

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

August 15, 2007

A Special Meeting of the United Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporations, was held on Friday August 15, 2007, at 10:00 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Jim McNulty, Bevan Strom, Linda Wilson, Marty Rubin, Mary Stone, Lloyd Foster, Burns Nugent, Paul Vogel, Marv Rosenhaft

Directors Absent: John Dalis, Maxine McIntosh

Others Present: Milt Johns, Janet Price, Betty Parker, Patty Kurzet

CALL TO ORDER

Jim McNulty, President of the Corporation, called the meeting to order at 10:00 A.M., indicated that it was duly noticed, and that a quorum was present.

ACKNOWLEDGEMENT OF PRESS

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

REVIEW 2009 BUSINESS PLAN – VERSION 3

President McNulty stated that the purpose of the special meeting was to review Version 3 of the proposed 2009 Business Plan, and turned the meeting over to Janet Price, Finance and Administration Director, who presented Version 3 of the proposed 2009 Business Plan.

The Board Members were given an opportunity to ask questions and comment on Version 3 of the proposed 2009 Business Plan.

Director Stone made a motion to reduce the contingency for electricity rate increases from 25% to 10%. Director Vogel seconded the motion and discussion ensued.

Member Mike Curtis (342-A) commented on the motion.

By a vote of 8-0-0 the motion carried.

President McNulty opened the floor to Member comments

Members Pat Whitson (3-H) comment on light bulbs and reserve balance; Mary Wall (239-D) commented on window and refrigerator replacements; and Mike Curtis (342-A) commented on the operational review for Landscape and painting program.

Director Stone made a motion to add to the budget the projected revenue increase in the annual electric golf cart fee by \$.15. Director Rosenhaft seconded the motion and discussion ensued.

Member Mike Curtis (342-A) commented on the motion.

By a vote of 3-5-0 (Directors Nugent, Stone and Rosenhaft voted in favor) the motion failed.

Members Jewell Andersen (535-A) addressed the Board on reducing the contribution to the Replacement Fund; and Mike Curtis (342-A) commented on projected reserve balances.

Directors Comments

- Director Nugent commented on service levels and taking risks in the budget planning
- Director Stone commented on obtaining bid information
- Director Wilson thanked staff and the Board for efforts in the budget planning process
- Director Foster commented on the risks of reducing reserve balances
- Director Vogel commented on the use of reserves to protect the community from special assessments
- Director Strom commented on mutual and GRF's reserves
- Director Rosenhaft expressed his sentiments with the budget process and commented on the need for marketing the community
- Director Rubin commented on taking risks and the need to inform the community on what the Board does to maintain the community
- President McNulty commented on the assessment increase and thanked staff and the Board for their hard work

During its August 12, 2008 Regular Executive Session, the Board reviewed and approved the minutes of the Regular Executive Session Meeting of July 8, 2008; heard five (5) Disciplinary Hearings and imposed fines totaling \$\$1,400 for violations of the rules and regulations; and discussed litigation and other member disciplinary matters.

There being no further business to come before the Board of Directors, the special meeting was adjourned at 11:17 A.M.

Linda Wilson, Secretary