

**MINUTES OF THE SPECIAL 2011 BUSINESS PLANNING
MEETING OF BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION
June 24, 2010**

The Board of Directors of Laguna Woods Mutual Fifty, a California nonprofit mutual benefit corporation, met at 2:00 P.M. on Thursday, June 24, 2010 in the Lortscher Hall at 24055 Paseo del Lago West, Laguna Woods, California.

Members Present: Richard Gray, Marilyn Ruekberg, Richard Wurzel, Herb Harris, Keith Wallace

Members Absent: None

Staff Present: Judie Zoerhof, Janet Price, Betty Parker, Jerry Storage, Jose Campos

CALL TO ORDER

Richard Gray, Board President, stated that a quorum was present and called the meeting to order at 2:00 P.M.

ACKNOWLEDGEMENT OF THE PRESS

The press was not present.

REVIEW PROPOSED 2011 BUSINESS PLAN

Director Gray introduced Janet Price, Finance and Administration Director, to present the proposed 2011 Business Plan – Version 1.

ASSUMPTIONS

Ms. Price explained the Policies, Practices, Directives & Assumptions used for developing the proposed 2011 Business Plan.

Significant changes from the prior year include an assumption of 11 mutual-owned units (only 4 were planned in 2011).

OPERATING BUDGET

Ms. Price presented the operating budget and explained that changes made by GRF at their Version 1 review meeting will have some impact on the bottom-line for Mutual Fifty.

Ms. Price stated that the planned elimination of Mutual Fifty Trust will lead to a reduction in allocation from Financial Services in Version 2.

RESERVE CONTRIBUTIONS

Ms. Price discussed the proposed reserve contributions. The increase ensures balances will be sufficient at the end of each year to meet the association's obligations for repair and/or replacement of major components during the next 30 years, as identified in the reserves plan.

Director Harris suggested building up the reserve balance in the Contingency Fund, which is reduced by the write off of uncollectible debt in 2010.

Director Harris made a motion to increase the contribution to the Contingency Fund from \$10 PUPM to \$20 PUPM for the 2011 Business Plan. The motion failed for lack of a second.

Director Harris made a motion to increase the contribution to the Contingency Fund from \$10 PUPM to \$15 PUPM for the 2011 Business Plan. The motion failed for lack of a second.

2011 RESERVES EXPENDITURES PLAN

The Board reviewed the 2011 Reserves Expenditures Plan and audience members made comments.

Director Wallace made a motion to remove the addition of a Dog Park from the 2011 Reserve Expenditures Plan. The motion was seconded and passed unanimously.

In summary, Ms. Price noted that some corrections to allocations will be made for Version 2. The chair announced that the next meeting to review Version 2 will be held on July 27 at 2:00 p.m. in Lortscher Hall.

ADJOURNMENT

The meeting was adjourned at 3:21 P.M.

Keith Wallace, Secretary