

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

September 1, 2009

The Regular Meeting of the Golden Rain Foundation of Laguna Woods Board of Directors, a California non-profit mutual benefit corporation, was held on September 1, 2009, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Erwin Stuller, Bob Miller, Don Tibbetts, Bea McArthur, Bob Hatch, Burns Nugent, Ruth May, Jim McNulty, Ray Gros, Ken Hammer, Jim Matson

Directors Absent: None

Others Present: Milt Johns, Patty Kurzet, Janet Price (9:30 A.M. – 9:58 A.M.)
Executive *Session*: Milt Johns, Patty Kurzet, Luis Rosas, Cris Robinson

Designated Representative
from Mutual Fifty: None

CALL TO ORDER

Erwin Stuller, 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 Bob Miller led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

No one from the Laguna Woods Globe was present at the onset of the meeting; the Channel 6 Camera Crew, by way of remote cameras, was also acknowledged as present.

APPROVAL OF AGENDA

Without objection, the agenda was approved as submitted.

APPROVAL OF MINUTES

The Board reviewed, revised, and approved the Minutes of the Regular Session of August 4, 2009.

The Board reviewed and approved the Minutes of the Special Meeting of the 2010 Version 3 Business Planning Meeting of August 12, 2009.

The Board reviewed and approved the Minutes of the Special Meeting of August 14, 2009.

The Board reviewed and codified the Action By Way of Unanimous Written Consent Resolution of August 17, 2009.

CHAIR'S REPORT

No comments were made from the Chair.

Ms. Janet Whitcomb of the Laguna Woods Globe entered the meeting at 9:40 A.M.

OLD BUSINESS

The President entertained a motion to postpone a motion made from the prior month to approve a revised bench policy.

Director May made a motion to postpone the resolution to the October meeting to satisfy the 30-day notification requirements. Director Miller seconded the motion and without objection the Board postponed the following bench policy to the October Meeting:

RESOLUTION 90-09-

WHEREAS, over the years, a few benches, in a variety of styles, have been purchased by Grf or donated to GRF by individuals or organizations, and these benches can affect both the aesthetics of the Community and the landscape maintenance operations; and

WHEREAS, currently GRF has no approved policy regarding standard styles, colors or anchoring used for benches;

NOW THEREFORE BE IT RESOLVED, October 6, 2009, that the Board of Directors hereby approves the thermoplastic coated metal mesh bench in dark green as its bench standard style and color for benches, or if not available, then another similar bench which meets all criteria may be substituted; and

RESOLVED FURTHER, that the Board of Directors further approves, as an alternative, on the golf course, benches made of recycled plastic in dark green (similar to the ones used on the golf course of recent); and

RESOLVED FURTHER, that such benches shall be installed on either a concrete pad (if along sidewalk) or on concrete anchors in the grass (if the location is not along sidewalk); and

RESOLVED FURTHER, that the benches will have a seat height of 18 inches with a rolled front edge and equipped with a back and arm rest; and

RESOLVED FURTHER, in the case of donated benches, that the cost of manufacturing and installation of the bench shall be borne by the donor; and

RESOLVED FURTHER, that Resolution 90-08-76 adopted October 7, 2008 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.

NEW BUSINESS

The Secretary of the Corporation, Director Bea McArthur, read a proposed resolution approving the 2010 Business Plan. Director McArthur moved to approve the resolution. Director Miller seconded the motion.

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

RESOLUTION 90-09-65

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS 2010 BUSINESS PLAN RESOLUTION

RESOLVED, September 1, 2009, that the Business Plan for this Corporation for the year 2010 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the sum of \$40,180,575 will be required by the Corporation to meet its annual expenses of operation for the year 2010, including the cost of managing, operating, maintaining and repairing certain facilities, and of providing certain services for the benefit of members of the Corporation, and said sum is hereby authorized to be expended. Additionally, \$5,196,288 is planned for reserve contributions. After deducting \$650,000 derived from prior years' surplus and the sum of \$11,681,968 expected to be received from various sources as revenue during 2010, the Board of Directors hereby estimates that the net sum of \$33,044,895 will be required to be paid by the Corporation members in accordance with the terms of that certain Trust Agreement dated March 2, 1964, as amended, and the bylaws of the Corporation; and

RESOLVED FURTHER, that this Corporation shall charge each corporate member the sum of \$216.22 per month per membership of said Corporation, for its share of the aforesaid net expenses and reserve contributions for the year 2010; 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 approving the 2010 Replacement Reserves Plan. Director McArthur moved to approve the resolution. Director Miller seconded the motion and discussion ensued.

Ms. Janet Price commented on a proposed revised version of the Reserves chart.

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

RESOLUTION 90-09-66

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2010 REPLACEMENT RESERVES PLAN**

WHEREAS, Civil Code § 1365.2.5 requires specific reserve funding disclosure statements for homeowner associations; and

WHEREAS, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to meet the association's obligations for repair and/or replacement of major components during the next 30 years;

NOW THEREFORE BE IT RESOLVED, September 1, 2009, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plan (attached) with the objective of maintaining replacement reserve balances at or above a threshold of \$5,600,000 (indexed for projected inflation), while meeting its obligations to repair and/or replace major components; 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 approving the 2010 Capital Reserves Expenditures Plan. Director McArthur moved to approve the resolution. 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 90-09-67

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2010 CAPITAL RESERVES EXPENDITURES PLAN RESOLUTION**

RESOLVED, September 1, 2009, that the Capital Reserve Expenditures Plan of this Corporation for the year 2010 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Plan, the sum of \$10,686,627 is hereby authorized to be expended in 2010 for the purposes provided therein,

of which \$2,379,400 shall be expended from the Equipment Fund and \$8,307,227 from the Facilities 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.

CONSENT CALENDAR

No items came under the Consent Calendar.

COMMITTEE REPORTS

Director Bob Miller gave the Treasurer's and Finance Committee reports.

The Secretary of the Corporation read a proposed resolution authorizing a supplemental appropriation to install additional gate signage. Director McArthur moved to approve the resolution. Director Miller seconded the motion.

Member Gail McNulty (2140-D) commented on the gate signage and painting the wall.

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

RESOLUTION 90-09-68

WHEREAS, when the Community changed its name to Laguna Woods Village, the gate entry signs with the old community name were removed; and new signs with the new Laguna Woods Village leaf logo have been placed at Gates 1 through 7, 9, 14, one side of Gate 8, and at the corner of Santa Maria and Moulton Parkway; and

WHEREAS, application of signs at the remaining gates exceed the original appropriation for gate signage;

NOW THEREFORE BE IT RESOLVED; September 1, 2009, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$24,200 from the Contingency Fund to Install Gate Signage at Gates 8, 10, 11 to conform with GRF's objective of branding continuity at all Laguna Woods Village gate entries; 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.

Ms. Price left the meeting at 9:58 A.M.

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

While waiting for Fire Captain Enriquez and the crew from E22, and Chief Jon Johnson to enter the meeting to accept a Fire Station #22 Commendation, the Board agreed to move forward with other business.

Director Ken Hammer reported from the Bus Services Committee.

Fire Captain Enriquez and the crew from E22, and Chief Jon Johnson entered the meeting at 10:00 A.M. to accept a Fire Station #22 Commendation from the Board.

The Secretary of the Corporation read a proposed resolution recognizing the invaluable service provided to the Community by Fire Station #22 and its staff.

Without objection, and by a vote of 10-0-0, the Board of Directors adopted the following resolution:

RESOLUTION 90-09-69

WHEREAS, Fire Station #22 has served the community of Laguna Woods Village since 1963; and

WHEREAS, the firefighters, engineers, captains and battalion chiefs have consistently provided exemplary and expeditious emergency services to the Community; and

WHEREAS, the Orange County Fire Authority responded to a fire at the Towers on July 1, 2009; and

WHEREAS, the efforts of the Fire Authority were effective with regard to the fire and were compassionate with regard to the circumstance of the residents; and

WHEREAS, the Community is extremely grateful for the commendable service provided by Fire Station #22;

NOW THEREFORE BE IT RESOLVED; September 1, 2009, that the Community of Laguna Woods Village formally commends and recognizes the invaluable service provided to the Community by Fire Station #22 and its staff.

Director May presented a plaque in appreciation of their services and Fire Station #22 accepted the award and the fire fighters left the meeting at 10:04 A.M.

Director Hatch reported from the Community Activities Committee.

The Secretary of the Corporation read a proposed resolution accepting the donation of \$500 from the Saddleback Kiwanis Club. Director McArthur moved to approve the resolution. Director Miller seconded the motion.

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

RESOLUTION 90-09-70

RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby accepts the donation of \$500 from the Saddleback Kiwanis Club; and

RESOLVED FURTHER, that the funds shall be used to support the Fitness Centers as determined by staff; and

RESOLVED FURTHER, that the donation to the Golden Rain Foundation shall not qualify as a tax-deductible charitable contribution; 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.

The Secretary of the Corporation read a proposed resolution approving the request of the Sunshine Performance Club to display a poster at each clubhouse advertising two benefit shows in 2010. Director McArthur moved to approve the resolution. Director Hammer seconded the motion.

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

RESOLUTION 90-09-71

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 which approved the new Recreation Division Policy, Section II Use of Clubhouses and Community Center Rooms; and

WHEREAS, Section XIII(j) *Clubhouse Bulletin Boards, Posting Flyers, Announcements, etc*, only allows posters advertising events at Clubhouse Three; and

WHEREAS, the Sunshine Performance Club requested an exception to the Policy to display a poster at each clubhouse advertising two benefit shows in 2010;

NOW THEREFORE BE IT RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby makes an exception to its Policy and approves the request of the Sunshine Performance Club to display a poster at each clubhouse advertising two benefit shows in 2010; 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 approving modifications to the Tennis Clubhouse at the Tennis Club's expense. Director McArthur moved to approve the resolution. Director Miller seconded the motion.

Member Shirley Burgess (39-C) commented on adding a numeric key pad.

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

RESOLUTION 90-09-72

WHEREAS, the Tennis Club has submitted a plan to remove a door and frame, frame and dry wall the area, move an electrical outlet, and paint and finish the area at the Tennis Clubhouse;

NOW THEREFORE BE IT RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby approves such modifications to the Clubhouse with the total costs to be assumed by the Tennis Club with the proviso that the Club obtains the necessary building permits, and that the work is contracted through the normal GRF procurement process; 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 to add lighting to illuminate the American Flag at the Lawn Bowling Greens at a member's expense. Director McArthur moved to approve the resolution. Director Miller seconded the motion and discussion ensued.

Member Libby Marks (82-Q) commented on the cost of the electricity.

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

RESOLUTION 90-09-73

WHEREAS, a member of the Lawn Bowling Club has requested to add lighting to illuminate the American Flag at the Lawn Bowling Greens at his own expense;

NOW THEREFORE BE IT RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby approves the Member's request to install lighting at his own expense; 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 to accept a donation of two stained glass panels for display at Clubhouse 5. Director McArthur moved to approve the resolution. Director Gros seconded the motion.

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

RESOLUTION 90-09-74

RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby accepts the donation of two stained glass panels from resident and Saddleback College instructor, Mrs. Jan Elbaum, for display at Clubhouse Five; and

RESOLVED FURTHER, that the donation to the Golden Rain Foundation shall not qualify as a tax-deductible charitable contribution; 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.

The Secretary of the Corporation read a proposed resolution authorizing a supplemental appropriation to purchase in 250 stacking chairs to replace chairs at Clubhouse One. Director McArthur moved to approve the resolution. Director Tibbetts seconded the motion and discussion ensued.

Member Mary Robertson (5184) commented on the motion.

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

RESOLUTION 90-09-75

WHEREAS, the Clubhouse Facilities Advisory Group requested that GRF purchase stackable chairs to match the existing pinkish color vinyl chairs for Clubhouse One; and

NOW THEREFORE BE IT RESOLVED, September 1, 2009, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$25,000 from the Equipment Fund to purchase in 2009 250 stacking chairs to replace chairs at Clubhouse One with rounded back and chrome frame to match as closely as possible to the other pinkish vinyl stacking chairs currently in use 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.

Director Jim Matson reported that the Landscape Committee did not meet.

Director Bea McArthur reported that the Gate Renovation Ad Hoc Committee did not meet.

Director Jim Matson reported from the Golf Building Ad Hoc Committee.

Director Don Tibbetts reported from the Maintenance and Construction Committee.

Director Bea McArthur reported from the Broadband Committee.

Director Ray Gros reported from the Security and Community Access Committee.

Director Gros made a motion to modify the existing time-limit parking signs from 9:00 A.M. to 4:00 P.M. at Clubhouse 3 adjacent to the post office building and to create two reserved parking spaces for USPS employees. Director McArthur seconded the motion and discussion ensued. Without objection, the motion carried.

MEMBER COMMENTS ON COMMITTEE REPORTS

- Corky Eley (2401-2E) commented on Director Miller's Finance report and GRF's CC&Rs
- Linda Wilson (816-P) commented on the Great California Shake Out
- Libby Marks (82-Q) commented on changing the policy on posting flyers at the clubhouses, and commented on renovating the gates
- Charlene Sydow (646-A) commented on the expense of the gate renovation project
- Frankie Henry (679-C) commented on the expense of the gate renovation project and being under budget and returning the money to the community
- Kay Margason (510-C) commented on the gate renovation project
- John Dalis (8-P) commented on gate renovation
- Maxine McIntosh (68-C) commented on the gate renovation project
- Ron Beldner (203-C) commented on marketing the Community
- Jerry Sheinblum (3488-C) commented on growing marijuana

DIRECTORS' COMMENTS

- Director Miller addressed Ms. Henry's comment on returning money to the community

- Director Hatch commented on revising the recreation division policies and commented on the gate renovation project
- Director Hammer commented on the engineering of the fueling station and thanked staff for all their efforts
- Director Tibbetts commented on the Gate renovation project
- Director McArthur commented on Gate renovation project
- Director Gros stated that the next meeting of the Security Committee will be on September 17th and not the 15th
- President Stuller commented on disciplinary hearings

MEMBER COMMENTS

- Corky Eley (2401-2E) commented on GRF's CC&Rs and following the governing documents
- Maxine McIntosh (68-C) expressed her opposition to the gate renovations
- Karel Brouwer (3189-C) commented on freedom of speech and association fee increases
- Charlene Sydow (646-A) commented on tearing down Clubhouse Two and moving member comments to the beginning of the meeting
- Barbara Copley (410-D) commented on the mediation regarding the governing documents
- Dave Talcott (5447) commented on fees for use of the golf carts and green fees
- John Dalis (8-P) commented on marketing the community and expressed his sentiments with living in the Village due to all the amenities
- Maxine McIntosh (68-C) commented on the Zippy Report that reports on foreclosures and resales by the zip code
- Jerry Sheinblum (3488-C) commented on taking notes during the meetings to remember what was discussed

RESPONSES TO MEMBER COMMENTS

- Director Miller commented on Ms. Copley's comments regarding the governing documents mediation and the attorneys' fees
- Director Hatch welcomed Mr. Dalis to run for the GRF Board and chair the CAC Committee

MEETING RECESS

The regular meeting recessed at 11:44 A.M. and reconvened into Executive Session at 12:46 P.M.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session Meeting of August 4, 2009, the Board reviewed and approved the Minutes of the Regular Executive Session Meeting of July 7, 2009; and discussed contractual, potential litigation, and member disciplinary matters.

ADJOURNMENT

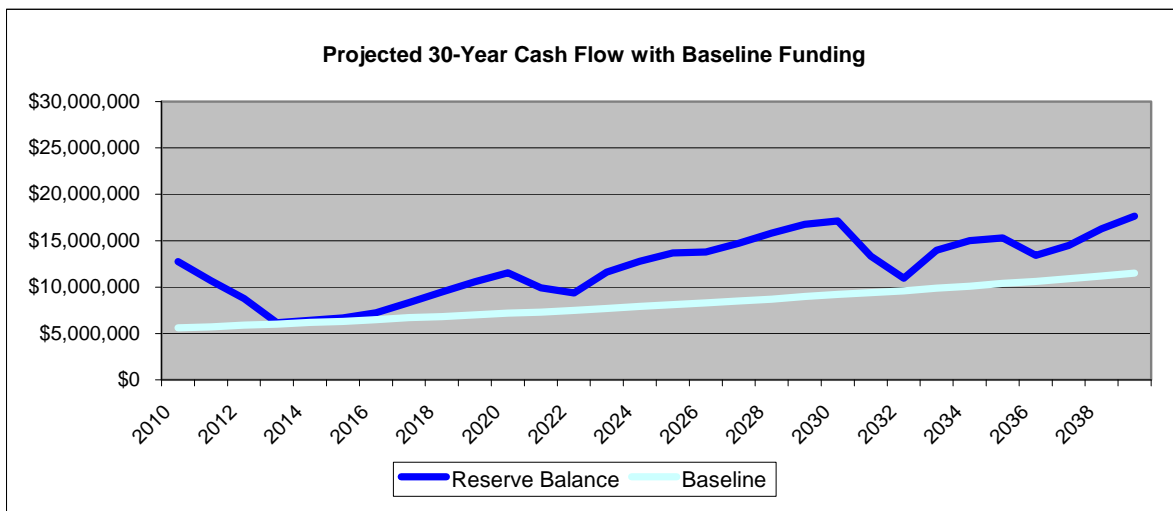
There being no further business to come before the Board of Directors, the meeting adjourned at 5:10 P.M.

Elizabeth C. McArthur, Secretary

**GOLDEN RAIN FOUNDATION & TRUST
 2010 PROPOSED RESERVES PLAN
 Replacement Reserves 30-Year Funding Plan**

Baseline (Threshold): \$5,600,000
 Indexed for inflation

Year	Assessment		Interest Earnings	Other Additions	Planned Expenditures*	Reserve Balance
	Per Manor Per Month	Total Contribution				
2009	\$ 33.00	\$ 5,043,456	\$ 407,803	\$ 1,700,000	\$ 7,948,224	\$ 17,535,977
2010	\$ 34.00	\$ 5,196,288	\$ 344,185	\$ 750,000	\$ 11,089,125	\$ 12,737,325
2011	\$ 38.00	\$ 5,807,616	\$ 266,161		\$ 8,137,861	\$ 10,673,241
2012	\$ 44.00	\$ 6,724,608	\$ 220,742		\$ 8,876,121	\$ 8,742,469
2013	\$ 50.00	\$ 7,641,600	\$ 169,554		\$ 10,382,721	\$ 6,170,902
2014	\$ 34.00	\$ 5,196,288	\$ 142,986		\$ 5,104,509	\$ 6,405,667
2015	\$ 35.00	\$ 5,349,120	\$ 148,647		\$ 5,234,596	\$ 6,668,838
2016	\$ 36.00	\$ 5,501,952	\$ 158,050		\$ 5,096,113	\$ 7,232,728
2017	\$ 37.00	\$ 5,654,784	\$ 177,179		\$ 4,713,354	\$ 8,351,336
2018	\$ 38.00	\$ 5,807,616	\$ 202,441		\$ 4,906,752	\$ 9,454,641
2019	\$ 39.00	\$ 5,960,448	\$ 227,859		\$ 5,055,909	\$ 10,587,039
2020	\$ 40.00	\$ 6,113,280	\$ 251,602		\$ 5,408,895	\$ 11,543,026
2021	\$ 41.00	\$ 6,266,112	\$ 244,055		\$ 8,129,949	\$ 9,923,244
2022	\$ 42.00	\$ 6,418,944	\$ 219,333		\$ 7,193,030	\$ 9,368,491
2023	\$ 42.00	\$ 6,418,944	\$ 238,657		\$ 4,403,102	\$ 11,622,990
2024	\$ 42.00	\$ 6,418,944	\$ 277,295		\$ 5,552,351	\$ 12,766,878
2025	\$ 42.00	\$ 6,418,944	\$ 300,906		\$ 5,786,982	\$ 13,699,745
2026	\$ 42.00	\$ 6,418,944	\$ 312,632		\$ 6,633,056	\$ 13,798,265
2027	\$ 42.00	\$ 6,418,944	\$ 324,357		\$ 5,810,512	\$ 14,731,054
2028	\$ 42.00	\$ 6,418,944	\$ 347,411		\$ 5,671,418	\$ 15,825,991
2029	\$ 43.00	\$ 6,571,776	\$ 370,591		\$ 5,998,455	\$ 16,769,902
2030	\$ 44.00	\$ 6,724,608	\$ 385,271		\$ 6,762,570	\$ 17,117,211
2031	\$ 45.00	\$ 6,877,440	\$ 346,158		\$ 11,011,159	\$ 13,329,650
2032	\$ 46.00	\$ 7,030,272	\$ 276,345		\$ 9,659,565	\$ 10,976,702
2033	\$ 47.00	\$ 7,183,104	\$ 283,692		\$ 4,467,599	\$ 13,975,900
2034	\$ 48.00	\$ 7,335,936	\$ 329,631		\$ 6,624,151	\$ 15,017,315
2035	\$ 49.00	\$ 7,488,768	\$ 344,669		\$ 7,552,153	\$ 15,298,600
2036	\$ 50.00	\$ 7,641,600	\$ 326,492		\$ 9,848,153	\$ 13,418,539
2037	\$ 50.00	\$ 7,641,600	\$ 317,552		\$ 6,865,489	\$ 14,512,202
2038	\$ 50.00	\$ 7,641,600	\$ 349,927		\$ 6,237,543	\$ 16,266,187
2039	\$ 50.00	\$ 7,641,600	\$ 385,456		\$ 6,656,063	\$ 17,637,180



*Planned Expenditures include Capital Plan and carryover items from prior years.