

**MINUTES OF THE UNITED LAGUNA HILLS MUTUAL SPECIAL BOARD
BUSINESS PLANNING MEETING
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION
2008 BUSINESS PLANNING MEETING – VERSION 2
July 25, 2007**

The United Board of Directors met on Wednesday, July 25, 2007 at 9:00 A.M. in the Community Center Board Room at 24351 El Toro Road, Laguna Woods, California.

Members Present: Beth O'Brien, Jan McLaughlin, Ken Hammer, Bevan Strom, Linda Wilson, Jim McNulty, Burns Nugent, Mary Stone, John Dalis, Maxine McIntosh.

Members Absent: Marty Rubin.

Others Present: Lindsey Baguio (9:30) – Laguna Woods Globe.

Staff Present: Milt Johns, Janet Price, Betty Parker, Jerry Storage, Dave Smith, Jim Dyer, Marcel Bradley, Dan Yost, and Marci Mednick.

CALL TO ORDER

Beth O'Brien, President of the Board, declared that the meeting had been properly noticed, stated that a quorum was present, and called the meeting to order at 9:00 A.M.

ACKNOWLEDGEMENT OF PRESS

The Press was acknowledged in the form of Lindsey Baguio of the Laguna Woods Globe.

MEMBER COMMENTS

President O'Brien invited the members of the Board and audience to speak if they so desired and reviewed the rules of conduct.

Barbara Copley (410-D) commented on the reserve expenditures.

REVIEW PROPOSED 2008 BUSINESS PLAN – VERSION 2

Janet Price, Finance and Administration Director, presented the proposed 2008 Business Plan – Version 2 and noted a summary of changes from Version 1. Version 2 reflects a decrease of \$19.24 per manor per month (PMPM) from Version 1. Ms. Price also noted that the total proposed basic assessment is an increase of \$23.29 PMPM from 2007.

Questions were raised regarding operating expenditures and what specific expenditures are paid by credit card. Ms. Price noted that in 2006, the amount of expenditures paid by credit card were less than 1% of the both the budgeted and actual expenditures in

the categories of expenses for which the cards were used. i.e. staff support, training, materials & supplies, etc..

Discussion ensued regarding utility rates and methods to possibly reduce usage, specifically laundry room electricity.

Director Stone questioned the funding level for General Maintenance.

A motion was made, seconded and failed, by a vote of 6 opposed and 3 in favor (Strom, Stone, McIntosh), that Staff be directed to bring a recommendation to the Board for a supplemental appropriation if additional funding is needed to meet planned service levels.

Dave Smith, Maintenance Facilities Manager, confirmed that increased cycle cleaning in the breezeways could be addressed with existing staff.

Ms. Price explained the projected surplus recovery line item and informed the Board that the recommended amount to include in the 2008 Business Plan is \$3.00 PMPM, based on a conservative estimate of year-end surplus. Discussion ensued.

A motion was made, seconded and failed, by a vote of 6 opposed and 3 in favor (Dalis, Stone, Nugent), to decrease the Replacement Fund assessment by \$1.25 PMPM.

A motion was made, seconded and carried, by a vote of 8 in favor and 1 opposed (Stone), to recommend the proposed 2008 Business Plan as amended.

DIRECTOR'S FORUM

ADJOURNMENT

The meeting was adjourned at 11:01 AM.

Bevan Strom, Secretary