

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

May 17, 2007

The Board of Directors of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation, met at 10:00 a.m. on Thursday, May 17, 2007 at 24055 Paseo del Lago West, Laguna Woods, California.

Directors Present: Richard Wurzel, Chair; Tom Jackson, Ruth Mervis, Janet Schwartz, and Robert Lutz

Advisors Present: Keith Wallace

Others Present: Judie Zoerhof, Milt Johns, Janet Price and Barbara Pavia

1. Call to Order:

Richard Wurzel, Chair stated that it was a regular meeting of the Corporation and that a quorum was present. The meeting was called to order at 10:00 A.M.

2. Pledge of Allegiance to the Flag:

Director Mervis led the membership in the Pledge of Allegiance to the Flag.

3. Approval of the Minutes:

The minutes of the Regular Meeting of April 19, 2007 were approved.

4. Member Comments:

- Sonia Gorman (555), Lorna Ingram (1161), and Nora Neustaedter (763) commented on the monetary increase for dinner on Mother's Day and inquired if all other holiday dinners will have a price increase.
- Leonore Gitter (610) suggested that another venue is used for movies that are shown at the Key Club.
- Ramona Petersen (652), Dorothy Rochelle (101), and Vicky Kasselheim (1056) commented on credit card usage by the Executive Staff of PCM.

5. Financial and Budget Report:

a. GRF Finance Committee

Director Jackson presented the Treasurer's report.

6. City of Laguna Woods:

Dr. Brenda Ross reported on behalf of the City of Laguna Woods.

- Leonore Gitter (610) and Tom Davis (1208) commented on the City Council Report.

7. Standing Committee Report:

- a. **Activities Committee:** Lorna Ingram reported on behalf of the Activities Committee.
- b. **Business Planning Committee:** Tom Jackson reported on behalf of the Business Planning Committee.
- c. **Information and Orientation Committee:** Richard Wurzel reported on behalf of Freda Sullivan for the Information and Orientation Committee.

8. GRF Committees:

- a. **Community Activities Committee:** No report.
- b. **Broadband Services Committee:** Keith Wallace reported on behalf of Richard Wurzel for the Broadband Services Committee.
 - Tom Davis (1208) and Vicky Kasselheim (1056) commented on the Broadband Services report.
- c. **Government and Public Relations Committee:** Tom Jackson reported on behalf of the Government and Public Relations Committee.
- d. **Bus Service Committee:** Janet Schwartz reported on behalf of the Bus Service Committee.
- e. **Select Audit Committee:** Janet Price, Finance & Administration Director reported on behalf of Tom Jackson for the Select Audit Committee.

9. Guckenheimer Food Service Report:

Christopher Ramirez was present and reported on behalf of Guckenheimer.

- Nora Neustaedter (763), Dorothy Rochelle (101), Irene Lilly (1256), Ramona Petersen (652), and Edith Roberts (1053) commented on the Guckenheimer Food report.

10. Golden Rain Foundation:

Milt Johns, General Manager, reported on the May 1, 2007 Golden Rain Foundation Board Meeting.

- George Portlock, President of the Golden Rain Foundation addressed the members of Laguna Woods No. Fifty.
- Clara Zimmerman (358) commented on Mr. Johns' report.

11. Administrators Report:

Judie Zoerhof congratulated Lorna Ingram and the Activities Committee for doing such an outstanding job in May. She also thanked Marilyn Ruekberg and Jack Hammen for doing a wonderful job in caring for all of the orchid plants in the Towers.

12. Old Business

No old business came before the Board.

13. New Business

a. Approve Supplemental Appropriation of \$7,500 for Outside Reserve Study

Director Mervis made a motion to approve the supplemental appropriation of \$7,500 from the replacement fund for a contracted reserve study. Director Jackson seconded the motion.

By a vote of 3 in favor and 1 opposed (Director Mervis) the motion carried and the Board of Directors adopted the following resolution.

RESOLUTION M50-07-23

WHEREAS, Section 1365 of the California Civil Code prescribes the manner in which a common interest development (association) will prepare and distribute financial documents to its members; and

WHEREAS, new language was added to the code to further direct the preparation and reporting of reserve requirements; one such change requires the association to state "All major components are included in the reserve study and are included in its calculations", §1365.2.5 (5); and

WHEREAS, a study prepared by a Reserve Specialist experienced in mid- and high-rise residential buildings will provide compliance with the new reserves legislation;

NOW THEREFORE BE IT RESOLVED, May 17, 2007 that the Board of Directors of this Corporation on behalf of the Corporation hereby approves a supplemental appropriation in the amount of \$7,500 from Replacement Fund for a contracted reserve study; 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.

b. Approve Community Proposal for Policy to Suspend Chargeable Services for a Member who is Delinquent for a Minimum of 120 Days

Director Mervis made a motion to approve the proposal to suspend chargeable services when a member is delinquent for a minimum of 120 days. Director Jackson seconded the motion. Discussion ensued.

- Lorna Ingram (1161), Leonore Gitter (610) commented on the proposed resolution.

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

RESOLUTION M50-07-24

WHEREAS, there has been presented to the Board a proposal whereby this Corporation's managing agent, Professional Community Management, Inc. ("PCM"), would, as an administrative action, and without specific Board authorization as to each instance, suspend Chargeable Services for any Member whose account is delinquent; and

WHEREAS, Members request and agree to pay for, and services are provided by Staff and billed on a monthly basis; and

WHEREAS, if Members do not pay their balance within the monthly twenty-five (25) day grace period, they will incur a \$10.00 late charge each month, and if the charge or charges are delinquent for four consecutive months or a minimum of 120 days from the original billing and are not disputed, Chargeable Services may be suspended; and

WHEREAS, the Board has reviewed and discussed this proposal, and has determined that it is in the best interest of this Corporation and its Members to have it managing agent directly enforcing its policy regarding Chargeable Services by taking administrative action to suspend Chargeable Services when a Member is delinquent for a minimum of 120 days from the original billing.

NOW, THEREFORE BE IT RESOLVED, May 17, 2007 that the managing agent is hereby authorized to suspend Chargeable Services, except when the requested service is an emergency, as an administrative action for any Member who is delinquent in making the requisite payments for a minimum of 120 days from the original billing for non-disputed Chargeable Services; and

RESOLVED FURTHER, that any actions taken by the managing agent to date in suspending Chargeable Services as an administrative action for Members who were delinquent in making payments on their account are hereby ratified and approved; 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. Approve Appointment of Inspectors of Election

Judie Zoerhof asked for a consensus from the Board of Directors to approve the appointment of Inspectors of Election. Staff recommends hiring a certified accounting firm to oversee the ballot count and certify the election results.

It was the consensus of the Board of Directors to not make a decision at this time.

d. Approval of Scott Dunham to Replace Jodie Martin

Director Mervis made a motion to approve the proposed resolution to replace Jodie Martin, Risk Manager with Scott Dunham. Director Jackson seconded the motion.

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

RESOLUTION M50-07-25

RESOLVED, May 17, 2007, that the following persons are hereby elected as officers of this corporation:

Richard Wurzel	President
Ruth Mervis	Secretary
Tom Jackson	Treasurer

RESOLVED FURTHER, that the following persons are hereby appointed as officers of this Corporation:

Milton E. Johns	Vice President
Judie Zoerhof	Vice President
Janet Price	Assistant Treasurer
Barbara Pavia	Assistant Secretary
Cris Trapp	Assistant Secretary
Wendy Panizza	Assistant Secretary, for the purpose of representing Laguna Woods No. Fifty in Small Claims Court
Scott Dunham	Assistant Secretary, for the purpose of representing Laguna Woods No. Fifty in Small Claims Court

RESOLVED FURTHER, that Resolution M50-06-53, adopted December 7, 2006 is hereby superseded and canceled.

e. Approve Lien for Member ID #932-961-79

Director Mervis made a motion to approve the proposed resolution to record a lien for member ID #932-961-79. Director Lutz seconded the motion. Discussion ensued.

- Leonore Gitter (610) commented on the proposed resolution.

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

RESOLUTION M50-07-26

WHEREAS, Member 932-961-79 is currently delinquent to Laguna Woods Mutual Number Fifty with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, May 17, 2007 the Board of Directors of this Corporation on behalf of the Corporation hereby approves the recording of a Lien for Member 932-961-79; 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. Ratify Action without a Meeting re: Management Agreement

Director Mervis made a motion to approve the proposed resolution to ratify action without a meeting regarding the management agreement. Director Schwartz seconded the motion.

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

RESOLUTION M50-07-27

WHEREAS, Laguna Woods Mutual No. Fifty Bylaws, Article VII, Section 13 states in part: "Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consensus shall be filed with the minutes of the proceedings of the Board;

WHEREAS, the Board of Directors on May 2, 2007 individually and in writing did consent to approve a change in the wording of the parties for the Management Agreement;

NOW THEREFORE BE IT RESOLVED May 17, 2007 that the Board of Directors of this Corporation on behalf of the Corporation hereby ratifies the Action Without a Meeting certified by the Secretary on May 2, 2007

14. Discussion Items

a. Lapel Microphone

The board had requested that staff investigate purchasing wireless lapel microphones. Staff submitted a memo with their findings

- Dorothy Rochelle (101), Lorna Ingram (1161), Ramona Petersen (652) and Joan Shuff (1404) commented on lapel microphones.

Advisor Wallace suggested that staff find a company that would allow the Towers to borrow and try-out lapel style microphones before purchasing the microphones.

The board of directors voted on Mr. Wallace's suggestion and by a vote of 2 in favor (Director Jackson and Director Lutz) and 2 opposed (Director Mervis and Director Schwartz). President Wurzel broke the tie in favor and advised staff to contact a company that would allow the Towers to try-out lapel microphones.

15. President's Comments:

President Wurzel commented that the patio off of the main dining room will be completed soon and thought it would be nice if residents could make reservations to dine in the patio during the summer months.

President Wurzel suggested that the former nurse's station be converted into a hospitality suite for resident's family and friends to stay overnight while visiting.

- Director Schwartz, Advisor Wallace, Ramona Petersen (652), Lorna Ingram (1061) and Leonore Gitter (610) commented on President Wurzel's report.

16. Resale & Leasing Report:

Milt Johns reported on the year-to-date resale and leasing activity.

17. Directors Forum:

There were no comments at this time.

Recess:

The meeting recessed at 11:53 A.M. Closed Session of the Board of Directors was cancelled.

There being no further business to come before the Board, the meeting was adjourned at 11:53

Ruth Mervis, Secretary