



MINUTES OF THE SPECIAL OPEN MEETING OF THE THIRD LAGUNA HILLS MUTUAL BOARD OF DIRECTORS

July 12, 2019

A special meeting of the Third Laguna Hills Mutual Board of Directors, A California non-profit mutual benefit corporation, was held on Friday, July 12, 2019 at 9:30 a.m., at 24351 El Toro Road, Laguna Woods California.

MEMBERS PRESENT: Rosemarie diLorenzo, Steve Parsons, Bunny Carpenter, Roy Bruninghaus, Jon Pearlstone, Annie McCary, Lynn Jarrett, John Frankel, Reza Karimi

MEMBERS ABSENT: Cush Bhada

OTHER MEMBERS: Diane Phelps, Larry Cunningham, Wei-Ming Tao, Juanita Skillman, Andre Torng

STAFF PRESENT: Jeff Parker, Betty Parker, Siobhan Foster, Christopher Swanson, Jose Campos, Kurt Weimann, Ernesto Munoz, Chris Laugenour, Chris Naylor, Laurie Chavarria, Guy West, Ian Barnette, Brett Crane

CALL TO ORDER

Rosemarie diLorenzo, President of the Corporation, chaired the meeting and stated that it was a special meeting held pursuant to notice duly given. A quorum was established, and the meeting was called to order at 9:33 a.m.

ACKNOWLEDGMENT OF THE MEDIA

None.

APPROVAL OF THE AGENDA

A motion was made and carried unanimously to approve the agenda as presented.

CHAIR REMARKS

Director diLorenzo thanked the Board for being heavily involved throughout the budgeting process and preparing for this meeting.

MEMBER COMMENTS

Doug Gibson (5289) commented on reserve levels published in the Globe.

REVIEW PRELIMINARY 2020 BUSINESS PLAN, VERSION 1

Betty Parker, CFO, presented Version 1 of the 2020 Business Plan. Throughout the presentation, discussion ensued. Action items are as followed for the Version 2 of the 2020 Business Plan:

- Review 2020 Year End Projection Worksheet for Laundry Revenue
- Increase 2020 revenue assumptions for Chargeable Services by \$100,000
- Increase 2020 revenue assumptions for Resident Violations by \$20,000
- Reduce 2020 expenses for Trash by \$25,000
- Decrease 2020 expenses for Water by \$158,063
- Review expenses in Professional Fees Accounts 53403500 and 53403520 and present possible reductions at Version 2.
- Review current Uniform Policy for existing Staff as well as the onboarding of new Staff and recommend possible reduction to Director Pearlstone.
- Director Parsons directed Staff to present any changes to allocations percentages to the Board for approval before implementation occurs.
- Decrease contributions to the Unappropriated Expenditures Funds by \$2.00 per manor per month.
- Increase contribution to the Disaster Fund by \$2.00 per manor per month.
- Decrease Job Code JA910930000, Elevator Replacements, by at minimum of \$50,000 and review Elevator contract to identify areas effecting this increase.
- Review 2020 Budget for Reserve Program, Garden Villa Lobby, for possible reductions that are recommended by the Garden Villa Association and report back.
- The Board requested that a meeting be scheduled with Ernesto Munoz, Maintenance and Construction Director and Directors diLorenzo, Carpenter and Pearlstone to discuss new criteria for selecting buildings for Water Line Copper Pipe Remediation and possible reductions to the 2020 budget for Job Code JA370140000.
- The Board requested a review of all service levels provided by Janitorial in Third Laguna Hills Mutual for possible reductions.

By Consensus, the Board directed Staff to present at Version 2 a total increase of \$15.00 per manor, per month, inclusive of GRF increases.

BOARD MEMBER COMMENTS

None.

DATE OF NEXT MEETING

It was noted that the proposed budget will be adopted by resolution at the regular board meeting on Thursday, August 8, 2019 at 1:30 p.m.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 12:16 p.m.

Roy Bruninghaus, Secretary