

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THIRD LAGUNA HILLS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

November 14, 2011

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday, November 14, 2011 at 10:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Sy Wellikson, Mike Straziuso, Won Chang, Isabel Muennichow, Rae Tso, Denny Welch

Directors Absent: Carol Moore, John Paulus, Kathryn Freshley, Dick Palmer, Lucy Shimon

Staff Present: Jerry Storage, Patty Kurzet, Cris Robinson

CALL TO ORDER

Director Sy Wellikson, President of the Corporation, chaired the meeting and stated that it was a special televised meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 10:00 A.M.

The Secretary of the Corporation, Director Isabel Muennichow, read a proposed resolution directing Staff to maintain existing service levels and staffing assignments in the area of General Management. Director Muennichow moved to approve the resolution. Director Welch seconded the motion and discussion ensued on the reason for the proposed Board action.

Members Carol Skydell (3070-B), Joan Coles (3147-C), Harlie Lunke (3371-3D), Pat Feeney (2399-1E), Lucie Falk (3377-A), Mary Robertson (5184), Ray Gros (5128), and Barbara Marsh (3433-B) addressed the Board on the resolution.

By a unanimous vote of 5-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-11-182

Maintain Existing Service Levels and Staffing in Area of General Management

WHEREAS, during the budget review process, the Board eliminated three positions in the 2012 Business Plan creating lower service levels in the area of General Management; and

NOW THEREFORE BE IT RESOLVED, November 14, 2011, that the Board of Directors of this Corporation hereby directs Staff to maintain existing service levels and staffing assignments in the area of General Management; 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.

The Secretary of the Corporation read a proposed resolution directing Staff to maintain existing service levels and authorize the Landscape Division to exceed the 2012 Operating Budget by up to \$500,000. Director Muennichow moved to approve the resolution. Director Welch seconded the motion and discussion ensued on the reason for the proposed Board action.

Members Lucie Falk (3377-A), Pat Feeney (2399-1E), Harlie Lunke (3371-3D), and Glen Warkentine (5502-B) addressed the Board on the resolution.

By a unanimous vote of 5-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 03-11-183

Authorize Landscape Division to exceed the 2012 Operating Budget

WHEREAS, during the budget review process, the Board directed a change in the proposed 2012 landscape operating budget by setting a dollar limit of \$5.25 Million; and

WHEREAS, in subsequent discussions Staff indicated that the dollar limit would reduce staffing and extend the time interval between grounds maintenance cycles;

NOW THEREFORE BE IT RESOLVED, November 14, 2011, that the Board of Directors of this Corporation hereby directs Staff to maintain existing service levels and authorizes the Landscape Division to exceed the 2012 Operating Budget by up to \$500,000; 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.

President Wellikson read a memorandum offering the Board options on the delivery of non-emergency chargeable services.

Director Welch made a motion to delay the implementation of Resolution 03-11-154 (elimination of non-emergency chargeable services) until July 1, 2012. Director Chang seconded the motion and discussion ensued.

Members Mary Pat Toups (3467-B), Lucie Falk (3377-A), Marty Rhodes (5369-2A), Pat Feeney (2399-1E), Mary Robertson (5184), Mike Matzenbacher (2401-3D), Shari Horne (2354-3C), Don Pierce (2386-1D), Carol Skydell (3070-B), Tony Sorich (3402-B), Sylvan Katz (4003-3G), Harriet Arnest (4010-1A), Ray Gros (5128), Barbara Marsh (3433-B), and Mary Coladonato (3252-B) addressed the Board on the motion.

By a unanimous vote of 5-0-0, the motion to delay the implementation of Resolution 03-11-154 until July 1, 2012 carried.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session meeting of October 18, 2011 the Board reviewed the minutes of the Regular Executive Session of September 20, 2011 and the Special Executive Session of October 3, 2011; heard one disciplinary hearing; approved filing six separate Small Claims Cases of \$2,500 (or less); approved 3 delinquent assessment write-offs; discussed the legal matters of Elliot Nesvig v. Third Mutual; Gladys Yacoubian v. Third Mutual; and Lee Childress v. Third Mutual; and discussed other member disciplinary and legal matters.

ADJOURNMENT

With no further business before the Board of Directors, the special meeting was adjourned at 11:10 A.M.

Isabel Muennichow, Secretary