

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

February 16, 2012

The Board of Directors of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation, met at 2:00 P.M. on Thursday, February 16, 2012 at 24055 Paseo del Lago West, Laguna Woods, California.

Directors Present: Ryna Rothberg, Chair; Marilyn Ruekberg; Inesa Nord-Leth; and Erwin Levy

Directors Absent: Joyce Bender

Others Present: Judie Zoerhof, Jerry Storage, Kim Taylor

1. Call to Order

President Rothberg chaired the meeting and stated that it was a regular meeting of the Corporation and that a quorum was present. The meeting was called to order at 2:00 P.M.

2. Pledge of Allegiance to the Flag

General Manager Jerry Storage led the membership in the Pledge of Allegiance to the Flag.

Without objection, Approval of the December 1, 2011 Annual Meeting minutes was removed from the agenda. Without objection, agenda item (8c) *Ryna Rothberg to GRF Media and Communications Committee*, will be replaced with Ryna Rothberg to GRF Community Activities Committee.

3. Approval of the Minutes

The Board reviewed and approved without objection the minutes of the Regular Meeting of January 19, 2012.

4. President's Comments

President Rothberg announced that two commendations, signed by all the Mutual Presidents, will be presented to Jay Sellers for Firefighter of the Year and Barbara Murphy for Law Officer of the Year.

5. Members' Comments

- Anne Gilbert of 1403 commented on parking issues and carts at the Towers.
- Fred Emmerich of 558 commented on shopping carts.

6. Consent Calendar

No actions came under the Consent Calendar.

7. Old Business

a. Reaffirm Policy re Members Not Residing in Towers Six Months Out of the Year

Director Ruekberg read the following proposed resolution restating the Mutual's long-standing Policy that all Owners/members will share in the Carrying Charges through the monthly assessments whether or not they are in residence:

RESOLUTION M50-12 -

WHEREAS, CC&R's (Covenants, Conditions, and Restrictions) Article VII sets forth the basis of the Corporation's monthly Carrying Charges; and

WHEREAS, the CC&R's at Article VII set forth that all costs incurred by Mutual Fifty to operate and maintain the Project are included in the monthly Carrying Charges; and

WHEREAS, the majority of the costs associated with the Second Occupant are incurred by the Mutual regardless of whether or not a second resident may be absent for a period of time; and

WHEREAS, the Board finds that it would be difficult and costly to administer a policy that allowed for a credit for those periods when an additional occupant is absent from a unit; and

WHEREAS, Article VII, Section 3 States in part: Carrying Charges shall be payable by each Owner whether or not he actually makes use of any part of the Project or receives any services provided by the Mutual;

NOW THEREFORE BE IT RESOLVED, April 19, 2012, the Board of Directors of this corporation hereby restates its long-standing Policy that all Owners/members will share in the Carrying Charges through the monthly assessments whether or not they are in residence; and

RESOLVED FURTHER, that the Second Occupant charges as calculated annually and as part of the annual pro forma budget shall be applied to all second, third or fourth occupants in those units as additional occupants are allowed; and

RESOLVED FURTHER, that no credit shall be provided to any owner for those periods when an additional occupant is absent from a unit;

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 Ruekberg moved to approve the resolution. Director Nord-Leth seconded the motion and discussion ensued.

Without objection, the Board postponed the resolution to the March meeting to conform to the 30-day notification requirements.

b. Approve Open House Directional Signage Policy

Ms. Zoerhof provided a summary of the following proposed resolution approving an Open House Directional Signage policy:

RESOLUTION M50-12

WHEREAS, the GRF Board has passed a Resolution allowing Open House **directional signage** to be posted on GRF property 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

NOW THEREFORE BE IT RESOLVED, March 15, 2012, the Board of Directors of this Corporation approves that open houses in Mutual Fifty are hereby authorized to be held every Saturday and Sunday, between the hours of 11:00 A.M. and 4:00 P.M.; and

RESOLVED FURTHER, Realtors shall be responsible for providing the two types of signs: Open House signs at the Towers and directional signs to direct prospective buyers to the Towers and shall adhere to the specifications in accordance with this resolution; and

RESOLVED FURTHER, that a maximum of three Open House signs with a maximum size of 24" x 24" may be displayed, in accordance with Section 713 of the California Civil Code; and signs shall be placed only at the entrance to the Towers; and

RESOLVED FURTHER, **directional signs** shall be placed at street intersections to direct traffic to the Towers or a specific cul-de-sac. There shall be one sign per direction with a maximum of four signs per intersection; and

RESOLVED FURTHER, directional signs shall be with 24" x 9" corrugated plastic with vinyl lettering and adhere to the GRF approved colors, font and logo; and

RESOLVED FURTHER, non-conformance to this policy shall result in removal of sign from premises; and

RESOLVED FURTHER, that directional signs 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. on the same day; and

RESOLVED FURTHER, that non-residents wishing to visit the open house must be either accompanied by a licensed real estate agent who has been approved for Laguna Woods Village entry, or granted Gate 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 Resolution M50-03-29, adopted September 18, 2003 is hereby superseded and cancelled; and

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

Director Ruekberg moved to approve the resolution. Director Nord-Leth seconded the motion.

Without objection, the Board postponed the resolution to the March meeting to satisfy the 30-day notification requirement.

8. New Business

a. Approve Resident Employee Code of Conduct

Ms. Zoerhof provided a summary of the following proposed resolution approving a Resident Employee Code of Conduct:

RESOLUTION M50-12

WHEREAS, by way of Resolution 50-06-07, the Board of Directors of this Corporation adopted a Caregiver Code of Conduct policy and wish to update the policy and change the name to Resident Employee Code of Conduct; and

WHEREAS, the members of the Corporation are ultimately responsible for the activities of Resident Employees while the Resident Employees are present at the Towers;

NOW THEREFORE BE IT RESOLVED, April 19, 2012, that the Board of Directors of this Corporation on behalf of the Corporation hereby adopts the revised Resident Employee Code of Conduct attached to these minutes concerning the conduct of Resident Employees while in the employ of residents working at the Towers, and

RESOLVED FURTHER, that Resolution 50-06-07, adopted January 19, 2006 is hereby superseded and cancelled; and

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

Director Ruekberg moved to approve the resolution. Director Nord-Leth seconded the motion.

Without objection, the Board postponed the resolution to the March meeting to satisfy the 30-day notification requirement.

b. Discussion re Mutual 50 Investments

Ms. Betty Parker, Financial Director, spoke to the Board on the Mutual's investment policies. Ms. Parker provided an overview of the BlackRock/Merrill Lynch Report presented to the Boards on January 31, 2012 and answered questions from the Board and Members.

c. Approve Revisions to GRF Committee Appointments

Director Ruekberg read a proposed resolution approving the revised GRF Committee Appointments. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

By a vote of 3-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-06

RESOLVED, February 16, 2012, that the following persons are hereby suggested to serve on the Committees of Golden Rain Foundation:

Business Planning

Erwin Levy

Community Activities

Ryna Rothberg

Finance

Erwin Levy

Media & Communications

Ryna Rothberg

Mobility & Vehicles

Joyce Bender

Security and Community Access

Marilyn Ruekberg

RESOLVED FURTHER, that Resolution M50-11-76 adopted December 6, 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.

d. Discuss Policy re Guests Participating in Mutual 50 Activities

Ms. Judie Zoerhof asked direction from the Board regarding drafting a written policy concerning guests attending and participating in Mutual Fifty activities. The Board directed staff to draft a written policy for Board review regarding guests participating in Mutual 50 activities.

e. Consider Request for Credit for Second Occupant Fee

Director Ruekberg read a proposed resolution denying the request of resident member of Unit 852 for a credit for the Second Occupant Fee for five months that they were not in residence in the Towers in 2011. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

By a vote of 3-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-07

WHEREAS, CC&R's (Covenants, Conditions, and Restrictions) at Article VII sets forth the basis of the Corporation's monthly Carrying Charges; and

WHEREAS, the CC&R's at Article VII set forth that all costs incurred by Mutual Fifty to operate and maintain the Project are included in the monthly Carrying Charges; and

WHEREAS, the majority of the costs associated with the Second Occupant are incurred by the Mutual regardless of whether or not a second resident may be absent for a period of time; and

WHEREAS, Article VII, Section 3 States in part: "Carrying Charges shall be payable by each Owner whether or not he actually makes use of any part of the Project or receives any services provided by the Mutual";

NOW THEREFORE BE IT RESOLVED, February 16, 2012, that the Board of Directors of this Corporation hereby denies the request of resident member Unit 852 for a credit for the Second Occupant Fee for five months that they were not in residence in the Towers in 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.

f. Accept 950 Ten-year smoke alarms with sealed lithium batteries from the OCFA

Director Ruekberg read a proposed resolution accepting 950 ten-year smoke alarms with sealed lithium batteries from the OCFA. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

By a vote of 3-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-08

WHEREAS, the Orange County Fire Authority (OCFA) has a grant to provide 950 ten-year smoke alarms with sealed lithium batteries to Mutual Fifty at no cost; and

WHEREAS, these alarms would replace the 320 alarms that Staff currently maintains, and would provide 630 additional alarms for all unit bedrooms, unit hallways, and some common area rooms; and

WHEREAS, the additional smoke alarms will bring the units up to current fire code regarding alarm placement and no additional battery changes will be needed for 10 years;

NOW THEREFORE BE IT RESOLVED, February 16, 2012, the Board of Directors of this Corporation hereby accepts the 950 ten-year smoke alarms with sealed lithium batteries from the OCFA for installation by Staff in all units, unit bedrooms, and unit hallways and some common area spaces; and

RESOLVED FURTHER, that with accepting the smoke alarms, Mutual Fifty Board of Directors approves Staff time to install 950 smoke alarms; 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.

g. Discuss Installing a Dog Park

Ms. Zoerhof discussed installing a dog park at the Towers, stating that the Board had addressed the issue in the past and due to insurance issues the Board at that time decided to deny moving forward with the dog park.

h. Discuss Monday Rincon Bus Trip

Ms. Zoerhof stated that the bus company providing bus transportation to the Rincon Casino has contacted her stating that there is a lack of attendees and if there is no continued participation, the service will be cancelled with March 5 as the last day of service.

i. Discuss Marketing Plan

Ms. Zoerhof discussed the 2012 marketing plan stating that Mutual 50 has a jumbotron picture link on the Life After 50 magazine website. Ms. Zoerhof updated the Board on two open houses scheduled for the Towers, one having a live band and one an art show exhibiting work from the Members of the Towers.

9. Financial and Budget Report

Director Levy stated there was no financial data due to closing of the books.

10. Standing Committee Reports:

- **Resident Entertainment Committee:** JoAnn Cramer reported on behalf of the Resident Entertainment Committee.
- **Business Planning Committee:** No report was given
- **Orientation Committee:** Director Ruekberg reported on behalf of the Orientation Committee.
- **Architectural Control Committee:** No report was given.

11. GRF Committees:

- **Community Activities Committee:** Director Rothberg reported on behalf of the Community Activities Committee.
- **Media and Communications Committee:** President Rothberg reported on behalf of the Media and Communications Committee.
- **Mobility and Vehicles Committee:** No report was given.
- **Finance:** No report was given.
- **Security Committee:** No report was given.

12. Golden Rain Foundation

Mr. Jerry Storage, General Manager, reported on the February 7, 2012 Golden Rain Foundation Board Meeting.

13. Resale and Leasing Reports

Mr. Storage reported on the resale and leasing activity at the Towers.

14. Administrator's Report

Ms. Zoerhof had nothing at this time.

15. Directors' Forum

None.

Recess

The meeting recessed at 3:35 P.M. and reconvened into Executive Session at 3:50 P.M.

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

During its Regular Executive Session meeting of January 19, 2012, the Board reviewed and approved the minutes of the November 17, 2011 Regular Executive Session and the December 6, 2011 Executive Organizational meeting; approved recording the Notice of Default for Member ID 932-960-87; approved one delinquent assessment write-off; and establish a non-judicial foreclosure sale date against 3 units.

There being no further business to come before the Board, the meeting was adjourned at 4:10 P.M.

Marilyn Ruekberg, Acting Secretary