

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF UNITED LAGUNA HILLS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

May 9, 2006

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday May 9, 2006, at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Ray Barrett, Don Tibbetts, Linda Wilson, Larry Dersh, Beth O'Brien, Jim McNulty, Bevan Strom, Connie Grundke, Burns Nugent, Ken Hammer, Mary Stone

Directors Absent: None

Others Present: Milt Johns, Patty Fox, Janet Price (10:30 A.M. – 10:49 A.M.)
Executive Session: Milt Johns, Patty Fox, Cris Trapp

CALL TO ORDER

Ray Barrett, President of the Corporation, chaired the meeting and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established and the meeting was called to order at 9:30 A.M.

A moment of silence was held to honor the US Troops serving our country and those placed in harm's way.

PLEDGE OF ALLEGIANCE

Director Mary Stone led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

RESIDENTS FORUM

- Jerry Sheinblum (3488-C) announced the time change for the next CCA Townhall meeting at Clubhouse Five.
- Pamela Grundke (2214-B) announced the one year anniversary of The Residents Voice
- John Dalis (8-P) announced the Kiwanis Pancake Breakfast
- Roy McClain (2087-E) commented on the GRF Elections

APPROVAL OF AGENDA

The agenda was approved as submitted.

APPROVAL OF MINUTES

The Minutes of the Regular Meeting of April 11, 2006 were approved as submitted.

OLD BUSINESS

Director Beth O'Brien made a motion to remove from the table the motion to approve the financial requirements. Director Mary Stone seconded the motion, and the motion carried unanimously.

By way of consensus the Board approved the reading of the changes to the resolution.

The Secretary of the Corporation, Director O'Brien, read the changes to the resolution.

Director O'Brien moved to approve the resolution. Director Linda Wilson seconded the motion. Discussion ensued.

Mutual Members Barbara Copley (410-D), Iris Gorin (828-Q), Libby Marks (82-Q), Maxine McIntosh (68-C), Pamela Grundke (2214-B), and John Dalis (8-P) commented on the resolution.

President Ray Barrett left the meeting and relinquished the chair to Director Don Tibbetts at 9:59 A.M.

By a vote of 8-1-0 (Director McNulty opposed), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-06-39

WHEREAS, it is in the best interest of the Corporation to protect and preserve the financial integrity of this Corporation:

NOW THEREFORE BE IT RESOLVED, May 9, 2006 that the minimum financial requirements are revised as follows, effective for any escrow opened on or after June 1, 2006:

PROSPECTIVE MEMBERSHIP (manor)

Minimal Annual Income	\$36,000	per year, regardless of the number of persons on title; and
Minimal marketable and/or income producing assets	\$100,000	plus the total purchase price of the membership

GUARANTORS OF PROSPECTIVE MEMBERSHIP

Minimal annual income	\$90,000	
Minimal verifiable marketable and/or income producing assets	\$250,000	plus the total purchase price of the membership.

RESOLVED FURTHER, that once a member has qualified within this Corporation, said member need not requalify for purchase of a replacement manor as long as the person or persons in whose name title is held remain the same; and

RESOLVED FURTHER, that financial requirements are waived when the member obtains secondary financing from a financial institution; and

RESOLVED FURTHER, that the Board review and approve any financial institution requesting the ability to fund second loan by executing a Recognition Agreement; and

RESOLVED FURTHER, that the managing agent is hereby directed to disseminate this information to the realty community serving Laguna Woods Village, Laguna Woods; and

RESOLVED FURTHER, that the Managing Agent is hereby directed to return to the Board in two years with recommendations for retaining or changing the requirements; and

RESOLVED FURTHER, that Resolution 01-04-96, adopted August 10, 2004 is hereby superseded and canceled.

Director O'Brien made a motion to remove from the table the motion to approve the health care provider guidelines. The motion was seconded and carried unanimously.

The reading of the resolution was waived and the Secretary of the Corporation read the changes to the resolution.

Director O'Brien moved to approve the resolution. Director Wilson seconded the motion.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-06-40

WHEREAS, United Laguna Hills Mutual is a senior housing development as defined by Section 51.3 of the Unruh Civil Rights Act; and

WHEREAS, § 51.3 permits the occupancy of a health care provider under the following circumstances:

- a person hired to provide live-in, long-term, or terminal health care to a qualifying resident; or

- a family member of the qualifying resident who provides live-in, long-term, or terminal health care; and
- live-in, long-term or terminal care must be substantial in nature and assist the qualifying resident with necessary daily activities or medical treatment or both:

NOW THEREFORE BE IT RESOLVED, May 9, 2006 that the Board of Directors of this Corporation hereby establishes the following guidelines for any applicant wishing to reside in a Manor as a permitted health care provider:

1. Any qualifying resident wishing to apply on behalf of a permitted health care provider must obtain a physician's certification that live-in, long-term, or terminal health care is required for daily activities, medical treatment, or both.
2. The total number of persons residing in a Manor, including the permitted health care provider shall not exceed the number of bedrooms plus one (i.e. no more than two persons in a one-bedroom unit; no more than three persons in a two-bedroom unit.)
3. Each health care provider who seeks to reside in a co-op may not have been convicted of a felony within the last twenty years or a misdemeanor involving moral turpitude within the last five years.
4. The qualifying resident and/or Mutual Member is responsible for the conduct of the permitted health care provider, and shall ensure that he/she complies with all rules, regulations, and policies of the Mutual and the Golden Rain Foundation. Non-compliance may result in disciplinary action against the Mutual Member to the extent allowed by the Mutual's governing documents.
5. Upon approval by the Board of Directors, a four-month renewable pass shall be issued to the permitted health care resident that will permit gate access into the community but will not permit use of GRF facilities other than the bus system unless accompanied by the qualifying resident.

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purposes of this resolution; and

RESOLVED FURTHER, that Resolution U-99-20 adopted by the Board of Directors on March 9, 1999 is hereby superseded and cancelled.

NEW BUSINESS

Dick Sharp, Member of the Nominating Committee announced that the Committee is now accepting applications to fill four vacancies on the Board, and to contact Barbara Pavia in the General Manager's office for applications.

By way of consensus, the reading of the proposed committee appointment resolution was waived.

Director O'Brien moved to approve the resolution. Director Wilson seconded the motion.

Director Ken Hammer amended the motion to add Bevan Strom and Maxine McIntosh to the Landscape Committee. The amendment was seconded.

Director O'Brien made a motion to approve the amendment. Director Wilson seconded the motion and the motion to amend carried unanimously.

Director O'Brien moved to approve the resolution as amended. Director Wilson seconded the motion.

By a vote of 9-0-0, the main motion carried and the Board adopted the following resolution as amended:

RESOLUTION 01-06-41

RESOLVED, May 9, 2006, that the following persons are hereby appointed to serve the corporation in the following capacities:

Officers

Ray Barrett, President
Don Tibbetts, 1st Vice Pres.
Ken Hammer, 2nd Vice Pres.
Beth O'Brien, Secretary
Connie Grundke, Treasurer

Finance Committee

Connie Grundke, Chair
Larry Dersh, Vice Chair
Beth O'Brien
Jim McNulty
Linda Wilson

Maintenance & Construction Committee

Don Tibbetts, Chair
Ken Hammer, Vice Chair
Burns Nugent
Mary Stone

Advisors: Chuck Zoffer, Earl Barber

Landscape Committee

Ken Hammer, Chair
Don Tibbetts, Vice Chair
Burns Nugent
Bevan Strom

*Advisors: Pam Grundke, **Maxine McIntosh (replacing June Todd)***

United Looks Ahead

Ray Barrett, Chair
Connie Grundke, Vice Chair
Don Tibbetts
Larry Dersh
Beth O'Brien
Burns Nugent
Mary Stone
Advisors: Libby Marks, Barbara Copley, Maxine McIntosh

Resident Relations (Ombudsman)

Linda Wilson
Jim McNulty

Traffic Court

Linda Wilson, Chair
Per rotation list

New Resident Orientation

Per Rotation List

Select Audit

Connie Grundke
Jim McNulty

RESOLVED FURTHER, that Resolution 01-06-26, adopted March 31, 2006 is hereby superseded and canceled.

CHAIRMAN'S REMARKS

No remarks were made.

GENERAL MANAGER'S REPORT

Mr. Milt Johns updated the Board of Directors on the GRF plans to obtain entitlements for GRF property.

Mutual Members Maxine McIntosh (68-C), Pamela Grundke (2214-B), and Roy McLain (2087-E) addressed Mr. Johns on his report.

Mr. Johns also updated the Board of Directors on the new corporate records disclosure law, Civil Code §1365.2, statutorily effective July 1, 2006, which provides definition and clarification of members' right to access certain corporate documents. Mr. Johns advised that he had received approval from GRF to release the documents early; document requests will be received on May 22, 2006. Early requests will be received to endeavor to meet the requests without having to meet the strictures of the new Code.

Mutual Members Barbara Copley (410-D), Roy McLain (2087-E), and Pamela Grundke (2214-B) addressed Mr. Johns on his report.

Ms. Janet Price entered the meeting at 10:30 A.M.

FINANCE REPORT

Director Connie Grundke reported on the Treasurer's Report and the Finance Committee.

Ms. Janet Price left the meeting at 10:49 A.M.

CONSENT CALENDAR

The consent calendar was approved and the following actions were taken:

Maintenance and Construction Committee:

RESOLUTION 01-06-42

RESOLVED, May 9, 2006 that the request of Mr. Noel Hagan of 34-D Calle Aragon to replace the stacked windows in the living room of his manor with a wall and two sets of 3'-6" x 2'-5" windows is hereby denied.

RESOLUTION 01-06-43

RESOLVED, May 9, 2006 that the request of Mr. Lonn Beedy of 117-A Via Estrada to install a stacked washer and dryer inside the closet of Bedroom Two of his manor is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member(s) at 117-A; and

RESOLVED FURTHER, that the Mutual Member must submit for review plans detailing all plumbing and electrical changes. The plans must be verified and approved by the City of Laguna Woods thereby indicating that the manor's plumbing and electrical systems can accommodate the added burden placed upon them by the washer and dryer; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permit

number(s) must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the member is encouraged to purchase and install a washing machine that is manufactured with low flow drainage specifications.

RESOLUTION 01-06-44

RESOLVED, May 9, 2006 that the request of Ms. Jennifer Hein of 264-B Calle Aragon to retain the light fixtures installed at the front door walkway of her manor is hereby denied; and

RESOLVED FURTHER, that the Mutual Member shall remove the light fixtures within 30 days of the Board's decision, or submit revised plans for consideration by the Board.

RESOLUTION 01-06-45

RESOLVED, May 9, 2006 that the request of Mr. Stanley Straus of 299-A Avenida Sevilla to extend and enclose his patio is hereby approved; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alteration are the responsibility of the Mutual member(s) at 299-A; and

RESOLVED FURTHER, that unit-specific plans depicting the proposed alterations, and signed and wet-stamped by a California –licensed structural engineer or architect must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center for approval. These plans must include structural details and calculations required to insure the structural integrity of the building is maintained upon completion of the proposed alteration; and

RESOLVED FURTHER, that new installation window frames must be of white vinyl; and

RESOLVED FURTHER, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permit number(s) must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the 30 square feet for the patio extension would count towards the 207 square feet lifetime total of useable common area; and

RESOLVED FURTHER, that prior to issuance of a Mutual permit for the proposed alteration, Alteration Consent Forms signed by the Mutual member(s) at Manor 299-C, 300-A, and 300-B indicating those Member(s) approval of the proposed alteration must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center.

RESOLUTION 01-06-46

RESOLVED, May 9, 2006 that the request of Mrs. Julie Rubenstein, on behalf of her parents Mr. and Mrs. Lyle Bolton of 353-D Avenida Sevilla, to retain two satellite dishes installed on the metal vent pipes on the roof of the building is hereby denied.

RESOLUTION 01-06-47

RESOLVED, May 9, 2006 that the appeal request of Mr. William Simmons of 435-E Avenida Sevilla to retain the concrete ramp he constructed at the entry area of his manor is hereby denied; and

RESOLVED FURTHER, that Mr. Simmons shall remove the ramp and restore the subject area to its pre-ramp condition within 30 days of the Board's action on the matter.

RESOLVED FURTHER, that the costs associated with the removal and restoration shall be borne by Mr. Simmons.

Landscape Committee Recommendation:

The Committee did not meet.

Finance Committee Recommendation:

No recommendations were made.

COMMITTEE REPORTS and SERVICES

Director Don Tibbetts reported from the Maintenance & Construction Committee.

The Secretary of the Corporation read the following proposed resolution on approving a real estate signage policy:

RESOLUTION 01-06

WHEREAS, to protect the aesthetic integrity of Laguna Woods Village, and further to prevent the diminishment of the surrounding beauty of the

Community, it is necessary to establish architectural guidelines with respect to real estate signage;

NOW THEREFORE BE IT RESOLVED, June 13, 2006 that the Board of Directors of this Corporation hereby adopts the following policy regarding the temporary placement of real estate signs in windows:

1. Sign Location: To be displayed in the manor window
2. Maximum Number: One per residence
3. Maximum Sign Area: The smaller of 6 square feet or 20% of the window area
4. Maximum Character Size: 12 inches
5. Sign Copy: Pertaining only to the sale, rent or lease of the manor
6. Sign Material: Wood, metal, or rigid poster board
7. Sign Illumination: None permitted
8. Permit Requirement: None

~~**RESOLVED FURTHER**, that the temporary window signage advertising sales shall be removed every 30 calendar days; 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.

Director O'Brien moved to approve the resolution. Director Wilson seconded the motion. Discussion ensued.

Director O'Brien commented on the 30 calendar day requirement.

Director Jim McNulty moved to amend the motion by striking out the following paragraph: **RESOLVED FURTHER**, that the temporary window signage advertising sales shall be removed every 30 calendar days. The motion was seconded. Discussion ensued and the motion carried unanimously.

Third Mutual Member Jerry Sheinblum (3488-C) commented on the motion.

Director Wilson moved to table the resolution as amended to satisfy the statutory thirty-day notification process. Director Mary Stone seconded the motion. By a vote of 9-0-0, the motion to table the resolution as amended carried.

Director Mary Stone reported from the Damage Restoration Policy Ad Hoc Committee.

No one reported from the Landscape Committee.

Director Linda Wilson reported from Resident Relations Information Services.

In President Barrett's absence, Director Grundke reported from the United Looks Ahead Committee.

Mutual Member Libby Marks (82-Q) commented on single stoppages.

Director McNulty reported from the Joint Ad Hoc GRF Bylaw Committee.

Director McNulty made a motion to call a Special Meeting of the Corporate Members to review and consider the proposed GRF By-law changes. Director Wilson seconded the motion. By a vote of 9-0-0, the motion carried.

Director O'Brien reported from the Election Procedures Ad Hoc Committee.

The Secretary of the Corporation read the following resolution on approving the election procedures:

RESOLUTION 01-06

WHEREAS, California Civil Code § 1363.03 becomes operative on July 1, 2006 and requires the adoption of rules regarding election procedures, appointment of inspectors of election, voting by secret ballot, proxy and ballot instructions, publication of election results, and retention of ballots; and

WHEREAS, California Civil Code § 1363.03 (e) requires the mailing of ballots not less than 30 days prior to the deadline for voting, which language impacts and supersedes timing requirements contained in Articles V and VIII of the United Laguna Hills Mutual By-Laws; and

WHEREAS, the United Ad Hoc Elections Committee has evaluated California Civil Code § 1363.03 and (a) identified changes that are required to the existing procedure and (b) developed a proposed election policy; and Legal Counsel has reviewed questions and issues regarding the policy;

NOW THEREFORE BE IT RESOLVED June 13, 2006 that the Board of Directors of this Corporation hereby adopts the United Membership Elections Standard Operating Procedure as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purposes of this resolution.

Director O'Brien moved to approve the resolution. Director Hammer seconded the motion.

Director O'Brien provided a summary of the proposed United Membership Election Standard Operating Procedures.

Director O'Brien amended the motion to revise Section 6 - Appointment of Inspectors of Election. Director Wilson seconded the motion. Discussion ensued.

Mutual Members Ruth May (671-B) commended the committee for great work on the procedures; Barbara Copley (410-D), Roy McLain (2087-E), and Iris Gorin (828-Q) addressed Director O'Brien on the Procedures.

By a vote of 9-0-0, the amendment carried.

Director Grundke made a motion to table the resolution, as amended, to satisfy the statutory thirty-day notification requirements. Director Hammer seconded the motion, and the motion carried unanimously.

The Directors reported from the GRF Committees to which they are assigned.

Director O'Brien commented on appointing Inspectors of Election. By way of consensus the Board directed staff to create, but not issue, the specifications of the RFPs to outsource Inspectors of Election.

DIRECTORS' FORUM

- Director Hammer encouraged the residents to buy homeowner insurance and to run for the Board
- Director Stone announced that United Mutual is raising money for the American Cancer Society
- Director O'Brien commented on all the support residents have given her during her term on the Board
- Director Tibbetts commented on time limit on alteration permits

MEETING RECESS

The regular meeting recessed for lunch at 12:09 P.M. and reconvened into Executive Session at 12:54 P.M.

During its April Regular Executive Session, the Board approved the Regular Executive Session Minutes of March 14, 2006; discussed personnel, contractual, and litigation matters; and heard one (1) Disciplinary Hearing matter.

The Traffic Committee of the Board met in Executive Session in April to discuss member disciplinary issues.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 2:22 P.M.

Elizabeth M. O'Brien, Secretary