

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

March 27, 2013

A Special Televised Meeting of the United Laguna Woods Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Wednesday, March 27, 2013 at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Roger Turner, Catherine Brians, John Dalis, Charles Hammer, Jack Bassler, Mary Stone, Jerren Auble, Barbara B. Howard, Phil Doran, Pat English, Erna Ferris

Directors Absent: None

Staff Present: Jerry Storage, Patty Kurzet, Cris Robinson

Others Present: Sandra Gottlieb, Esq.

CALL TO ORDER

Roger Turner, President of the Corporation, opened 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 9:30 A.M.

President Turner stated the purpose of the meeting, and reminded the membership that on March 20, 2013, a petition was received after the Board approved Resolution 01-13-50 which rescinded the 6-month lease restriction and listed, by way of attachment, leasing qualifiers, and at that time the Board asked Ms. Gottlieb to draft a legal opinion pertaining to the Petition for Reversal of Resolution 01-13-50.

MEMBER COMMENTS

United Mutual Members were given the opportunity to speak to items not on the agenda, and Directors briefly responded.

Director Auble moved to deny the acceptance of the Petition presented on March 20th based on the following facts: that it was not on the agenda, it was presented after member comments were ended, and most importantly, it was not within the 30 day time limit from February 12th which was member notification, and that this meeting today is a continuation of last week's meeting. Director Ferris seconded the motion and discussion ensued.

Ms. Gottlieb advised that the new subleasing rule (Resolution 01-13-50) was approved by the Board on March 20, 2013 and not February 12, 2013 which was the date to trigger the 30 day notification process. The Petition that was received by the Board is not the same as a member comment, and was presented in a timely manner in accordance with Civil Code §1357.140.

Members were given the opportunity to address their concerns with the motion.

The meeting was recessed at 10:17 A.M. and reconvened at 10:27 A.M.

Discussion continued on the motion.

Director Auble re-read her motion as follows:

I make a motion to deny acceptance of the Petition presented March 20th to reverse Resolution 01-13-50 based on the fact that it was presented after member comments were ended, and most importantly, that it was not within the 30 day time limit (6 days late) from the February 12th vote and member notification and that this meeting today is a continuation of last week's meeting.

Ms. Gottlieb advised that the motion that was re-read was significantly different than the original motion and the Board needs to follow proper procedure, and therefore a motion must be made and seconded. Director English moved to approve the motion. Director Ferris seconded the motion.

By the following roll call vote of 5-6-0, the motion failed:

Directors voting in favor: Ferris, English, Bassler, Doran, Auble

Directors voting in opposition: Dalis, Brians, Hammer, Stone, Howard, Turner

Director Doran moved to implement the recently passed Resolution 01-13-50, effective immediately. Director English seconded the motion and discussion ensued.

Members were given the opportunity to address their concerns with the motion.

Ms. Gottlieb clarified that should the Board vote "yes" on Director Doran's motion, then the Board wants to start immediately enforcing the rule that allows for leasing without restriction subject to the qualifiers, and should the Board vote "no", the Board would like to hold the enforcement of the rule in abeyance until after the members have the ability to vote at the special meeting of the members.

By the following roll call vote of 5-6-0, the motion failed:

Directors voting in favor: Ferris, English, Bassler, Doran, Auble

Directors voting in opposition: Dalis, Brians, Hammer, Stone, Howard, Turner

Resolution 01-13-50 will be held in abeyance until after the Members have the ability to vote on the reversal of the subleasing rule changes.

The Board reviewed and discussed the proposed Special Election Schedule.

Director Brians moved to accept the special election schedule as presented. Director Hammer seconded the motion and discussion ensued.

Members were given the opportunity to speak to the motion.

By a vote of 9-0-1 (Director Doran abstained), the motion carried and the following schedule was adopted:

Receipt of Petition	March 20, 2013	
Set Special Meeting of Members and mail Meeting Notice Postcard	April 9, 2013	(20 days from receipt of petition)
Ballot Information to Printer	April 5, 2013	2 weeks before mailing (per Martin & Chapman)
Record Date for Voting	April 1, 2013	
Mail ballot package	April 19, 2013	30 days before ballots are due
Ballots are due back	May 20, 2013 @ 5:00 P.M.	30 days after mailing
Membership Meeting to Count Ballots	May 22, 2013 @ 9:00 A.M. Board Room	

The Board agreed to schedule another special board meeting to discuss the language on the ballot to be held on April 3, 2013 after the 2:00 P.M. Agenda Meeting.

The Board discussed the proposed revised election rules and agreed to further discuss the matter at its April Meeting.

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

During its March 12, 2013 Regular Executive Session Meeting, the Board reviewed and approved the minutes of the Special Executive Session of February 6, 2013 and the Regular Executive Session of February 12, 2013. The Board heard three disciplinary hearings and imposed fines totaling \$830 for violations of the Mutual's rules and regulations; and discussed litigation, contractual, and other member disciplinary matters.

During its March 20, 2013 Special Executive Session Meeting, the Board discussed contractual and potential litigation issues.

During its March 27, 2013 Special Executive Session Meeting, the Board discussed a legal opinion from counsel.

With no further business before the Board of Directors, the special meeting was adjourned at 11:44 A.M.

Charles Hammer, Secretary