

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

December 8, 2008

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Monday December 8, 2008 at 11:30 A.M., immediately following the Maintenance and Construction Committee scheduled for 9:00 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Carol Moore, Cynthia Conners, Dominic Burrasca, John Paulus, Isabel Muennichow, Larry Souza, Stanley Feldstein, Don Lippert, Kathryn Freshley, Carol Skydell

Directors Absent: None

Staff Present: Milt Johns, Patty Kurzet

CALL TO ORDER

President Carol Moore, President of the Corporation, chaired the meeting and called the meeting to order at 11:35 A.M., stated that it was a special meeting held pursuant to notice duly given, established a quorum, and stated that the purpose of the meeting was to elect one director to fill a vacancy, term expiring in 2010.

Cheryl Walker from the Laguna Woods Globe and by way of remote cameras, the Laguna Woods Village Channel 6 Camera Crew were acknowledged.

The agenda was approved as amended by adding a motion on the election process.

Director Cynthia Conners indicated that the meeting is currently being recorded but not broadcast and suggested that the Board request permission from GRF to set a broadcast date.

Director Carol Skydell made a motion that the Board, per Bylaw 6.4.6.2 (a), elect by ballot an individual with the expertise needed to fill the vacancy created by the resignation of Director Jim Matson. Director Don Lippert seconded the motion and discussion ensued on the recent election and the motion to elect by ballot in lieu of selecting the candidate who had the next highest vote count.

By a vote of 5-4-0 (Directors Lippert, Paulus, Feldstein, Burrasca and Skydell voted in favor), the motion carried

President Moore entertained nominations to fill the vacancy.

Director Lippert nominated Katherine McDaniel, who accepted the nomination.

Director Conners nominated Jim Bragg, who accepted the nomination.

President Moore indicated that Mark Stein wanted to be nominated, and President Moore nominated Mark Stein on his behalf.

Mutual Member Bill Friedler (2339-B) nominated himself and provided a brief background of his expertise.

Director Lippert made a motion to include Bill Friedler on the ballot. Director Feldstein seconded the motion and the motion carried without objection.

Mutual Member Denny Welch (5517-1C) recommended that the Board add the remaining unelected candidates, sans Jim Bragg, from the September election to the ballot.

Director Skydell made a motion to add George Arnold, Omar Dreyer, George Henderson, Ernestine Hewitt, and Judy Vlastakis to the ballot. Director Paulus seconded the motion and President Moore advised that George Henderson declined the nomination. By a vote 5-4-0 (Directors Connors, Freshley, Paulus, Muennichow, and Skydell voted in favor), the motion carried.

President Moore closed nominations and opened the floor for members to comment on the candidates.

MEMBER COMMENTS

Barbara Marsh (3433-B) spoke on behalf of Candidate Jim Bragg

Allen Cohen (2391-2A) commented on the appointments

Eric Baucum (5371-1B) commented on the board decorum

Bob Hatch (5064) spoke on behalf of Candidates Mark Stein and George Arnold

Candidates Jim Bragg and Katherine McDaniel spoke to the reasons why they should be appointed to the Board.

Without objection the Board commenced balloting and the Secretary of the Corporation, Director Kathryn Freshley, tallied the votes.

Katherine McDaniel was elected to fill the vacancy created by Jim Matson, term ending 2010.

Director Connors suggested that, for the purposes of transparency, the Board announce the vote count. The Board discussed the matter and no action was taken.

Director Connors made a motion that the Directors disclose who they voted for. Director Souza seconded the motion and discussion ensued.

Allen Cohen (2391-2A) addressed the board on the motion.

By a vote 2-6-1 (Directors Connors and Souza voted in favor, Directors Skydell, Burrasca, Feldstein, Paulus, Muennichow, and Lippert opposed, and Director Freshley abstained), the motion failed.

With no further business before the Board of Directors, the special meeting was adjourned at 12:34 P.M.

Kathryn Freshley, Secretary