

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

**May 13, 2008**

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday May 13, 2008, at 9:30 A.M. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Beth O'Brien, Linda Wilson, John Dalis, Marty Rubin, Mary Stone, Maxine McIntosh, Jim McNulty, Lloyd Foster, Burns Nugent, Bevan Strom (12:53 P.M.)

Directors Absent: Jan McLaughlin

Others Present: Janet Price, Patty Fox  
*Executive Session: Janet Price, Patty Fox, Cris Trapp*

**CALL TO ORDER**

Beth O'Brien, President and Chair of the Corporation, opened 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 those serving our country and those suffering from cyclones, earthquakes, fires, and floods.

**PLEDGE OF ALLEGIANCE**

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

**ACKNOWLEDGEMENT OF PRESS**

Cheryl Walker from the Laguna Woods Globe was not present, and the Channel 6 Camera Crew, by way of remote cameras, was acknowledged as present.

**APPROVAL OF AGENDA**

The agenda was approved as written.

Without objection, the Board agreed to limit the total time for Member Comments to 30 minutes.

**MEMBER COMMENTS**

- Dottie Fredericks (776-Q) Chair of the United Nominating Committee, announced that the Committee is looking for qualified candidates to run for the Board for the 2008; and announced the South Orange County Outreach Food Drive.
- Kay Margason (510-C) thanked the Board for its services, and requested that the Board look into performing a financial audit of the Trust.
- Barbara Copley (410-D) commented on a bill she inadvertently received from GRF for replacing a smoke detector.
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting.

- Denny Welch (5517-1C) announced the 34<sup>th</sup> Kiwanis Pancake Breakfast on May 17<sup>th</sup> in Clubhouse One.

### **RESPONSE TO MEMBER COMMENTS**

President O'Brien briefly answered each comment made from the members.

### **APPROVAL OF MINUTES**

The minutes of the Regular Meeting of April 8, 2008, and the minutes of the Special Meeting of April 18, 2008 were approved as submitted.

### **OLD BUSINESS**

The Secretary of the Corporation, Director Linda Wilson, read a proposed resolution directing staff to obtain the requisite two signatures on withdrawals from replacement reserves. Director Wilson moved to approve the resolution. Director Marty Rubin seconded the motion and discussion ensued.

Without objection, the motion carried and the Board of Directors adopted the following resolution:

#### **RESOLUTION 01-08-67**

**WHEREAS**, California Civil Code Section 1365.5 specifies that the signatures of two directors, or one director and one officer who is not a director, be required for the withdrawal of moneys from the association's reserve accounts; and

**WHEREAS**, the Laguna Woods Village corporations have relied on the compensating and more stringent control of authorizing reserve withdrawals by resolution approved by a majority of the Board members present at a duly noticed Board meeting; and

**WHEREAS**, it is the desire of the Board to conform to the specific wording of the law while maintaining the existing control of authorization by resolution;

**NOW THEREFORE BE IT RESOLVED**, May 13, 2008 that the Board of Directors hereby directs Staff to ensure that withdrawals from reserves are signed by two directors or one director and one officer who is not a director; 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.

### **NEW BUSINESS**

Director Mary Stone made a motion to renew the Board's subscription to the Echo Journal for one year at a cost of \$495. Director Wilson seconded the motion and discussion ensued. Without objection, the motion carried.

### **CHAIR'S REMARKS**

President O'Brien commented on the new paint color pallet, and expressed her sentiments with the favorable color choices.

### **GENERAL MANAGER'S REPORT**

In Mr. John's absence, Ms. Janet Price announced the dates for the upcoming 2009 capital plan and budget meetings; and announced the mailing of the condensed audited financial statements and indicated that members can obtain a complete copy of their financial statements in the Community Center.

### **CONSENT CALENDAR**

Without objection the Consent Calendar was approved and the following actions were taken:

#### **Architectural Standards and Variances Committee**

##### **RESOLUTION 01-08-68**

**RESOLVED**, May 13, 2008 that the request of Ms. Lieselotte Wade of 18-S Via Castilla to install a rain gutter and downspout is hereby approved, at the Mutual Member's expense; and

**RESOLVED FURTHER**, that all costs and maintenance of the alteration are the responsibility of the Mutual Member(s) at 18-S; and

**RESOLVED FURTHER**, that the Mutual Member must submit for review plans detailing how the gutter will be conforming to existing gutters installed in the Community, as well as the location of the gutter and related downspouts. Plans must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

**RESOLVED FURTHER**, that gutter and downspout must be painted the same color as the portion of the building to which they are attached; and

**RESOLVED FURTHER**, that all required Mutual and City of Laguna Woods permits must be obtained prior to the commencement of any work; and

**RESOLVED FURTHER**, that the installation must be performed by a California-licensed contractor of the appropriate trade.

##### **RESOLUTION 01-08-69**

**RESOLVED**, May 13, 2008 that the request of Mr. George Fickeissen of 18-T Via Castilla to install a rain gutter and downspout is hereby approved, at the Mutual Member's expense; and

**RESOLVED FURTHER**, that all costs and maintenance of the alteration are the responsibility of the Mutual Member(s) at 18-T; and

**RESOLVED FURTHER**, that the Mutual Member must submit for review plans detailing how the gutter will be conforming to existing gutters installed in the Community, as well as the location of the gutter and related downspouts. Plans must be submitted to the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

**RESOLVED FURTHER**, that the gutter and downspout must be painted the same color as the portion of the building to which they are attached; and

**RESOLVED FURTHER**, that all required Mutual and City of Laguna Woods permits must be obtained prior to the commencement of any work; and

**RESOLVED FURTHER**, that the installation must be performed by a California-licensed contractor of the appropriate trade.

**RESOLUTION 01-08-70**

**RESOLVED**, May 13, 2008 that the appeal request of Mr. Irving Warner of 131-C Avenida Majorca to retain the non-standard painted front doors at his manor is hereby denied.

**RESOLUTION 01-08-71**

**RESOLVED**, May 13, 2008 that request of Mr. Stuart Aiken of 212-P Avenida Majorca to install an electric stairlift in the exterior stairwell 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 212-P; and

**RESOLVED FURTHER**, that all required Mutual and City of Laguna Woods permits must be obtained and the appropriate City of Laguna Woods permits numbers must be submitted to the Mutual through the Permits and Inspections Office located in the Laguna Woods Village Community Center; and

**RESOLVED FURTHER**, should the chair block access to the fire extinguisher at the bottom of the stairwell, the fire extinguisher must be relocated in the immediate area at the expense of the Mutual Member(s); and

**RESOLVED FURTHER**, that if the chair lift is removed, the stair treads are required to be restored to the pre-installation condition at the Mutual Member's Expense; and

**RESOLVED FURTHER**, that the Member(s) hereby shall indemnify, defend and hold harmless GRF, the housing mutuals, and their agent for loss arising out of the ownership, maintenance or use of the exterior chairlift; and

**RESOLVED FURTHER**, that the Member(s) shall provide proof of Homeowners' Liability Insurance, Personal Liability Insurance, or Personal Umbrella Liability Insurance, with limits per person or combined single limit of not less than \$500,000 per occurrence.

**Landscape Committee Recommendation:**

3-H	Approval of request for planter conversion at the Mutual's expense
33-P	Approval of request for planter by laundry room at the Mutual Member's expense
269-B	Approval of request for tree removals (2) at the Mutual's expense
415-B	Denial of request for tree removal
721-C	Approval of request for tree and planter removal at the Mutual's expense
776-Q	Denial of request for off-schedule tree trimming
836-C	Approval of request for tree removal at the Mutual's expense
913-A	Denial of request for planter conversion

**Finance Committee Recommendations:**

**RESOLUTION 01-08-72**

**WHEREAS**, Member ID 947-420-42 is currently delinquent to United Laguna Hills Mutual with regard to the monthly assessment; and

**WHEREAS**, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

**NOW THEREFORE BE IT RESOLVED**, May 13, 2008 that the Board of Directors hereby approves the recording of a Lien against Member ID 947-420-42; 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.

**Items Postponed from Previous Meeting**

**RESOLUTION 01-08-73**  
**LAND USE ALTERATION POLICY**

**WHEREAS**, the Board has been advised by Corporate Counsel of its fiduciary duty to preserve open area owned by the Corporation for the benefit of all its

members, as well as its fiduciary duty to preserve and even maximize property values of the Corporation; and

**WHEREAS**, the original manor footprint shall be defined as the original construction including atriums, balconies, and patios; and

**WHEREAS**, the Board finds that allowing members in certain manors to expand beyond the original construction onto open area owned by the Corporation could maximize property values of the Corporation; and

**WHEREAS**, the Board desires to provide direction to current and future Board members with respect to Land Use; and this resolution contemplates land owned by the Corporation;

**NOW THEREFORE BE IT RESOLVED**, May 13, 2008 that the Board of Directors shall approve or deny usage of open area when considering a proposed alteration that is not an established Alteration Standard (a Variance Request) for patio extensions, enclosures on extended patios, room additions, and any other usage of open area utilizing the following Criteria for Consideration of Land Use:

- The proposed alteration must meet the requirement that the alteration complies with all architectural and building guidelines within the Community, whether the proposed alteration is wholly or partially on open area.
- The Board may consider whether such open area is generally inaccessible and is not of general use to the other members of United Mutual, or is only accessible to and of use by the applicant.
- The location of the proposed alteration should be such that the alteration would not prevent a Member of a neighboring manor from also performing such an alteration.

Based on the Board's findings, the Board may consider whether at least three of the following objective factors are present prior to approving any alteration that will include an enclosure, or otherwise encroach onto open area:

- 1) The alteration is consistent with the architectural aesthetics and integrity of the Community.
- 2) The alteration is constructed behind an already existing block wall at least five feet in height.
- 3) The alteration does not obstruct a neighboring manor's view.

- 4) Any alteration on open area does not impede ingress or egress of other members onto adjacent open area or impede Community maintenance Staff from going into or across the open area.
- 5) The proposed area of alteration can only be reasonably accessed through or benefit the subject manor.

**RESOLVED FURTHER**, that previously-approved Standard Plans for Room Additions will continue to be permitted without approval of a Variance; and

**RESOLVED FURTHER**, that Resolution 01-07-45, adopted May 8, 2007 is hereby superseded and cancelled; 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.

## **COMMITTEE REPORTS and SERVICES**

### **FINANCE REPORT**

Director Jim McNulty reported on the Treasurer's Report and the Finance Committee.

Director Lloyd Foster reported from the Architectural Standards and Variances Committee.

The Secretary of the Corporation read the following proposed resolution approving revised United Mutual Alteration Standard Section 28 - Storage Cabinets:

### **RESOLUTION 01-08**

**WHEREAS**, the Board of Directors of this Corporation adopted Resolution U-96-62 on May 14, 1996, which approved the United Laguna Hills Mutual Alteration Standards; and

**WHEREAS**, the Architectural Standards & Variances Committee has recommended that the Board of Directors further amend the United Laguna Hills Mutual Alteration Standards with suggested changes;

**NOW THEREFORE BE IT RESOLVED**, July 8, 2008, that the Board of Directors of this Corporation hereby approves the revisions of United Mutual Alteration Standard Section 28 - Storage Cabinets, as attached to the official minutes of this meeting; and

**RESOLVED FURTHER**, that Resolution U-00-61 adopted August 8, 2000 and Resolution 01-05-140 adopted December 13, 2005 are hereby superseded and cancelled, and Resolution U-96-62, adopted May 14, 1996 is hereby amended; 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 Wilson moved to approve the resolution. Director Maxine McIntosh seconded the motion and discussion ensued on the proposed changes.

Director Lloyd Foster made a motion to postpone the motion to the Old Business portion of the June Meeting Agenda to satisfy the required statutory thirty-day notice requirements. Director Wilson seconded the motion, and the motion carried without objection.

Director Linda Wilson reported from the Landscape Committee.

The Secretary of the Corporation read the following proposed resolution approving a bench standard for benches donated to the Mutual:

**RESOLUTION 01-08-**

**WHEREAS**, over the years a few benches in a variety of styles, have been donated to the Mutual by individuals or organizations, and these benches affect the aesthetics of the Community and can affect landscape maintenance operations; and

**WHEREAS**, currently the Mutual has no approved policy regarding standard styles, colors or anchoring used for donated benches;

**NOW THEREFORE BE IT RESOLVED**, July 8, 2008 that the Board of Directors hereby approves the thermoplastic coated metal mesh bench in dark green as its bench standard style and color for benches donated to the Mutual; and

**RESOLVED FURTHER**, that such benches shall be installed on either a concrete pad (if along sidewalk) or on concrete anchors in the grass (if the location is not along sidewalk); and

**RESOLVED FURTHER**, that the determination of whether the bench would have a back or not would be determined on a case-by-case basis, depending upon the location of the bench on United property; and

**RESOLVED FURTHER**, that the cost of manufacturing and installation of the bench shall be borne by the *donor*; 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 Wilson moved to approve the resolution. Director Foster seconded the motion and discussion ensued.

Without objection, the word "donator" was revised to "donor" in the third Resolved Further paragraph.

Mutual Member Barbara Copley (410-D) commented on placing memorials on the donated benches.

Director Mary Stone made a motion to postpone the motion, as amended, to the Old Business portion of the June Meeting Agenda to satisfy the required statutory thirty-day notice requirements. Director Foster seconded the motion, and the motion carried without objection.

In Director Bevan Strom's absence, Director Burns Nugent reported from the Planning and Project Development Committee.

The Secretary of the Corporation read a proposed resolution establishing a policy for the timing of required repairs and replacements identified during resale inspections. Director Wilson moved to approve the resolution. Director Stone seconded the motion and discussion ensued.

By a vote of 8-0-0, the motion carried and the Board adopted the following resolution:

**RESOLUTION 01-08-74**

**WHEREAS**, currently there is no formal policy for timing of required repairs and replacements identified during resale inspections;

**NOW THEREFORE BE IT RESOLVED**, May 13, 2008 the Board of Directors of this Corporation hereby establishes a policy for performing emergency repairs or non-emergency functional repairs and replacements for which the Mutual is responsible and as identified during the first inspection for resale; and

**RESOLVED FURTHER**, that any emergency repairs identified at first inspection shall be performed prior to the issuance of a final inspection report and close of escrow, and

**RESOLVED FURTHER**, that any non-emergency functional repairs and replacements identified at first inspection for which the Mutual is responsible (e.g. a dripping faucet or running toilet) may be performed prior to the issuance of a final inspection report and close of escrow; and

**RESOLVED FURTHER**, that the Mutual shall schedule emergency repairs and non-emergency functional repairs and replacements upon discovery, 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.

The Secretary of the Corporation read the following proposed resolution establishing a time limit for holding funds received through escrow upon manor resales:

**RESOLUTION 01-08-**

**WHEREAS**, currently there is no specific, finite time requirement in which to complete repairs or corrections identified via resale inspections, which delays the settling of resale funds held from sellers;

**NOW THEREFORE BE IT RESOLVED**, July 8, 2008 the Board of Directors hereby establishes an **18-month** time requirement for new members to complete corrections required, for which funds have been held from the seller; and

**RESOLVED FURTHER**, that any corrections required for which funds were held from the seller that are not completed by the end of the 18-month period, or that are not completed by the time of the next resale, whichever comes first, shall automatically become the buyer's sole responsibility and the Mutual shall automatically return the money to the seller; and

**RESOLVED FURTHER**, that this resolution applies only to corrections or repairs that are determined to be the seller's responsibility; and

**RESOLVED FURTHER**, that this resolution would not apply to those items for which the Mutual has caused the correction to be delayed; and

**RESOLVED FURTHER**, that all United Mutual resale applications packages and all other resale information shall reflect the change in policy (including a signed acknowledgement of the policy by all parties); and;

**RESOLVED FURTHER**, Resolution 01-08-65 adopted April 8, 2008 is hereby superseded and cancelled; 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 Wilson moved to approve the resolution. Director Nugent seconded the motion and discussion ensued.

Director Stone amended the motion to include the words "an 18-month" before the words "time requirement" in the Now Therefore Be It Resolved paragraph. The motion was seconded.

Mutual Member Barbara Copley (410-D) commented on the resolution.

Without objection, the amendment carried.

Director Stone made a motion to postpone the motion, as amended, to the Old Business portion of the June Meeting Agenda to satisfy the required statutory thirty-day notice requirements. Director McIntosh seconded the motion, and the motion carried without objection.

Director Linda Wilson reported from the Resident Relations Information Services.

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

### **DIRECTORS' FORUM**

- Director Foster encouraged the residents to go through the proper procedures when obtaining permits.
- Director McIntosh announced the May 26th American Legion Post program at 11:00 A.M.
- Director McNulty thanked the audience members for their participation.
- Director Rubin encouraged residents to run for the Board.
- Director Stone encouraged residents to obey traffic rules and regulations and to stop prior to the stop limit line.
- Director Wilson commented on a group of Koreans touring the Community and their enthusiasm for the Community.
- President O'Brien reported that a letter was sent to the State Representatives requesting a waiver of stoppage of reverse mortgage; and commented on the Needs Assessment presentation.

### **MEETING RECESS**

The Regular Open Session Meeting recessed for lunch at 11:46 A.M. and reconvened back into the Regular Executive Session at 12:52 P.M.

The Traffic Committee of the Board met in Executive Session on April 16, 2008 to discuss member disciplinary issues.

### **ADJOURNMENT**

With no further business before the Board of Directors, the meeting was adjourned at 5:33 P.M.

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Linda Wilson, Secretary