

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

**July 18, 2013**

The Board of Directors of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation, met at 2:00 P.M. on Thursday, July 18, 2013 at 24055 Paseo del Lago West, Laguna Woods, California.

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

**Directors Absent:** None

**Others Present:** Judie Zoerhof, Jerry, Storage, Patty Kurzet, Betty Parker

**1. Call to Order**

President Rothberg, opened 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**

Director Nord-Leth led the membership in the Pledge of Allegiance to the Flag.

**3. Approval of the Minutes**

The Board reviewed and approved without objection the minutes of the Regular Meeting of June 20, 2013.

**4. President's Comments**

President Rothberg thanked staff for installing renovated benches outside the Towers; reminded the membership that saving seats for special events is not allowed; asked that the Board discuss its policy on chargeable services and reservation policy at its next meeting; and commented on the Laguna Woods mall renovation.

**5. Golden Rain Foundation**

Mr. Jerry Storage reported on the July 2, 2013 Golden Rain Foundation Board Meeting.

**6. Resale and Leasing Reports**

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

**7. Members' Comments**

- Olive Guggenmos (455) commented on the lease report
- Nancy Young (United resident) spoke to the Board regarding Skyline Innovation's program for solar energy

- Vicky Kasselheim (1056) commented on the Golden Rain Foundation report

**8. Consent Calendar**

- a. None.

**9. Old Business**

- a. None.

**10. Items for Discussion and Consideration**

**a. Appoint Inspectors of Election**

Director Kendro read a proposed resolution approving the Inspectors of Election. Director Kendro moved to approve the resolution. Director Levy seconded the motion and discussion ensued.

Members Lou Parker (308) and Anne Gilbert (1403) commented on the appointments.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION M50-13-24**

**WHEREAS**, the duties of the Inspectors of Election of Homeowner Associations have been significantly expanded by law; and

**WHEREAS**, the Laguna Woods Mutual No. Fifty Board of Directors has as its criteria conducting an efficient and accurate election;

**NOW THEREFORE BE IT RESOLVED**, July 18, 2013 that the Board of Directors of this Corporation hereby appoints the following Accounting Firm as Inspectors of Election for the counting of ballots for the 2013 Election of Directors of this Corporation to be held on Thursday, December 5, 2013 at 2:00 P.M.

Schonwit & Associates

**b. Consider Joint Task Force to Analyze GRF Trust and Bylaws Resolutions**

Director Kendro read a proposed resolution setting forth to amend the GRF Trust in concept. Director Kendro moved to approve the resolution. Director Ruekberg seconded the motion and discussion ensued.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION M50-13-25**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice;

**WHEREAS**, the Trust at Section VII, Section A provides:

**A.** "TRUSTEE shall have, in addition to all powers, rights and privileges provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey, exchange, convert; lease for terms, either within or beyond the end of the trust, for any purpose; assign, partition, divide, subdivide improve, insure, loan, reloan, invest and reinvest the Trust Estate or any part thereof in such manner and on such terms and conditions as TRUSTEE deems advisable. *In all such cases TRUSTEE shall have sole discretion respecting such transaction.* With respect to all such transactions TRUSTEE shall have no liability concerning them whatever, except for willful and wrongful misconduct." **(Italics and underlining added for emphasis)**

**WHEREAS**, the GRF Bylaws at Articles 2.1.4 and 2.1.6 state in part:

2.1.4 To engage in any business or activity now or hereafter permitted by law, the Articles of Incorporation of this Corporation, and these Bylaws, conditioned on the requirement that any business or activity involving:

- The creation of new Mutuels or Manors as part of or in addition to any of the existing Housing Corporations, i.e., United Laguna Hills Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty;
- The sale or lease of Golden Rain Foundation or Golden Rain Foundation Trust real estate and/or real estate improvements;
- The acquisition of real estate;
- The construction of additional facilities;
- The demolition and/or rebuilding of existing facilities;

will be presented to the Corporate Members for the purpose of informing the Corporate Members on the nature of the business or activity in which GRF desires to engage and to assess the Corporate Members' respective opinions on the business or activity considered."

2.1.6 "GRF shall obtain a majority vote from the Corporate Members (as defined in Paragraph 2.4.10) prior to engaging in any business or activity specified in the first three bulleted items of Paragraph 2.1.4..."

**NOW THEREFORE BE IT RESOLVED**, July 18, 2013, that the Board of Directors of this Corporation hereby approves, in concept, amending the Trust restricting GRF from:

- The creation of new Mutuels or Manors as part of or in addition to any of the existing Housing Corporations, i.e., United Laguna Woods Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual Fifty;
- The sale or lease of Golden Rain foundation or Golden Rain foundation Trust real estate and/or real estate improvements;
- The acquisition of real estate;

without the majority vote of the Corporate Members (directors of the Housing Mutuels, i.e. Third Laguna Hills Mutual, United Laguna Woods Mutual, and Laguna Woods Mutual No. Fifty);

**RESOLVED FURTHER**, that the intent of this action is that the resulting Trust language will be consistent with the GRF Bylaws on the matter of property procurement or sale; 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 Kendro read a proposed resolution setting forth to amend the GRF Trust to expressly authorize GRF to allow GRF-owned equipment to be used to provide services to the Mutuels. Director Kendro moved to approve the resolution. Director Ruekberg seconded the motion and discussion ensued.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION M50-13-26**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the practice of GRF has been to provide services to the Housing Mutuels; and

**WHEREAS**, GRF Bylaws at Article 2 sets forth GRF's purposes to include:

2.1.1 to develop and maintain facilities and services for the community areas of Laguna Woods Village, Laguna Woods, exclusive of the common areas of the Mutuels, on a mutual basis for the use of the Mutual Members

(other than Lessors), Qualifying Residents, Co-Occupants, Tenants, and their guests [Emphasis added]; and

2.1.2 to operate the community facilities to provide various community-wide service as an integral portion of Laguna Woods Village, Laguna Woods "Senior Citizens Housing Development" in conformance with Civil Code Section 51.3 of the Unruh Civil Rights Act."

**NOW THEREFORE BE IT RESOLVED**, July 18, 2013, that the Board of Directors of this Corporation hereby approves, in concept, amending the Trust, the GRF Bylaws, and GRF Articles of Incorporation to expressly authorize GRF to allow GRF-owned equipment to be used to provide the types of services that have historically been provided to the Mutuals; 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 Kendro read a proposed resolution approving the policy allowing non-residents use of the GRF facilities. Director Kendro moved to approve the resolution. Director Ruekberg seconded the motion and discussion ensued.

By a vote of 3-1-0 (Director Kendro opposed), the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION M50-13-27**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the practice of GRF has been to allow non-member use of GRF facilities; and

**WHEREAS**, the Trust Amendment, recorded October 13, 1971 states in part: "The extent of the services to be provided by GOLDEN RAIN, the rules and regulations with respect to the use of the improvements, the persons entitled to receive said services or to use said Improvements and the charges therefor shall be determined and established by the Board of Directors of GOLDEN RAIN in its sole discretion, provided that the furnishings of any medical services to or the use of any facilities by persons other than the Cooperatives or members of the Cooperatives shall be subject to prior written consent of the Cooperatives exercising two-thirds of the voting power of Golden Rain, as provided in the by-laws of Golden Rain."

**NOW THEREFORE BE IT RESOLVED**, July 18, 2013, that the Board of Directors of this Corporation hereby approves the policy allowing non-residents, as approved by the Golden Rain Foundation Board of Directors, use of the GRF facilities; and

**RESOLVED FURTHER**, that upon approval of this resolution, further approval will be presented to the Directors of the Housing Mutuals at a Corporate Members meeting to establish the required two-thirds vote in favor of allowing non-residents to use GRF facilities, after such vote is achieved, a resolution shall be adopted by the Corporate Members which will provide the required written consent to the Golden Rain Foundation to allow non-residents use of its facilities; 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 Kendro read a proposed resolution setting forth to amend the GRF Trust to extend the termination date. Director Kendro moved to approve the resolution. Director Ruekberg seconded the motion and discussion ensued.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

**RESOLUTION M50-13-28**

**WHEREAS**, the Joint Task Force to Analyze the GRF Trust and Bylaws was tasked with resolving conflicts between the Trust and GRF Bylaws and between the Trust and practice; and

**WHEREAS**, the Task Force evaluated dissolving the Trust, restating the Trust, or extending out the termination date of the Trust; and

**WHEREAS**, the Trust states in part: "This Trust shall in all events terminate, if it has not earlier been terminated, 60 years from the date hereof or 21 years after the date of the death of the last to die of Mark L. Conroy, Jr., Westminster, California; Kevin Ross Letson, Villa Park, California; Allan Oakley Hunter, Jr., Fresno, California; Matthew Van Zandt Moyer, Orange, California; Jeffrey P. Tuck, Pasadena, California; and Pamela Jan Swart, Arlington Heights, Illinois"; and

**NOW THEREFORE BE IT RESOLVED**, July 18, 2013, that the Board of Directors of this Corporation hereby approves an Amendment to the Trust

that adds "This Trust shall continue, if it has not earlier been terminated, until March 2, 2074"; 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.

c. **Discuss Condensation Line in Closet Ceilings**

President Rothberg reminded the membership of the condensation lines in closet ceilings and to capture such condensation by placing a dish or cup underneath the line.

d. **Discuss Emergency Notification Form**

Ms. Zoerhof reminded the membership to fill out the Emergency Notification Forms so Staff has the most recent contact information.

**11. Review Preliminary Financial Statements**

Betty Parker reviewed the Preliminary Financial Statements with the Board.

**12. Standing Committee Reports:**

- **Resident Entertainment Committee:** Deborah Thornton reported on behalf of the Resident Entertainment Committee.
- **Business Planning Committee:** Director Levy provided a budget planning overview.
- **Orientation Committee:** Director Ruekberg reported on the Orientation Committee.
- **Architectural Control Committee:** No report was given.

**13. GRF Committees:**

- **Community Activities Committee:** President Rothberg reported on behalf of the Community Activities Committee.
- **Recreation Master Plan Ad Hoc Committee:** President Rothberg reported on behalf of the Recreation Master Plan Ad Hoc Committee.
- **Finance Committee:** Director Levy reported on behalf of the Finance Committee.
- **Landscape Committee:** Director Nord-Leth reported on behalf of the Landscape Committee.
- **Maintenance and Construction Committee:** President Rothberg reported on behalf of the Maintenance and Construction Committee.
- **Media and Communications Committee:** President Rothberg reported on behalf of the Media and Communications Committee.
- **Mobility and Vehicles Committee:** Director Nord-Leth reported on behalf of the Mobility and Vehicles Committee.
- **Security Committee:** No report was given.

**14. Administrator's Report**

No report was given.

**15. Directors' Forum**

- No comments were made.

**Recess**

The meeting recessed at 3:50 P.M. and reconvened into Executive Session at 3:57 P.M.

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

During its Regular Executive Session meeting of June 20, 2013, the Board of Directors reviewed and approved the May 16, 2013 Regular Executive Session meeting minutes; approved a delinquent assessment payment plan; and established a foreclosure sale date for a unit.

During its Special Executive Session meeting of June 28, 2013, the Board discussed contractual issues.

There being no further business to come before the Board, the meeting was adjourned at 4:33 P.M.

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Chace Kendro, Secretary