

**MINUTES OF THE SPECIAL 2011 BUSINESS PLANNING
MEETING OF BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION
July 27, 2010**

The Board of Directors of Laguna Woods Mutual Fifty, a California nonprofit mutual benefit corporation, met at 2:00 P.M. on Thursday, July 27, 2010 in the Lortscher Hall at 24055 Paseo del Lago West, Laguna Woods, California.

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

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 2.

Ms. Price gave an overview of the plan, explaining that the proposed budget represents an average increase of nearly \$33 per unit per month (PUPM) or 1.9% when compared to the current year.

Ms. Price further indicated that based on actions taken at the GRF Business Planning Committee Version 2 meeting, assessments would decrease by approximately \$5.24 PUPM.

Director Harris commented that the proposed increase in assessments was primarily associated with uncollectible accounts and an increase in the number of Mutual-owned units. The increase was partially offset by a decrease in electricity and gas budgets, which were overstated in 2010.

After reviewing details of the business plan, the Committee further discussed contributions to reserves.

A motion was made by Director Harris and seconded by Director Ruekberg to increase the contribution to the Contingency Fund by the amount reduced in Food Services (\$7.39 PUPM).

Director Wurzel moved to include a decrease to the Contingency Fund to \$5.00 PUPM. The motion was seconded by Director Harris. The second was later withdrawn after clarification of the motion. The motion failed for lack of a second.

By a vote of 2-2 (Directors Gray and Harris in favor and Directors Wurzel and Ruekberg opposed) the original motion failed.

MEMBER COMMENTS

Lee Gitter (610) commented on decreased security expense.

DIRECTORS FORUM

Director Wurzel expressed concern with the expense associated with election procedures defined in the Davis-Stirling Act.

All Directors thanked staff for a good job in preparing the budget.

ADJOURNMENT

The meeting was adjourned at 2:54 P.M.

Keith Wallace, Secretary