 2008 and their Member/Guest Golf Tournament on August 16, 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.

RESOLUTION 90-08-17

RESOLVED, March 4, 2008 that the Board of Directors of this Corporation hereby cancels the Saturday Night Dance at Clubhouse Five on April 19, 2008 in order to hold the 2008 Senior Games Dance Competition; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

COMMITTEE REPORTS

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

Ms. Price left the meeting at 10:58 A.M.

Director Ken Hammer reported from the Bus Services Committee.

Director Mark Schneider reported from the Community Activities Committee.

The Secretary of the Corporation read the following proposed resolution on approving to provide a modem and install high-speed internet access for the golf score posting computer:

RESOLUTION 90-08

WHEREAS, the Southern California Golf Association released a new free version of the handicap software program and in order for golfers to take advantage of it an online capability ~~in the form of~~ a cable modem must be installed for the posting computer located at the Golf Starter Building near the Pro Shop; and

WHEREAS, the Men's 18 Hole Golf Club requests that GRF pay for the installation and that all associated monthly fees be the function of Golf Operations;

NOW THEREFORE BE IT RESOLVED, March 4, 2008 that the Board of Directors of this Corporation hereby agrees to provide the modem and installation for high speed internet access for the golf score posting computer and that the Men's 18 Hole Golf Club pay the monthly internet provider fee on an ongoing basis; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

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

Without objection the Board agreed to delete the words "it an" and "in the form of" in the first paragraph.

Member David Talcott (5447) addressed the Board on the Men's 18-Hole Golf Club's request that GRF pay for the internet provider service.

Director Hatch made a motion to refer the motion, as amended, back to the Community Activities Committee. Director Heller seconded the motion. By a vote of 8-2-0 (Directors Stuller and McArthur opposed), the motion carried.

The Secretary of the Corporation read the following proposed resolution on approving the elimination of the bag tag fee and establishing a golf club rental rate:

RESOLUTION 90-08

WHEREAS, on May 2, 2006, by way of Resolution 90-06-32, the Board of Directors of this Corporation approved the Resident Fee Schedule for 2007; and

WHEREAS, one of the fees currently on the list is not being collected and one of the fees being charged is not on the list; and

NOW THEREFORE BE IT RESOLVED, May 6, 2008 that the Board of Directors hereby revises the 2007 Resident Fee Schedule as follows:

- Remove the \$25 fee for a bag tag deposit
- Add a \$10 per day fee for golf club rentals

RESOLVED FURTHER, that such changes shall be effective May 6, 2008; and

RESOLVED FURTHER, that Resolution 90-06-32 adopted May 2, 2006 is hereby amended; 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 McArthur made a motion to table to the May Meeting to satisfy the required statutory thirty-day notice requirements. Director May seconded the motion and the motion carried unanimously.

Director Bea McArthur reported from the Landscape Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

Director Schneider left the meeting at 11:29 A.M.

The Secretary of the Corporation read a proposed resolution on approving a supplemental appropriation to purchase and install a Personal Fall Arrest System at the Vehicle Maintenance Building. Director McArthur moved to approve the resolution. Director Gros seconded the motion.

By a vote of 9-0-0 (Director Schneider was absent from the meeting), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-18

WHEREAS, under California Occupational Safety and Health Administration (Cal OSHA) regulations, the Community is mandated to provide full protection to Staff when, in the performance of their functions, they are exposed to a potential fall of 4 feet or more;

NOW THEREFORE BE IT RESOLVED, March 4, 2008, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$33,000 from the Equipment Fund to purchase and install a Personal Fall Arrest System at the Vehicle Maintenance Building; 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 Schneider returned to the meeting at 11:32 A.M.

The Secretary of the Corporation read a proposed resolution on approving a supplemental appropriation to proceed with the construction of the Maintenance Yard Parking Phase II to allow for a total of 16 new parking stalls. Director McArthur moved to approve the resolution. Director Gros seconded the motion and discussion ensued.

Mr. Johns informed the Board that the City of Laguna Woods will likely require that the Board conforms to the City's tree replacement ordinance and recommended that the Board authorizes an additional \$25,000 to plant 55 additional trees to replace the 6 trees scheduled to be removed in anticipation of the new parking stalls.

Director Hammer amended the motion to add an additional appropriation of \$25,000 to the motion. Director Heller seconded the motion and discussion ensued.

By a vote of 10-0-0, the amendment carried.

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

RESOLUTION 90-08-19

WHEREAS, by way of Resolution 90-07-90 the Board of Directors of this Corporation appropriated monies for the construction of the Phase I parking improvements at the GRF Maintenance Center; and the Maintenance and Construction Committee recommended that GRF proceed with Phase 2 Parking;

NOW THEREFORE BE IT RESOLVED, March 4, 2008, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of **\$103,000** from the Facilities Fund to proceed with the construction of the Maintenance Yard Parking Phase II to allow for a total of 16 new parking stalls; 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.

The Secretary of the Corporation read a proposed resolution on adopting a Special Board Meeting Broadcast Policy for any Governing Board. Director McArthur moved to approve the resolution. Director Hatch seconded the motion and discussion ensued.

Members Isabel Muennichow (5285), Larry Souza (5077) and Maxine McIntosh (68-C) addressed the Board on the motion.

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

RESOLUTION 90-08-20

WHEREAS, the Golden Rain Foundation (GRF) provides the oversight and funding for the Community's cable system, including TV-6, its local origination channel; and

WHEREAS, it has been the practice of TV-6 staff to tape selected special meetings and rebroadcast as required, and if the GRF President directed, time allowed, and programming was not impacted, staff has broadcast special

meetings live; however, the number of special meetings has increased, thus increasing the impact of programming and advertising requirements;

NOW THEREFORE BE IT RESOLVED, March 4, 2008, that the Board of Directors of this Corporation hereby adopts the following Special Board Meeting Broadcast Policy for any Governing Board:

1. At least 7 business days prior to the scheduled date, the chair calling the special meeting will submit to the General Manager's office a written request to air the special meeting which will include the location of the meeting, preferred time for the meeting to be aired and expected duration of the meeting;
2. Within 2 business days of the receipt of the request by Broadband Services staff, the Broadband Services Director will inform, in writing, the chairperson whether the meeting can be broadcast at the requested time or not and if not, offer a reason and an alternate time to broadcast the meeting;
3. If a mutually acceptable time cannot be agreed upon, the Broadband Services Director will submit the request to the GRF President for review. Upon the President's determination as to when the meeting will be broadcast, the Broadband Services Director will inform the chairperson in writing;
4. If an acceptable time for the meeting is agreed upon, the Broadband Services Director will notify all board members involved of the pending meeting;
5. TV-6 will include the meeting details on its message board, and notify the Laguna Woods Globe of the change to the TV-6 programming schedule;
6. If time allows, the interactive program guide on the Community's cable system will be updated for TV-6.

RESOLVED FURTHER, that such policy shall be effective March 4, 2008; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this Resolution.

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

The Secretary of the Corporation read a proposed resolution establishing an age verification procedure. Director McArthur moved to approve the resolution. Director Hammer seconded the motion and discussion ensued.

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

RESOLUTION 90-08-21

WHEREAS, in 1995, the Housing for Older Persons Act was enacted, which requires that at least 80% of all units in an age-restricted community be occupied by a person 55 years of age or older, and that the community publish and follow policies and procedures which demonstrate an intention to maintain housing for persons 55 years of age and older;

NOW THEREFORE BE IT RESOLVED, March 4, 2008 that the Board of Directors hereby establishes a separate and independent age verification procedure every two years by adding age-certification language to the existing annual guest pass renewal as a condition of renewing guest passes; 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 Erwin Stuller reported from the Security and Community Access Committee.

The Secretary of the Corporation read a proposed resolution assigning authority to the GRF Security and Community Access Committee to act on behalf of the Board in review and action on all Notices of Violations specific to RV Lot Rules and Regulations. Director McArthur moved to approve the resolution. Director Stuller seconded the motion and discussion ensued.

Member Linda Wilson (816-P) commented on the motion.

By a vote of 8-0-2 (Directors Hatch and Hammer abstained), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-22

WHEREAS, on August 7, 2007, the Board of Directors of this Corporation adopted Resolution 90-07-60 which identifies a monetary penalty fee schedule for violations of the Rules and Regulations occurring within RV Lot A and RV Lot B, and authorizes the Board of Directors as the disciplinary officers for assessing fines by way of Civil Code §1363;

NOW THEREFORE BE IT RESOLVED, March 4, 2008 that the Board of Directors of this Corporation hereby assigns authority to the GRF Security and Community Access Committee to act on behalf of the Board in review and action on all Notices of Violations specific to RV Lot Rules and Regulations infractions; and

RESOLVED FURTHER, that such review would be by Consent Calendar at the Committee level, unless the violator requests to be heard by the

Committee; and

RESOLVED FURTHER, that the Board of Directors of this Corporation shall ratify the findings of the Committee by way of Consent Calendar; and

RESOLVED FURTHER, that a member may appeal the decision of the Board in accordance with Civil Code §1363; and

RESOLVED FURTHER, that if Notices of Violation are upheld by the Committee and the associated fines are imposed by way of Board ratification, but the member does not satisfy the terms of the finding, the member may be referred to the member disciplinary process of the GRF Board in accordance with Civil Code §1363; 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'S COMMENTS:

- Director Tibbetts spoke to a personal achievement of a PCM staff member
- Director Hammer commented on the ideas that emerged from the Needs Assessment workshop and the assessments at a local mobile home park
- Director McArthur congratulated the staff member for his personal achievement
- Director Gros commented on the recycling program
- Director Schneider commented on modems in the PC Room, the Needs Assessment workshop, and the appliance pick-up program by Ware Disposal
- Director May indicated that the appliance pick-up program is not free

MEETING RECESS

The meeting recessed at 12:29 P.M. and went into Executive Session at 1:19 P.M.

During its Regular Executive Session Meeting of February 5, 2008, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of January 2, 2008 and the Special Executive Session Meeting of January 16, 2008; and discussed contractual and litigation issues.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 2:55 P.M.

Elizabeth C. McArthur, Secretary