

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

**June 3, 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 June 3, 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, Ray Gros, Erwin Stuller, Mark Schneider, Noel Hatch, Jack Bassler

Directors Absent: None

Others Present: Milt Johns, Patty Fox, and Janet Price (11:30 A.M.-11:47 A.M.)  
*Executive Session:* Milt Johns, Patty Fox, Cris Trapp

Designated Representative: None  
from Mutual Fifty

**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 Joseph Heller 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 May 6, 2008 were approved as written.

**MEMBER COMMENTS**

- Mike Curtis (342-A) commented on approving the closed session minutes.
- Lucie Falk (3377-A) commented on selling obsolete equipment.
- Dottie Fredericks (776-Q) announced that United and Third Mutual are looking for qualified candidates to run for the Board.
- Diane Norcross (5526-A) commented on accountability and need for forensic audit.

- Delsie Zuzak (674-A) commented on obtaining a list of GRF vehicles used in the Community.
- Mike Curtis (342-A) commented on GRF withdrawing from the Specific Plan project.
- Paul Loughrey (3089-C) commented on qualifying for a 501(c) and an IRS investigation on GRF.
- Corkie Eley (2401-2E) commented on selling used equipment.
- Kay Margason (510-C) commented on the need for a forensic audit.
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting and encouraged the residents to vote.
- Bud Nesvig (2392-3H) commented on the policy on selling property or used equipment
- Pamela Grundke (2214-B) commented on some GRF Board members responding to the Voice's invitation to attend their meeting, and announced the next Residents' Voice Meeting.
- Barbara Marsh (3433-B) commented on the accusations and attacks on the Board from the audience.
- Stanley Feldstein (2403-1B) commented on disposing of obsolete equipment.
- Ruth Allen (3379-B) commented on the Board's fiduciary duty to the Community.
- Marty Rhodes (5369-2A) encouraged residents to vote today and to pick up an application to run for the Boards.
- Carol Skydell (3070-B) commented that many people vote by absentee ballots.
- Karel Brouwer (3189-C) commented on the need for a forensic audit.

#### **DIRECTORS' RESPONSE TO MEMBER COMMENTS**

- President Miller briefly responded to Members' comments.
- Mr. Johns briefly responded to Members' comments.
- Director Schneider commented on the Voices' request to become a club.
- Director Hatch commented on the misinformation regarding the policy of selling of obsolete equipment.

#### **CHAIR'S REPORT**

President Miller commented on the constant verbal and written abuse of Board directors from residents.

Director Hatch commented on an article in the Globe inviting residents to bid on obsolete equipment for sale.

#### **OLD BUSINESS**

President Miller announced that the negotiations with the City of Laguna Woods regarding the development of the Specific Plan, which would have defined the land use of many areas of Laguna Woods owned by GRF in order to bring responsible planning of undeveloped or limited use land, have reached an impasse and that the Board agreed to withdraw from the Project for now.

## **NEW BUSINESS**

Mr. Johns provided a brief background on the genesis of the proposed Environmental Ad Hoc Committee and some of the benefits and downsides of the proposed committee.

Director Ruth May made a motion to join Third Mutual to establish an Environmental Ad Hoc Committee. Director Ken Hammer seconded the motion and discussion ensued.

Members Isabel Muennichow (5285), Mike Curtis (342-A), Barbara Copley (410-D) Linda Wilson (816-P) and Denny Welch (5517-1C) commented on the motion.

Director May amended her motion to join Third Mutual in establishing a standing Environmental Committee. The motion failed due to the lack of a seconded.

Director Heller made a motion to table to next month. Director Erwin Stuller seconded the motion and the motion carried by a vote of 9-1-0 (Director May opposed), the motion carried. No further direction was given to staff.

The Secretary of the Corporation, Director Bea McArthur, read a proposed resolution appointing the Inspectors of Election. Director McArthur moved to approve the resolution and the motion was seconded.

Members Mike Curtis (342-A), Bud Nesvig (2392-3H), Jerry Sheinblum (3488-C), and Karel Brouwer (3189-C) commented on the resolution.

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

### **RESOLUTION 90-08-38**

**RESOLVED**, June 3, 2008, that the Board of Directors of this Corporation hereby appoints the following persons as Inspectors of Election:

Marty Rhodes  
Bob Morton  
Cynthia Chyba  
Ellen Dalrymple, Alternate

**RESOLVED FURTHER**, that such appointees shall serve for other elections that may arise, and appointments shall remain in effect until successors are appointed by the Board.

President Miller announced that GRF and PCM, Inc. have agreed to amend the Management Agreement to only issue 2 credit cards to PCM staff for GRF related expenses, and increase the management fee by \$90,000 while eliminating staff support expenditures from the GRF operating budget.

## **CONSENT CALENDAR**

No items came under the Consent Calendar.

Ms. Janet Price entered the meeting at 11:30 A.M.

## **COMMITTEE REPORTS**

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

Members Mike Curtis (342-A), Bud Nesvig (2392-3H), Lucie Falk (3377-A), Barbara Copley (410-D) addressed the Board on the policy regarding selling obsolete equipment.

Ms. Price left the meeting at 11:47 A.M.

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

Director May made a motion to approve tasteful sponsorship advertising on the back of GRF buses. Director Stuller seconded the motion and discussion ensued.

Members Isabel Muennichow (5285) and Lucie Falk (3377-A) expressed their opposition to such advertisement.

Director Heller called the question. The motion was seconded and carried unanimously.

By a vote of 1-9-0 (Director May voted in favor), the original motion failed.

Director Ken Hammer reported from the Bus Services Committee.

Members Mike Curtis (342-A) addressed the Board on the bus grant, Lucie Falk (3377-A), Mary Stone (356-C), and Craig Fletcher (3018-B) commented on the buses.

Director Bassler left the meeting at 12:00 P.M.

Director Mark Schneider reported from the Community Activities Committee.

The Secretary of the Corporation read the following proposed resolution approving revised Section III of the Recreation Division Policy:

### **RESOLUTION 90-08**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution 90-07-82 on November 6, 2007, which approved Section III of the new Recreation Division Policy with respect to "Recreational Facilities;" and

**WHEREAS**, a recommendation has been made by the Community Activities Committee to make additional changes to further accommodate the needs of the residents;

**NOW THEREFORE BE IT RESOLVED**, August 5, 2008, that the Board of Directors of this Corporation hereby adopts and approves the revised Recreation Division Policy with respect to "Section XIV Aquatics," effective August 5, 2008; and

**RESOLVED FURTHER**, that Resolution 90-07-82 adopted November 6, 2007 is hereby amended; 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 Stuller moved to approve the resolution. Director Schneider seconded the motion and discussion ensued.

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

Without objection the motion was tabled to the August Meeting to satisfy the required statutory thirty-day notice requirements.

Director Bea McArthur reported from the Landscape Committee.

Director Bea McArthur reported from the Gate Renovation Ad Hoc Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

Without objection, the Board agreed to refer the proposed capital plan agenda items 18(b-d) to replace various passenger vehicles to the GRF Business Planning Committee for appropriate action.

The Secretary of the Corporation read the following proposed resolution authorizing a supplemental appropriation to install a ramp and handrails at the Community Center:

**RESOLUTION 90-08**

**WHEREAS**, due to the increased utilization of parking on the north side (rear entrance) of the Community Center, accessibility to the building has become a concern;

**NOW THEREFORE BE IT RESOLVED**, June 3, 2008 that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$14,800 funded from the Facilities Fund to install a ramp and handrails on the north side of the Community Center; and

**RESOLVED FURTHER**, that Staff shall reconfigure the loading parking zone areas to be adjacent to the handrails; 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 Heller moved to approve the resolution. Director Stuller seconded the motion and discussion ensued.

By a vote of 2-5-2 (Directors Stuller and Heller voted in favor, and Directors May and Schneider abstained), the motion failed.

Director Noel Hatch reported from the Broadband Committee.

Member Lloyd Foster (2162-C) commented on the Capital Plan agenda items.

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

Director Stuller made a motion to restrict access to the second floor offices at the Community Center. Director Gros seconded the motion and discussion ensued.

Director Bassler returned to the meeting at 12:55 P.M.

Members Shari Horne (2354-3C), Mike Curtis (342-A), Stanley Feldstein (2403-1B), Bevan Strom (30-A), and Kay Margason (510-C) commented on the motion.

Director Hatch moved to table the motion to next month and Director Heller seconded the motion. By a vote of 6-5-0 (Directors McArthur, Heller, Schneider, Hatch and May voted in favor, Directors Stuller, Gros, Tibbetts, Bassler, and Hammer opposed, and President Miller voted in favor to break the tie), the motion carried.

Mr. Johns inquired into the Board's desire for a staff report on the matter and without objection, the board agreed to review a subject report on the matter.

**DIRECTOR'S COMMENTS:**

- Director Hammer encouraged residents to run for the Boards
- Director Tibbetts welcomed Mr. Johns back

**MEETING RECESS**

The meeting recessed at 1:07 P.M. and went into Executive Session at 1:46 P.M.

During its Regular Executive Session Meeting of May 6, 2008, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of April 1, 2008; heard one (1) member disciplinary hearing, and discussed contractual and potential litigation issues.

During its May 22, 2008 Special Executive Session, the Board discussed contractual and potential litigation issues.

**ADJOURNMENT**

There being no further business to come before the Board of Directors, the meeting adjourned at 3:53 P.M.

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Elizabeth C. McArthur, Secretary