

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 6, 2011

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, September 6, 2011, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim Matson, Lloyd Foster, Don Tibbetts, Ruth May, Ken Hammer, Patrick Murphy, Lynne Dvorak, Ray Gros, Burns Nugent, Bevan Strom

Directors Absent: Bob Hatch

Others Present: Jerry Storage, Patty Kurzet
Executive Session: Jerry Storage, Cris Robinson, Patty Kurzet

Designated Representative
from Mutual Fifty: None

CALL TO ORDER

President Jim Matson 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 May led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

Ms. Lois Rothschild, a freelance reporter, and the Channel 6 Camera Crew, by way of remote cameras, were acknowledged as present.

APPROVAL OF AGENDA

Without objection, the agenda was approved as amended by removing agenda item *14(a) Adopt the GRF Pricing policy relative to Garden Center Fees* and hold a special meeting at a date to be determined to further discuss the issue.

APPROVAL OF MINUTES

The Board reviewed, revised, and approved without objection the minutes of the Regular Meeting of August 2, 2011, and reviewed and approved the Special Meeting of August 17, 2011 (Budget Meeting Version 3).

CHAIR'S REPORT

President Matson announced that there are 4 openings for the 2011 GRF Director Election and that applications are due at the close of nominations on September 21, 2011; and provided an update on the new Golf Building.

GENERAL MANAGER'S REPORT

Mr. Storage stated that the City Centre Park and the City's plan to change the configuration of Santa Maria are now complete; and updated the membership on the ongoing GRF projects within the Community and at the Clubhouses. Mr. Storage addressed the issue of aggressive coyotes sighted in the Community and indicated that the City and Animal Control are addressing the situation. Residents are encouraged to contact the Laguna Beach Animal Control for any coyote sightings. Mr. Storage also commented that rattlesnakes have been seen in the Community and encouraged residents to contact the Laguna Beach Animal Control to report the presence of sighted rattlesnakes.

OLD BUSINESS

The Secretary of the Corporation, Director Lynne Dvorak, read a proposed resolution approving the revised Recreation Division Policy with respect to "Section XXIII.A.7 - Fitness," which was postponed from last month to satisfy the 30-day notification requirement. Director Dvorak moved to approve the resolution. Director Foster seconded the motion.

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

RESOLUTION 90-11-84

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, September 6, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section XXIII.A.7 - Fitness," effective September 6, 2011, by revising the following policy to read:

- 7. Video players, and reading materials are prohibited while using treadmills. Cell phone use within the fitness centers is prohibited. Phones must be turned off or on vibrate and all conversations must take place outside of the facility.

RESOLVED FURTHER, that Resolution 90-07-82 adopted November 6, 2007 is hereby amended; and Resolution 90-09-02, January 6, 2009 is hereby superseded and cancelled; 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.

The Secretary of the Corporation read a proposed resolution approving the revised Recreation Division Policy with respect to "Section XXV.A.7. Golf Facilities," which was postponed from last month to satisfy the 30-day notification requirement. Director Dvorak moved to approve the resolution. Director Murphy seconded the motion.

Member Tony Dauer (96-C) commented on the motion.

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

RESOLUTION 90-11-85

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, September 6, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section XXV.A.7. Golf Facilities," effective September 6, 2011, by adding the following policy:

- 7. Cell phone usage while on the golf course should be kept to an absolute minimum. Use in emergency situations is certainly warranted.

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.

The Secretary of the Corporation read a proposed resolution approving the revised Recreation Division Policy with respect to "Section II.A.2 - Use of GRF Recreation Facilities," which was postponed from last month to satisfy the 30-day notification requirement. Director Dvorak moved to approve the resolution. Director Hammer seconded the motion.

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

RESOLUTION 90-11-86

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 which approved the new Recreation Division Policy, Section I “General Recreation” & Section II “Use of Clubhouses and Community Center Rooms”; 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, September 6, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to “Section II.A.2 - Use of GRF Recreation Facilities,” effective September 6, 2011, by revising the following paragraph:

2. GRF facilities may not be used for commercial business purposes or for residents’ profit or gain except when utilizing Clubhouse Four workshops to assist other residents or when used by paid resident instructors through Recreation Division coordinated classes.

RESOLVED FURTHER, that Resolution 90-07-81 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.

The Secretary of the Corporation read a proposed resolution imposing a “Trust Facilities Fee”, which was postponed from last month for the 30-day notification period. Director Dvorak moved to approve the resolution. Director Foster seconded the motion and discussion ensued.

Director Foster stated that although changes were made to the resolution during the 30-day notification period, the changes were not substantial enough to warrant another 30-day notification.

Director Foster reminded the membership that the burden of this fee falls on the purchaser.

Members Leleng Isaacs (5194), Connie Grundke (2214-B), Iris Gorin (828-Q), Bud Nesvig (2392-3H), Ryna Rothberg (704), Pamela Grundke (2214-B), Corky Eley (2401-2E), Kathryn Freshley (5490-N), Tony Dauer (96-C), Maxine McIntosh (68-C), Karel Brouwer (3189-C), and Carol Moore (3399-A) each presented their comments and concerns with the fee.

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

RESOLUTION 90-11-87

WHEREAS, as Trustee of the Golden Rain Foundation Trust, the Board of Directors of the Golden Rain Foundation is required to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village; and

WHEREAS, the Board of Directors finds that reinstatement of the capital contribution to the Trust originally required to be made for each manor sold will ensure the continuation of the amenities that make Laguna Woods Village unique;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that as Trustee of the Golden Rain Foundation Trust, a declaration of Trust recorded March 6, 1964, the Board will impose a fee, to be known as the "Trust Facilities Fee", in accordance with all terms and conditions contained in this policy statement and in California Civil Code §1368(c)(2) (as amended by Senate Bill 1128, Stats 2010 Chapter 322, §2, effective January 1, 2011), on all transactions involving the purchase of a separate interest in any of the Trustors' common interest developments (United Laguna Hills Mutual, Third Laguna Hills Mutual and Mutual 50, each of which is hereinafter referred to as a "Trustor") within the City of Laguna Woods, as an obligation of the purchaser(s).

RESOLVED FURTHER, the Trust Facilities Fee will be a fixed amount, as determined from time to time by the Trustee of the Golden Rain Foundation Trust. The entirety of each such fee, when and as paid by the purchaser(s), shall be deposited into the Trust Facilities Fund Reserve Account and shall be applicable to all such transactions, excluding the following transfers of a separate interest:

1. Where at least one of the purchasers has paid a Trust Facilities Fee to the Golden Rain Foundation Trust at any time prior to the close of escrow on the purchase of a separate interest;
2. Where ownership of a separate interest is joined between a current beneficiary of a Trustor and a non-beneficiary spouse, domestic partner or other relative of such beneficiary;
3. Where ownership of a separate interest is transferred to a non-beneficiary of a Trustor by gift or through inheritance from a beneficiary of a Trustor;
4. Where ownership of a separate interest is transferred by a beneficiary of a Trustor to the current qualifying resident (as defined in the Bylaws of each

Trustor) of the separate interest, where the transferor has never been a qualifying resident and has previously paid a Trust Facilities Fee; or

5. Where ownership of a separate interest is being transferred to a trust whose settlor or principal beneficiary is the transferor, or to another trust for estate planning purposes.

RESOLVED FURTHER, effective with escrows opened, or purchase contracts signed, on or after January 1, 2012, the Trust Facilities Fee shall be set at \$1,500.00 until modified by the Trustee; and

RESOLVED FURTHER, in accordance with California Civil Code §1368(c)(2)(B)(iii), each new purchase of a separate interest in any of the Trustors' common interest developments within the City of Laguna Woods to which this Trust Facilities Fee applies (i.e., all new purchases other than a transfer qualifying for any of the exclusions set forth in subparagraphs 1-5 above), shall in compliance with California Civil Code §1368(c)(2)(B)(iii), have the option to either:

(I) pay the fee in its entirety at the time of transfer; or

(ii) pay the fee amount pursuant to an installment payment plan for a period of seven (7) years.

If the purchaser elects to pay the fee in installment payments under the second of the above statutorily permitted options, then the Trustee may also collect additional amounts not to exceed the actual costs for billing and financing on the amount owed (as set forth below, and in compliance with the Davis-Stirling Act, as the same may be amended from time to time), and if the purchaser sells their separate interest prior to the end of the installment payment plan period, he or she shall pay the remaining balance of the fee owed to the Trustee prior to transfer.

The Golden Rain Foundation Board shall assess a one-time fee for the preparation and recording of the promissory note. The Golden Rain Foundation Board shall also assess a monthly handling fee of \$3.00 until later modified by the Board and interest, if applicable, at the minimum rate allowed by law. The monthly payment of the Trust Facilities Fee, the monthly handling fee and interest, if applicable, shall be due on the 1st day of each month; 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 Dvorak made a motion to proceed with hiring a consultant to finalize the Recreation Master Plan. Director Tibbetts seconded the motion and discussion ensued.

Member Maxine McIntosh (68-C) commented on the motion.

By a vote of 3-6-0 (Directors Nugent, May, and Dvorak voted in favor), the motion failed.

NEW BUSINESS

The Secretary of the Corporation read a proposed resolution approving the 2012 Business Plan. Director Dvorak moved to approve the resolution. Director Hammer seconded the motion.

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

RESOLUTION 90-11-88

GOLDEN RAIN FOUNDATION OF LAGUNA WOODS 2012 BUSINESS PLAN RESOLUTION

RESOLVED, September 6, 2011, that the Business Plan for this Corporation for the year 2012 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 \$39,422,007 will be required by the Corporation to meet its annual expenses of operation for the year 2012, 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, \$4,584,960 is planned for reserve contributions. After deducting \$1,450,000 derived from prior years' surplus and the sum of \$10,802,307 expected to be received from various sources as revenue during 2012, the Board of Directors hereby estimates that the net sum of \$31,754,660 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 \$207.75 per month per membership of said Corporation, for its share of the aforesaid net expenses and reserve contributions for the year 2012; 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 2012 Replacement Reserves. Director Dvorak moved to approve the resolution. Director May seconded the motion.

Member Corky Eley (2401-2E) commented on the resolution.

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

RESOLUTION 90-11-89

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2012 REPLACEMENT RESERVES RESOLUTION**

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 6, 2011, 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 \$5,900,000 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 2012 Capital Reserves Expenditures Plan. Director Dvorak moved to approve the resolution. Director Hammer seconded.

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

RESOLUTION 90-11-90

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2012 CAPITAL RESERVES EXPENDITURES PLAN RESOLUTION**

RESOLVED, September 6, 2011, that the Capital Reserve Expenditures Plan of this Corporation for the year 2012 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Plan, the sum of \$4,723,900 is hereby authorized to be expended in 2012 for the purposes provided therein, of which \$1,959,100 is planned to be expended from the Equipment Fund, \$2,303,800 from the Facilities Fund, and \$461,000 from the Contingency 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.

The Secretary of the Corporation read the proposed changes to the GRF Committee Appointments resolution. Director Dvorak moved to approve the resolution. Director Hammer seconded the motion and discussion ensued.

President Matson requested to add Cynthia Keller and remove Kathy Fox from the Village Greens Ad Hoc Committee. The Board approved the change without objection.

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

RESOLUTION 90-11-91

RESOLVED, September 6, 2011, that the following persons are hereby appointed and ratified to serve on the Committees of this Corporation:

Broadband Services Committee

Ruth May, Chair (GRF)
Lloyd Foster, Vice Chair (GRF)
Ken Hammer (GRF)
Lucy Shimon (Third)
Rae Tso (Third)
Ron Beldner (United)
Roger Turner (United)
Keith Wallace (Mutual 50)
Non-Voting Advisors: David Talcott, Eliot Brody

Business Planning

Jim Matson, Chair (GRF)
Burns Nugent, Vice Chair (GRF)
Bob Hatch (GRF)
Carol Moore (Third)
Kathryn Freshley (Third)
Heather Gerson (United)
Gail McNulty (United)
Herb Harris (Mutual 50)

Bus Services Committee

Ken Hammer, Chair (GRF)

Ray Gros, Vice Chair (GRF)

Lloyd Foster (GRF)

Lucy Shimon (Third)

Denny Welch (Third)

Arlene Miller (United)

Ron Beldner (United)

Herb Harris (Mutual 50)

Non-Voting Advisors: Shirley Niederkorn, Linda Wilson, Mary Kay Tibbetts

Community Activities

Bob Hatch, Chair (GRF)

Lynne Dvorak, Vice Chair (GRF)

Patrick Murphy (GRF)

Denny Welch (Third)

Sy Wellikson (Third)

Libby Marks (United)

Ron Beldner (United)

TBA (Mutual 50)

Non-Voting Advisor: Mary Robertson

Finance

Burns Nugent, Chair (GRF)

Bob Hatch, Vice Chair (GRF)

Patrick Murphy (GRF)

Kathryn Freshley (Third)

Rae Tso (Third)

Heather Gerson (United)

John Dalis (United)

Herb Harris (Mutual 50)

Non-Voting Advisor: Jim Hart, Bevan Strom

Government & Public Relations

Ruth May, Chair (GRF)

Burns Nugent, Vice Chair (GRF)

Ray Gros (GRF)

Isabel Muennichow (Third)

Carol Skydell (Third)

Libby Marks (United)

Paul Vogel ~~Catherine Brians~~ (United)

Ryna Rothberg (Mutual 50)

Joint Long Range Planning Committee

Bob Hatch, Chair (GRF)

Lloyd Foster (GRF)

Patrick Murphy (GRF)

Laguna Canyon Foundation

Ray Gros

Landscape Committee

Don Tibbetts, Chair (GRF)

Ruth May, Vice Chair (GRF)

Bevan Strom (GRF)

Carol Moore (Third)

Lucy Shimon (Third)

Roger Turner (United)

Heather Gerson (United)

Maintenance & Construction

Lloyd Foster, Chair (GRF)

Don Tibbetts, Vice Chair (GRF)

Ken Hammer (GRF)

Sy Wellikson (Third)

John Paulus (Third)

Catherine Brians ~~Harold Allen~~ (United)

Barbara Copley (United)

Non-Voting Advisors: Ray Gros, Ron Beldner

Recreation Master Planning Sub-Committee

Bob Hatch, Chair (GRF)

Lynne Dvorak, Vice Chair (GRF)

Patrick Murphy (GRF)

TBA (Third)

TBA (Third)

Libby Marks (United)

Roger Turner (United)

TBA (Mutual 50)

Security and Community Access

Ray Gros, Chair (GRF)

Ken Hammer, Vice Chair (GRF)

Bevan Strom (GRF)

Carol Skydell (Third)

Isabel Muennichow (Third)

Libby Marks (United)

Catherine Brians (United)

TBA (Mutual 50)

Non-Voting Advisor: John Dudley, Pat Feeney, Mary Stone

Village Greens Ad Hoc Committee

Jim Matson, Chair (GRF)

Don Tibbetts, Vice Chair (GRF)
Ken Hammer (GRF)
Dick Palmer (Third)
Kathryn Freshley (Third)
Barbara Copley (United)
Cynthia Chyba (United)
TBA (Mutual 50)

Non-Voting Advisor: David Talcott, Joe Hathaway, ~~Kathi Fox~~ Cynthia Keller

RESOLVED FURTHER, that Resolution 90-11-57 adopted July 5, 2011 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.

The Secretary of the Corporation read the following proposed resolution approving the revised Recreation Division Policy with respect to "Section IV - Clubs and Organizations:"

RESOLUTION 90-11

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 on November 6, 2007, which approved Section I of the new Recreation Division Policy with respect to "General Recreation;" 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, November 1, 2011, that the Board of Directors of this Corporation hereby adopts and approves the revised Recreation Division Policy, as attached to the minutes of this meeting, with respect to "Section IV - Clubs and Organizations," effective November 1, 2011; and

RESOLVED FURTHER, Resolution 90-07-81 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 Dvorak moved to approve the resolution. Director Hammer seconded the motion and discussion ensued.

Members Mary Stone (356-C) and Mike Matzenbacher (2401-3D) spoke to the proposed changes.

Director Dvorak moved to postpone the motion to the October meeting to conform to the 30-day notification requirements. Director Foster seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution approving the revised Recreation Division Policy with respect to "Section II A, B - Use of GRF Recreation Facilities:"

RESOLUTION 90-11

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 on November 6, 2007, which approved Section I of the new Recreation Division Policy with respect to "General Recreation;" 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, November 1, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section II A, B - Use of GRF Recreation Facilities", effective November 1, 2011 by removing the words "GRF authorized"; and

RESOLVED FURTHER, Resolution 90-07-81 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 Dvorak moved to approve the resolution. Director Hammer seconded the motion.

Members Mary Stone (356-C), Tony Dauer (96-C), Kathryn Freshley (5490-N), Maxine McIntosh (68-C), Bud Nesvig (2392-3H), and Corky Eley (2401-2E) commented on the proposed changes.

Member Mary Stone (356-C) recommended that the word "approved" be changed to "registered" and indicated that the CAC does not have the authority to approve or deny a City request without Board approval.

The Board took the recommended changes into advisement, but took no action.

Director Hammer moved to postpone the motion to the October meeting to conform to the 30-day notification requirements. Director Dvorak seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution approving the revised Recreation Division Policy with respect to "Section V (A) - Fundraising:"

RESOLUTION 90-11

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 on November 6, 2007, which approved Section I of the new Recreation Division Policy with respect to "General Recreation;" 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, November 1, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section V (A) - Fundraising", effective November 1, 2011 by removing the words "approved community"; and

RESOLVED FURTHER, Resolution 90-07-81 adopted November 6, 2007 is hereby amended, and Resolution 90-10-99 adopted December 7, 2010 is 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 Dvorak moved to approve the resolution. Director Hammer seconded the motion.

Member Mary Stone (356-C) recommended that the word "approved" be changed to "registered".

The Board took the recommended change into advisement, but took no action.

Director Dvorak moved to postpone the motion to the October meeting to conform to the 30-day notification requirements. Director Hammer seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution approving the revised Recreation Division Policy with respect to "Section VI (A) - Gambling:"

RESOLUTION 90-11

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 on November 6, 2007, which approved Section I of the new Recreation Division Policy with respect to "General Recreation;" 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, November 1, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section VI (A) - Gambling", effective November 1, 2011 by removing the words "GRF approved"; and

RESOLVED FURTHER, Resolution 90-07-81 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 Dvorak moved to approve the resolution. Director Hammer seconded the motion.

Director Dvorak moved to postpone the motion to the October meeting to conform to the 30-day notification requirements. Director Hammer seconded the motion and the motion carried unanimously.

The Secretary of the Corporation read the following proposed resolution approving the revised Recreation Division Policy with respect to "Section XIII A.2. - Clubhouses and Community Center Recreation Rooms:"

RESOLUTION 90-11

WHEREAS, the Board of Directors of this Corporation adopted Resolution 90-07-81 on November 6, 2007, which approved Section II of the new Recreation Division Policy with respect to "General Recreation;" 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, November 1, 2011, that the Board of Directors of this Corporation hereby approves the revised Recreation Division Policy with respect to "Section XIII A.2. - Clubhouses and Community Center Recreation Rooms", November 1, 2011, by removing the word "approved"; and

RESOLVED FURTHER, Resolution 90-07-81 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 Dvorak moved to approve the resolution. Director Hammer seconded the motion.

Member Mary Stone (365-C) recommended changes.

The Board took the recommended changes into advisement, but took no action.

Director Gros moved to postpone the motion to the October meeting to conform to the 30-day notification requirements. Director Dvorak seconded the motion and the motion carried unanimously.

Director Dvorak made a motion to direct Staff to send a letter to the US Postal Service supporting retention of the Clubhouse Three Post Office. Director Hammer seconded the motion.

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

Director Strom left the meeting at 11:24 A.M.

By a vote of 8-0-0 (Director Strom was absent from the meeting), the motion carried unanimously.

CONSENT CALENDAR

Without objection the Board approved the Consent Calendar as presented, and the Board took the following actions:

Community Activities Committee Recommendations:

RESOLUTION 90-11-92

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 held at Clubhouse Three and Clubhouse Five; and

WHEREAS, the American Legion Post 257 requested an exception to the Policy to display a poster at each clubhouse advertising its annual 9-11

Memorial Parade and March sponsored by the City of Laguna Woods and the American Legion Post 257;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby makes an exception to its Policy and approves the request from the American Legion Post 257 to display a poster at each clubhouse advertising its annual 9-11 Memorial Parade and March to be held on Sunday, September 11, 2011; 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 90-11-93

RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby approves the request of Village resident Elvira Aguilar of 901-P to use Clubhouse Five on Saturday, October 15, 2011 to hold her 65th birthday party; and

RESOLVED FURTHER, that the Saturday Night Dance shall be moved or cancelled for that night; 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 90-11-94

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, based on the contract with GRF, the Broadband Services has requested an exception to the Policy to display marketing and sales materials advertising their services in all the Clubhouses, Golf Building, and Library;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby makes an exception to its Policy and approves the request of Broadband Services to display marketing and sales materials educating residents on their services in all the Clubhouses, Golf Building, and Library; and

RESOLVED FURTHER, that the marketing displays in the designated areas shall be permanent and Broadband Services will take full responsibility to assure they are regularly inspected, properly maintained, and stocked; and

RESOLVED FURTHER, that the supervisor at each facility shall determine if the materials should be wall mounted or in a floor stand; 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 90-11-95

WHEREAS, requests have been received for an arm cycle that peddles in both a forward and backward motion for use in the Clubhouse One Fitness Center; and

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby authorizes an unbudgeted operating expense to purchase a "Johnny G. KrankCycle" for use in the Clubhouse One Fitness Center, with an estimated expenditure of \$2,500 to be charged to operations; 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 90-11-96

WHEREAS, the 2010 Capital Plan Item P10009E appropriated \$18,300 to convert the Community Center fitness center office into fitness space and to add two new fitness machines; and

WHEREAS, upon completion of the construction project and purchase of the two pieces of equipment, \$5,889 remains unutilized; and

WHEREAS, there is space to accommodate a Star Trac Dual Adjustable Pulley;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby approves to utilize the remaining funds in Capital Plan P10009E to purchase a Star Trac Dual Adjustable Pulley at an approximate cost of \$4,700; 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 90-11-97

WHEREAS, by way of Resolution 90-11-62, the Board of Directors of this Corporation approved the request of the Laguna Woods Tennis Club to host the 2012 United States Tennis Association (USTA) national tennis tournament at Laguna Woods Village in May 2012; and

WHEREAS, in 2011 five of the ten tennis courts have been resurfaced and the other five remaining tennis courts are planned to be included in the 2013 Capital Plan; and

WHEREAS, the Laguna Woods Tennis Club is requesting that the Board resurface the remaining five Tennis Courts prior to the May 2012 USTA event;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation from the Facilities Fund in the amount of \$25,000 for the unbudgeted cost to resurface the five remaining tennis courts earlier than planned prior to the May 2012 USTA event; and

RESOLVED FURTHER, that should the USTA event not be held at Laguna Woods Village, the resurfacing of the remaining five courts shall be included in the 2013 Capital Plan; 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.

Landscape Committee Recommendations:

- 116- T Denial of request to donate two plants for Gate 2 Gate House
- 3247-N Denial of appeal request to upgrade landscaping at the entrance to the Community Center
- 3107-O Denial of request to relocate and/or remove trees at GRF Nursery due to obstruction of view

COMMITTEE REPORTS

Director Nugent gave the Treasurer's and Finance Committee reports.

Director May reported from the Government and Public Relations Committee.

Director Ken Hammer reported from the Bus Services Committee.

Director Strom returned to the meeting at 11:32 A.M.

Director Lynne Dvorak reported from the Community Activities Committee.

Director Don Tibbetts reported from the Landscape Committee.

Director Jim Matson reported from the Village Greens (Golf Building) Ad Hoc Committee.

Director Lloyd Foster reported from the Maintenance and Construction Committee.

The Secretary of the Corporation read a proposed resolution authorizing a supplemental appropriation of \$7,900 to install approximately 460 feet of seamless rain gutters along the roof of the Equestrian building. Director Dvorak moved to approve the resolution. Director Foster seconded the motion.

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

RESOLUTION 90-11-98

WHEREAS, during rain events, water drains from the Equestrian Center roof and accumulates in the exercise areas next to the hitching post which leads to ponding and a delay or cancelling of activities;

NOW THEREFORE BE IT RESOLVED, September 6, 2011, that the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$7,900, funded from the Facilities Fund, to install approximately 460 feet of seamless rain gutters along the roof of the Equestrian building that slopes toward the exercise area; 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 the following proposed resolution adopting an Open House Directional Uniform Signage Policy:

RESOLUTION 90-11

WHEREAS, the GRF Maintenance and Construction Committee has recommended allowing Open House directional signage with the intention of improving the marketability of cooperatives and condominiums in Laguna Woods Village; and

WHEREAS, providing directional signage to a particular cul-de-sac to a scheduled Open House will help guide traffic to the cooperative or condominium for sale or rent; and

WHEREAS, United Laguna Hills Mutual and Third Laguna Hills Mutual allow signage for Open Houses held every Saturday and Sunday between the hours of 11:00 A.M. and 4:00 P.M.; and

NOW THEREFORE BE IT RESOLVED, November 1, 2011, the Board of Directors of this Corporation hereby adopts the following Open House Directional Uniform Signage Policy:

1. Directional signs shall be with 24" x 9" corrugated plastic with vinyl lettering and adhere to the GRF approved colors, font and logo;
2. Directional signs shall be placed at GRF street intersections to direct traffic to a specific cul-de-sac. There shall be one sign per direction with a maximum of three signs per intersection;
3. Directional signage can be posted for authorized Open Houses which are held on Saturday and Sunday between the hours of 11:00 A.M. and 4:00 P.M.;
4. Directional signage may be posted on the day of the Open House no earlier than 10:00 A.M., and must be removed no later than 5:00 P.M., of the same day;
5. Realtors shall be responsible for purchasing the signs and shall adhere to the specifications in accordance with this resolution;
6. Non-conformance to this policy shall result in removal of sign from premises;
7. Non-residents must be accompanied by a licensed real estate agent approved for Laguna Woods Village entry; or granted access by the Seller/Resident of the property; and

RESOLVED FURTHER, that members selling their properties "For Sale By Owner" shall be required to comply with the same guidelines as Realtors; 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 Dvorak moved to approve the resolution. Director Foster seconded the motion and discussion ensued.

Members Mary Stone (356-C) and Bud Nesvig (2393-3H) commented on the resolution.

Director Foster made a motion to postpone the motion to conform to the 30-day notification requirements. Director Dvorak seconded the motion and the motion carried unanimously.

Director Ruth May reported from the Broadband Services Committee.

Member Rae Tso (3256-A) commented on the additional Asian channels.

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

Director Gros reported on the Laguna Canyon Foundation.

MEMBER COMMENTS

- Leleng Isaacs (5194) commented on the need for an alarm bell at Gate 11 and commented on the new Trust Facilities Fee.
- Maxine McIntosh (68-C) commented on installing rain gutters at the Equestrian Center and the need to disclose the additional expenditures for the Village Greens Building.
- Mary Stone (356-C) encouraged residents to vote in the upcoming Mutual Director Elections.
- George Flaherty (2353-2A) commented on the new Trust Facilities Fee.
- Bud Nesvig (2392-3H) commented on the bus operation.
- Corky Eley (2401-2E) commented on the governing documents.
- Barbara Copley (410-D) commented on attending committee meetings to debate issues, making agendas available to residents, and on the Village Greens expenditures.
- Karel Brouwer (3189-C) commented on GRF expenditures.
- Carol Moore (3399-A) commented on the new Trust Facilities Fee.

DIRECTORS' RESPONSES TO MEMBER COMMENTS

- Director Hammer commented on the bus operation.
- Director Foster addressed the concerns regarding the Village Greens Building.
- Directors Strom, Gros and Dvorak addressed comments on the new Trust Facilities Fee.
- President Matson stated that an alarm bell has been installed at Gate 11.

DIRECTORS' COMMENTS

- Director Hammer encouraged residents to stop at all stop-signs and to take caution in voting in the upcoming Director Elections.
- Director Tibbetts commented on cell phone usage while driving a golf cart.
- Director Foster encouraged residents to vote in the upcoming Director Elections.
- Director Strom commented on the previous Membership Fee.

MEETING RECESS

The regular open meeting recessed at 12:38 P.M. and reconvened into Executive Session at 1:20 P.M.

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

During its Regular Executive Session Meeting of August 2, 2011 the Board reviewed and approved the minutes of the following meetings: Special Executive Session of June 23, 2011, the Special Executive Session of June 28, 2011, the Regular Executive Session of July 5, 2011, the Special Executive Session of July 12, 2011, the Special Executive Session of July 15, 2011, and the Special Executive Session of July 26, 2011; held two member disciplinary hearings; and discussed contractual, litigation, and other member disciplinary matters.

During its Special Executive Session Meeting of August 23, 2011, the Board discussed various matters with the Housing Mutuals.

ADJOURNMENT

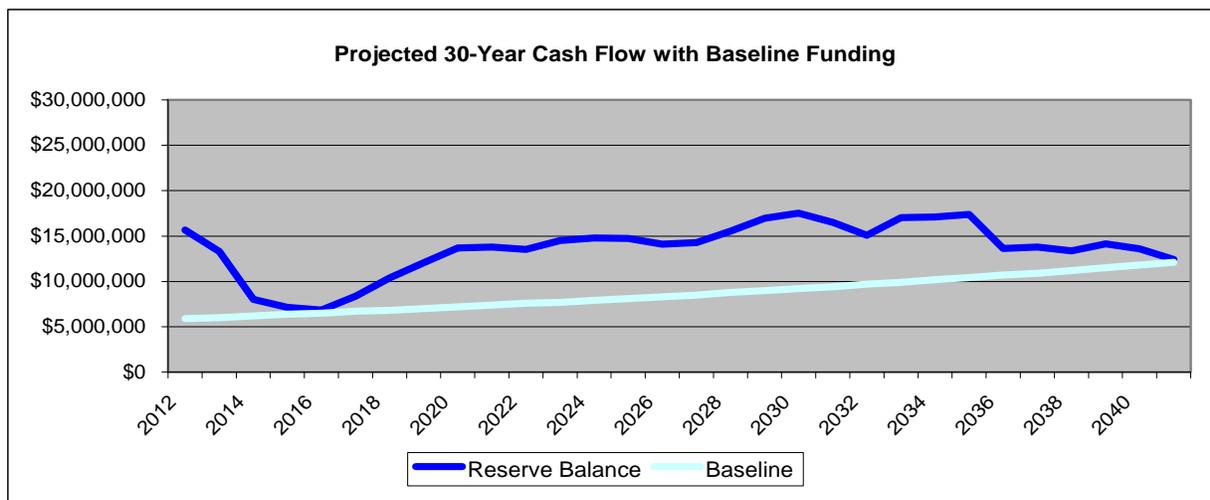
There being no further business to come before the Board of Directors, the meeting adjourned at 3:14 P.M.

Lynne Dvorak, Secretary

**GOLDEN RAIN FOUNDATION & TRUST
 2012 RESERVES PLAN
 Replacement Reserves 30-Year Funding Plan**

Baseline (Threshold): \$5,900,000
 Indexed for inflation

Year	Assessment		Interest Earnings	Other Additions	Planned Expenditures*	Reserve Balance
	Per Manor Per Month	Total Contribution				
2011	\$ 30.00	\$ 4,584,960	\$ 534,067		\$ 12,352,096	\$ 16,000,739
2012	\$ 30.00	\$ 4,584,960	\$ 431,125		\$ 5,345,495	\$ 15,671,329
2013	\$ 31.00	\$ 4,737,792	\$ 329,286		\$ 7,446,922	\$ 13,291,485
2014	\$ 31.00	\$ 4,737,792	\$ 242,279		\$ 10,253,007	\$ 8,018,549
2015	\$ 31.00	\$ 4,737,792	\$ 172,305		\$ 5,791,819	\$ 7,136,826
2016	\$ 31.00	\$ 4,737,792	\$ 159,119		\$ 5,175,008	\$ 6,858,729
2017	\$ 31.00	\$ 4,737,792	\$ 173,197		\$ 3,394,675	\$ 8,375,043
2018	\$ 31.00	\$ 4,737,792	\$ 213,351		\$ 2,935,578	\$ 10,390,608
2019	\$ 31.00	\$ 4,737,792	\$ 255,477		\$ 3,303,631	\$ 12,080,246
2020	\$ 31.00	\$ 4,737,792	\$ 292,786		\$ 3,438,601	\$ 13,672,223
2021	\$ 31.00	\$ 4,737,792	\$ 312,077		\$ 4,945,098	\$ 13,776,994
2022	\$ 31.00	\$ 4,737,792	\$ 310,334		\$ 5,306,206	\$ 13,518,914
2023	\$ 31.00	\$ 4,737,792	\$ 318,657		\$ 4,066,275	\$ 14,509,088
2024	\$ 31.00	\$ 4,737,792	\$ 333,146		\$ 4,786,728	\$ 14,793,297
2025	\$ 31.00	\$ 4,737,792	\$ 335,431		\$ 5,156,458	\$ 14,710,062
2026	\$ 31.00	\$ 4,737,792	\$ 327,775		\$ 5,655,710	\$ 14,119,919
2027	\$ 31.00	\$ 4,737,792	\$ 322,634		\$ 4,922,534	\$ 14,257,811
2028	\$ 31.00	\$ 4,737,792	\$ 338,737		\$ 3,798,019	\$ 15,536,321
2029	\$ 32.00	\$ 4,890,624	\$ 369,312		\$ 3,849,146	\$ 16,947,111
2030	\$ 32.00	\$ 4,890,624	\$ 391,814		\$ 4,714,068	\$ 17,515,480
2031	\$ 32.00	\$ 4,890,624	\$ 386,860		\$ 6,281,589	\$ 16,511,376
2032	\$ 32.00	\$ 4,890,624	\$ 359,093		\$ 6,687,915	\$ 15,073,178
2033	\$ 32.00	\$ 4,890,624	\$ 365,058		\$ 3,292,770	\$ 17,036,090
2034	\$ 32.00	\$ 4,890,624	\$ 387,950		\$ 5,228,016	\$ 17,086,647
2035	\$ 32.00	\$ 4,890,624	\$ 392,076		\$ 4,970,379	\$ 17,398,968
2036	\$ 32.00	\$ 4,890,624	\$ 352,684		\$ 9,020,406	\$ 13,621,871
2037	\$ 32.00	\$ 4,890,624	\$ 311,515		\$ 5,046,102	\$ 13,777,908
2038	\$ 33.00	\$ 5,043,456	\$ 308,605		\$ 5,764,044	\$ 13,365,925
2039	\$ 34.00	\$ 5,196,288	\$ 312,686		\$ 4,738,063	\$ 14,136,836
2040	\$ 34.00	\$ 5,196,288	\$ 315,217		\$ 6,059,802	\$ 13,588,540
2041	\$ 34.00	\$ 5,196,288	\$ 295,673		\$ 6,662,693	\$ 12,417,807



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