

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

January 21, 2010

The Board of Directors of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation, met at 2:00 P.M. on Thursday, January 21, 2010 at 24055 Paseo del Lago West, Laguna Woods, California.

Directors Present: Dick Gray Chair; Keith Wallace, Herb Harris, Richard Wurzel, Marilyn Ruekberg

Directors Absent: None

Others Present: Judie Zoerhof, Milt Johns, Patty Kurzet

1. Call to Order

President Gray 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.

Mr. Milt Johns provided an update on the storm watch and Staff's emergency response to securing the Community from flooding and leaks.

2. Pledge of Allegiance to the Flag

Due to the meeting being held in the Key Club, there was no Pledge of Allegiance to the Flag.

3. Approval of the Minutes

Without objection, the minutes of the Regular Meeting of November 19, 2009, the Special Meeting of November 23, 2009, and the Organizational Meeting of December 10, 2009 were approved as submitted.

4. President's Comments

President Gray did not make any comments.

5. Old Business

No old business came before the Board.

6. New Business

a. Appointment to GRF Entitlement Ad Hoc Committee

Director Wurzel moved to appoint Herb Harris to the GRF Entitlement Ad Hoc Committee. Director Ruekberg seconded the motion and the motion carried unanimously.

b. Approval of Joint Long Range Planning Committee and Appoint Members

Director Wurzel moved to approve to establish the Joint Long Range Planning Committee and appoint Dick Gray to the Committee. Director Harris seconded the motion and the motion carried unanimously.

c. **Approval of Joint Long Range Planning Committee Charter**

Without objection, the Board established the Joint Long Range Planning Committee Charter as referenced in the subject report.

d. **Approve 30-Year Reserve Plan as Long Range Plan**

Without objection, the Board agreed to table approval.

e. **Approve Resident Entertainment Committee Charter**

Director Wallace read a proposed resolution approving the Resident Entertainment Committee Charter. 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 M50-10-03

LAGUNA WOODS MUTUAL NO. FIFTY

RESIDENT ENTERTAINMENT COMMITTEE 2010 CHARTER

WHEREAS, Laguna Woods Mutual No. Fifty Bylaws, Article VIII, Section 1 states in part: The Board may designate one or more Standing, Ad hoc or other committees, each to serve at the pleasure of the Board and each consisting of a sufficient number of Qualifying Mutual Fifty Resident Members to meet the needs of its particular function or functions. The duties and powers of these committees shall be determined by the Board, provided that the authority of each committee is limited to advising the Board and all final actions are subject to the specific approval of the Board;

NOW THEREFORE BE IT RESOLVED, January 21, 2010 the Board of Directors of this corporation hereby approves the Resident Entertainment Committee Charter and assigns the duties and responsibilities of the Committee as follows:

1. Perform the duties imposed upon all standing committees as set forth in the current resolution entitled, "General Duties of Standing Committees."
2. Analyze all activities and resident participation, discuss possibilities and new ideas making recommendations to the Board as appropriate;
3. Increase activities, games, and events in the Key Club whenever possible.

4. The Committee shall meet monthly to review activities held and activities proposed;
5. Activities shall be reviewed with the Activities Coordinator to ensure that they comply with the goals of the Board;
6. The Committee shall assist the Coordinator in initiating new ideas consistent with the Committee Mission Statement;
7. The Committee shall participate in decorating and hosting events;
8. The Committee shall take an active role in greeting new Residents and hosting the New Resident Luncheon;
9. The Committee Chair shall report at the Regular Board meeting concerning the Resident Entertainment Committee events and plans;

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. **Approval of Resident Entertainment Committee Appointments**

Director Wallace read a proposed resolution approving the Resident Entertainment Committee appointments. Director Wurzel moved to approve the resolution. Director Ruekberg seconded the motion.

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

RESOLUTION M50-10-04

RESOLVED, January 21, 2010 that the Board of Directors of this corporation on behalf of the corporation hereby appoints the following members to the Resident Entertainment Committee:

Chair, Keith Wallace
Peggy Herzog
Edie Gray
Darrell Haskell
Vickie Kasselheim
Lorna Ingram
Jan Lang
Marge Harrison
Dick Smith

RESOLVED FURTHER, that the sole purpose of this committee shall be to follow the Committee Charter.

g. **Approve Marketing Committee Appointments**

Director Wallace read a proposed resolution approving appointments to the Marketing Committee. Director Wallace moved to approve the resolution. Director Harris seconded the motion.

Without objection, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-10-05

RESOLVED, January 21, 2010 that the Board of Directors of this corporation on behalf of the corporation hereby appoints the following members to the Marketing Committee:

Herb Harris, Chair
Richard Wurzel
Gary Damsker
Darrell Haskell
Gerry Schuirman

Advisors:

Shirley Prager
Ruth Goodman
Dan Gaitley
Bob Rock

RESOLVED FURTHER, that the sole purpose of this committee shall be to follow the Committee Charter.

h. **Approve Appropriation for Installation of California Room Carpet**

Director Wallace read a proposed resolution approving a supplemental appropriation to install carpet in the California Room. Director Harris moved to approve the resolution. Director Wurzel seconded the motion.

Member Herb Parker (308) commented on the carpet.

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

RESOLUTION M50-10-06

WHEREAS, the lobby carpet in the California Room has exceeded its serviceable life, and has been stretched and repaired until it is no longer able to withstand further repairs; and

WHEREAS, the 2009 Reserve Expenditures Plan included \$6,000 for the purpose of replacing the flooring in the Rendezvous & California Dining Rooms; and

WHEREAS, a recent competitive bid for removing the existing carpet and replacing the carpet and pad in the California Dining Room was \$14,500,

NOW THEREFORE BE IT RESOLVED, on January 21, 2010 the Board of Directors of this corporation on behalf of the corporation hereby approves a Supplemental Appropriation in the amount of \$14,500 from the Replacement Reserve Fund for the purpose of removing the existing carpet and replacing the carpet and pad in the California Dining Room; and

RESOLVED FURTHER, that the \$6,000 funding included in the 2009 Reserve Expenditures Plan be preserved for the purpose of replacing the flooring in the Rendezvous Room; 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.

i. **Approval of Ad Hoc Dress Code Committee Appointments**

Director Wallace read a proposed resolution approving the Ad Hoc Dress Code Committee Appointments. Director Wurzel moved to approve the resolution. Director Wallace seconded the motion.

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

RESOLUTION M50-10-07

WHEREAS, the Laguna Woods Mutual No. Fifty Dining Room Dress Code has not been reviewed since 2007 and good grooming is expected at all times in the dining rooms and Common Areas of the Towers;

WHEREAS, the definitions of Casual Dress, Professional Dress, Resort Dress, and Business Casual may change with the times;

WHEREAS, the accepted Dress Code represents the ambience of the Facility;

RESOLVED, January 21, 2010 that the Board of Directors of this corporation on behalf of the corporation hereby appoints the following members to the Ad Hoc Dress Code Committee:

Marilyn Ruekberg, Chair
Norma Koskoff
Betty Bent
Irene Lilly
Edie Gray
Eva Garnet

Bill Masterson
Tom Jackson
Tom Beckwith

RESOLVED FURTHER, that the purpose of this committee shall be to:

- Review the existing Dress Code and, as necessary, further define: Business Casual, Resort Casual, Dressy Casual wear with examples of appropriate attire;
- Consider how the accepted dress in the dining rooms reflects this facility;
- Prepare a report for the Board within two months from the date of these minutes.

j. **Approve Policy to Charge Fee for Each Additional Mechanical Key**

Director Wallace read a proposed resolution approving the policy to charge a fee for each additional mechanical key. Director Wallace moved to approve the resolution. Director Harris seconded the motion.

Without objection, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-10-08

WHEREAS, the current fee for a duplicate key for the mechanical locking system is \$4.00 and that amount does not cover the cost of the key and administration of the key service;

NOW THEREFORE BE IT RESOLVED, January 21, 2010 that the Board of Directors of this corporation on behalf of the corporation hereby approves the fee for Duplicate Keys for the Mechanical Locking system to be \$10.00; and

RESOLVED FURTHER, that this fee shall be used to replace locks in the event that it is not possible to collect all of the outstanding keys when an owner relinquishes his or her ownership; 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.

k. **Approved Mutual Traffic Rules and Regulations**

Director Wallace read the following proposed resolution approving the Mutual's traffic rules and regulations policy:

RESOLUTION-M50-10-

WHEREAS, by way of Resolution M50-02-27 the Board of Directors of this Corporation adopted standards for traffic enforcement and in an effort to provide comprehensive traffic rules and regulations enforceable to the residents of Mutual Fifty, the standard has been revised to improve consistency within the community; and

WHEREAS, the Traffic Rules and Regulations are intended to adhere to and not contradict the California Vehicle Code and/or Davis-Stirling Act:

NOW THEREFORE BE IT RESOLVED, March 18, 2010, that the Board of Directors of this Corporation hereby adopts the Third Laguna Hills Mutual Traffic Rules and Regulations, as attached to the minutes of this meeting; and

RESOLVED FURTHER, that Resolutions M50-03-10 adopted April 17, 2003, M50-02-27 adopted June 20, 2002, and all previous resolutions regarding traffic rules and regulation policies are 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 this resolution as written.

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

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

I. Approval of Investment Policy

Director Wallace read a proposed resolution approving the Mutual's investment policy. Director Wallace moved to approve the resolution. Director Harris seconded the motion.

Member Herb Parker (308) commented on the policy

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

RESOLUTION M50-10-09

**LAGUNA WOODS MUTUAL NO. FIFTY
INVESTMENT POLICY**

RESOLVED, January 21, 2010, that Professional Community Management Inc., managing agent of this corporation, and an outside Investment Manager are hereby authorized to invest the funds of the corporation which, in the

opinion of said managing agent are not required within a reasonable time to pay obligations of the corporation; and

RESOLVED FURTHER, that the board of directors of this corporation hereby authorizes the Managing Agent of this corporation, Professional Community Management, Inc., to retain Merrill Lynch and its affiliate BlackRock as Investment Manager and to give that Manager discretion to transact purchases and sales of investments for Mutual Fifty's account. Such discretion is subject to the underlying conditions as stated below. The Board will determine the amount to be managed in this discretionary account; and

RESOLVED FURTHER, that all investments on behalf of this corporation must be made with the underlying principles in the following order of priority: (1) safety, (2) liquidity, where applicable, and (3) yield, and are subject to the following conditions:

1. Notification of confirmation shall be given to the managing agent and treasurer of this corporation upon completion of each investment transaction;
2. For funds administered by Professional Community Management, Inc., no investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without a demonstrated immediate need *for* the funds and the consent of any two of the following: the Treasurer, the President or the 1st or 2nd Vice President of this corporation. Furthermore, if there is a request that an investment be sold, withdrawn or otherwise converted to cash prior to maturity where there has been no demonstrated immediate need, approval must be received from the Board of Directors of this corporation;
3. Funds shall be invested only in authorized investments as provided herein. Authorized investments are limited to obligations of, or fully guaranteed as to principal by, the United States of America;
4. Investments on behalf of this corporation may be made concurrently with investments made on behalf of other corporations at Laguna Woods Village. However, separate investment receipts will be held in the name of this corporation. Any such investments may be held for the account of the corporation in book-entry form;
5. Any authorized investments, as defined in Item 3 above, previously made by said Managing Agent, are hereby ratified; and

RESOLVED FURTHER, that Resolution M50-06-05 adopted on January 19, 2006 is hereby superseded and cancelled.

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.

m. **Approve Recording of a Lien for Member ID 932-960-27**

Director Wallace read a proposed resolution approving the recording of a lien for Member ID 932-960-27. Director Wallace moved to approve the resolution. Director Wurzel seconded the motion.

Member Anne Gilbert (1403) Commented on delinquencies.

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

RESOLUTION M50-10-10

WHEREAS, Member ID 932-960-27 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, January 21, 2010, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-960-27; 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.

n. **Approve Recording of a Lien for Member ID 932-962-92**

Director Wallace read a proposed resolution approving the recording of a lien for Member ID 932-962-92. Director Wallace moved to approve the resolution. Director Harris 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 M50-10-11

WHEREAS, Member ID 932-962-92 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, January 21, 2010, that the Board of Directors hereby approves the recording of a Lien for Member ID 932-962-92; 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. Discussion Items

President Gray commented on the success of the Sunday Brunch and reported that the Board is considering adding another Brunch during the month.

Members expressed their sentiments with regard to a second brunch each month.

President Gray reported on the Computer Class held on January 20 at 2:00 p.m.

President Gray commented on a resident survey tied to the Marketing program to promote the Towers, and encouraged residents to provide input for the survey.

Member Anne Gilbert (1403) commented on marketing the "A" units.

President Gray encouraged residents to prepare for disasters and obtain earthquake disaster kits.

President Gray commented on the transition of the Activities Committee to the Resident Entertainment Committee and thanked the Activities Committee for their services.

President Gray commented on the competitive rates of the Guest Room Suites.

8. Members' Comments

- Mollie Hayes (105) commented on the Emeritis program and the benches in front of the building.

9. Financial and Budget Report:

Director Wallace reported on the Financial and Budget Report.

Director Harris reported on the delinquencies.

10. Standing Committee Reports:

- Activities Committee:** No report was given.
- Business Planning Committee:** No one reported on behalf of the Business Planning Committee.
- Information and Orientation Committee:** Freda Sullivan reported on behalf of the Information and Orientation committee.

- d. **Architectural Control Committee:** No one reported on behalf of the Architectural Control Committee.

11. GRF Committees:

- a. **Community Activities Committee:** No report was given.
- b. **Broadband Services Committee:** Director Wallace reported on behalf of the Broadband Services Committee.
- c. **Government and Public Relations Committee:** President Gray reported on behalf of the GPRC Committee.
- d. **Bus Services Committee:** Director Harris reported on behalf of the Bus Services Committee.
- e. **Select Audit Committee:** No report was given.
- f. **Finance:** Director Harris reported on behalf of the Finance Committee.
- g. **Security Committee:** No report was given.

12. Golden Rain Foundation

Mr. Milt Johns reported on the January 5, 2010 Golden Rain Foundation Board Meeting.

13. Resale and Leasing Reports

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

14. Administrator's Report

No report was given.

Directors' Forum

There were no Director comments.

Recess

The meeting recessed at 3:43 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 November 19, 2009 Regular Executive Session Board Meeting, the Board approved the Minutes from the October 29, 2009 Regular Executive Session; approved a delinquency assessment write off; considered setting foreclosure sale dates; and discussed other delinquency matters.

During its December 17, 2009 Special Executive Session Board Meeting, the Board discussed member disciplinary matters.

There being no further business to come before the Board, the meeting was adjourned at 4:00 P.M.

Keith Wallace, Secretary