

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

July 17, 2008

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 17, 2008 at 24055 Paseo del Lago West, Laguna Woods, California.

Directors Present: Ruth Mervis, Chair; Janet Schwartz; Keith Wallace; Dick Gray; Richard Wurzel

Directors Absent: None

Others Present: Judie Zoerhof, Milt Johns, Patty Kurzet, Bryan English

1. Call to Order:

Ruth Mervis, Chair, 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 Wallace led the membership in the Pledge of Allegiance to the Flag.

3. Approval of the Minutes:

The minutes of the Regular meeting of June 19, 2008 were approved as submitted.

4. President's Comments

Due to the number of items on the agenda, President Mervis did not make any comments.

5. Old Business

No Old Business came before the Board.

6. New Business

a. Approve Transfer of \$140,000 from Surplus to Facilities Improvement Fund

The Secretary of the Corporation, Director Wallace, read a proposed resolution approving the transfer of funds from Surplus to the Facilities Improvement Fund. Director Wallace moved to approve the resolution. Director Schwartz seconded the motion.

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

RESOLUTION M50-08-32

WHEREAS, December 31, 2007, Laguna Woods Mutual No. Fifty (Mutual Fifty) had an operating surplus of almost \$153,000;

NOW THEREFORE BE IT RESOLVED, July 17, 2008 that the Board of Directors of this Corporation on behalf of the corporation hereby approves the transfer of \$140,000 from Prior Year's Surplus into the Facilities Improvement 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.

Member Herb Parker (308) commented on surplus.

b. Approve Changing Policy Re Minimum Length of Time a Unit May Be Leased

Director Wallace read the following proposed resolution changing the policy on the length of time a unit may be leased:

RESOLUTION M50-08

WHEREAS, Resolution M50-90-23 dated April 12, 1990 established 60 days as the minimum period of time a Towers unit may be leased; and

WHEREAS, the Laguna Woods Mutual No. Fifty Board of Directors has requested information regarding the use of Mutual owned units to be used for short term leases;

NOW THEREFORE BE IT RESOLVED August 21, 2008 that the Board of Directors of this Corporation hereby establishes a Policy in which units of the Towers may be leased for a period of time shorter than 60 days; and

RESOLVED FURTHER, that Resolution M50-90-23 dated April 12, 1990 shall be cancelled and rescinded; 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 Wallace moved to approve the resolution. Director Gray seconded the motion.

Lessee Olive Guggenmos (455) commented on the resolution.

Without objection the resolution was tabled to the August Meeting to satisfy the required statutory thirty-day notice requirements.

c. Approve Inspectors of Election for Annual Director Election

Director Wallace read a proposed resolution approving The Inspectors of Election for the December Annual Director Election. Director Wallace moved to approve the resolution. Director Gray seconded the motion.

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

RESOLUTION M50-08-33

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 17, 2008 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 2008 Election of Directors of this Corporation to be held on Thursday, December 4, 2008 at 10:00 A.M.

Schonwit & Associates

d. Approval of Supplemental Appropriation to Install Insulated Window Film

Director Wallace read the following proposed resolution approving a supplemental appropriation to install insulated window film on south west facing windows:

RESOLUTION M50-08

WHEREAS, sun control window films have been found effective in reducing energy consumption; and Southern California Edison (SCE) is offering rebates if the installed film meets SCE's specifications;

WHEREAS, an energy consultant was contacted to calculate the energy impact of adding film to the windows of the Towers and with the calculated estimated energy savings, assuming cost for electricity goes up 4% per year, it is estimated that the installation of Ceramic 30 film on the west-facing windows of Towers 2 will save the Mutual approximately \$740,000 during the film's 15 year warranty period;

WHEREAS, based on the Towers average electricity cost of \$0.115 per kilowatt hour, the savings would be approximately \$34,400 annually, allowing a payback period of approximately 4 years;

NOW THEREFORE BE IT RESOLVED, July 17, 2008, that the Board of Directors of this Corporation hereby approves a Supplemental Appropriation in the amount of \$154,600 from the Replacement Reserve Fund for the purpose of installing Ceramic 30 window film on Towers' west-facing windows;

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 Wallace moved to approve the resolution. Director Gray seconded the motion.

Director Gray made a motion to table the resolution for 45 days to research the matter further. Director Wurzel seconded the motion.

By a vote of 4-0-0 the motion to table carried.

Member Rene Beaumont (1060) commented on studying the installation of solar panels to reduce costs.

Members Evelyn Swerdlow (807) commented on the heat generated from the afternoon sun in her manor; Pearl Zweibach (861); Mary Wayman (860); and Herb Parker (308) commented on reserves; and Rene Beaumont (1060) commented on members' voting rights.

e. Approval New Locking System for Unit Doors

Director Wallace read the following proposed resolution to continue the computer managed access control door locking system:

RESOLUTION M50-08

WHEREAS, Laguna Woods Mutual No. Fifty has caused to be installed a computer managed access control door locking system for 12 exterior doors; and

WHEREAS, the 2008 Reserve Expenditure Plan approved \$160,000 to continue the computer managed access control door locking system for one half of the individual unit doors with the second half to be installed in 2009;

NOW THEREFORE BE IT RESOLVED, July 17, 2008 that the Board of directors hereby affirms their decision to continue the computer managed access control door locking system; 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 Wallace moved to approve the resolution. The motion failed due to the lack of a second.

Member Leon Manheimer (802) commented on the resolution.

Director Wallace read a second proposed resolution to acquire and install 350 Mechanical Door Master Key Locks for individual units. Director Wallace moved to approve the resolution. Director Gray seconded the motion.

By a vote of 3-2-0 (Directors Gray and Schwartz voted in favor, and Directors Wurzel and Wallace opposed, President Mervis voted in favor to break the tie) the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-08-34

WHEREAS, Laguna Woods Mutual No. Fifty has caused to be installed a computer managed access control door locking system for 12 exterior doors;

WHEREAS, the 2008 Reserve Expenditure Plan approved \$160,000 to continue the computer managed access control door locking system for one half of the individual unit doors with the second half to be installed in 2009;

NOW THEREFORE BE IT RESOLVED, July 17, 2008 the Board of Directors of this Corporation on behalf of the corporation hereby approves that a portion of the \$160,000 from the 2008 Reserve Expenditure Plan for computer managed access control, in the amount not to exceed \$78,100, shall be used to acquire and install 350 Mechanical Door Master Key Locks for the individual units;

RESOLVED FURTHER, that the computer managed door locking system for the individual unit doors shall not be continued at this time; 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.

Members Pearl Zweibach (861), Anne Gilbert (1403), Leon Manheimer (802); and Herb Parker (308) commented on the resolution.

f. Approve Recording of Delinquent Assessment Lien for Member ID 932-960-62

Director Wallace read a proposed resolution approving the recording of a delinquent assessment lien for Member ID 932-960-62. Director Wallace moved to approve the resolution. Director Gray seconded the motion.

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

RESOLUTION M50-08-35

WHEREAS, Member ID 932-960-62 is currently delinquent to Laguna Woods Mutual 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, July 17, 2008 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-960-62; 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. Approve Recording of Delinquent Assessment Lien for Member ID 932-961-92

Director Wallace read a proposed resolution approving the recording of a delinquent assessment lien for Member ID 932-961-92. Director Wallace moved to approve the resolution. Director Wurzel seconded the motion.

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

RESOLUTION M50-08-36

WHEREAS, Member ID 932-961-92 is currently delinquent to Laguna Woods Mutual 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, July 17, 2008 that the Board of Directors hereby approves the recording of a Lien for Member ID 932-961-92; 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.

7. Financial and Budget Report:

Director Wurzel presented the Treasurer's report and announced the upcoming budget meeting.

8. City of Laguna Woods:

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

9. Standing Committee Reports:

- a. **Activities Committee:** Lorna Ingram reported on behalf of the Activities Committee.
- b. **Business Planning Committee:** No report was given.
- c. **Information and Orientation Committee:** Freda Sullivan reported on behalf of the Information and Orientation Committee
- d. **Architectural Control Committee:** No report was given

10. GRF Committees:

- a. **Community Activities Committee:** No report was given.
- b. **Finance:** No report was given.
- c. **Broadband Services Committee:** No report was given.
- d. **Government and Public Relations Committee:** No report was given.
- e. **Bus Services Committee:** No report was given.
- f. **Select Audit Committee:** No report was given.

11. Golden Rain Foundation

Mr. Milt Johns reported on the July 1, 2008 Golden Rain Foundation Board Meeting.

12. Resale and Leasing Reports

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

13. Administrator's Report

No report was given.

14. Discussion Items:

No discussion items came before the Board.

15. Directors' Forum

No comments were made under Directors' Forum.

16. Members' Comments

Clara Zimmerman (358) commented on Mr. Johns report.

Recess

The meeting recessed at 3:25 P.M. and reconvened into Executive Session at 3:30 P.M.

There being no further business to come before the Board, the meeting was adjourned at 3:47 P.M.

Keith Wallace, Secretary