

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

December 9, 2008

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

Directors Present: Lloyd Foster, Bevan Strom, Linda Wilson, Marty Rubin, Maxine McIntosh, Gail McNulty, Arlene Miller, Paul Vogel, John Dalis, Marv Rosenhaft, Mike Curtis

Directors Absent: None

Others Present: Milt Johns, Patty Kurzet, Janet Price (10:48 A.M. – 10:58 A.M.)
Executive Session: Milt Johns, Cris Trapp, Patty Kurzet

CALL TO ORDER

Lloyd Foster, President of the Corporation, chaired and 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 the US Troops serving our country and those placed in harm's way.

PLEDGE OF ALLEGIANCE

Director Marv Rosenhaft led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

APPROVAL OF AGENDA

The agenda was approved as amended by removing Agenda items 12(e) *443-E Denial of appeal request to retain white vinyl fence* and *608-A Denial of appeal request to retain white vinyl fence* returning it back to the committee.

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

MEMBER COMMENTS

- Mary Wall (239-D) commented on tree trimming and requests for documents
- Paul Appelbaum (2029-D) commented on a study on electric golf cart usage and fees
- Art Welch (119-F) commented on electric golf cart usage fees
- Barbara Copley (410-D) commented on her involvement in mediation regarding CC&Rs and invited the Board to attend the next mediation
- Frankie Henry (679-C) commented on the fee for golf cart usage and CC&Rs
- Kay Margason (510-C) commented on monthly assessments

- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting

RESPONSE TO MEMBER COMMENTS

- President Foster briefly responded to member comments
- Director Curtis commented on Ms. Wall's request for documents
- Director McNulty commented on Ms. Copley's mediation
- Mr. Johns responded to Ms. Wall's document request
- Director Strom commented on the golf cart electricity fees
- Director McIntosh commented on Ms. Wall's comment on landscaping

APPROVAL OF MINUTES

Without objection, the Board reviewed and approved the Minutes of the Regular Meeting of November 14, 2008.

OLD BUSINESS

The Secretary of the Corporation, Director Linda Wilson, read the following proposed resolution approving an appeals policy:

RESOLUTION 01-08

WHEREAS, United Mutual's governing documents require a Member to seek approval from the Board of Directors on many matters of Corporate business by way of the committee structure for review of a question that will ultimately be determined by the Board; and

WHEREAS, such committees forward recommendations regarding Members' requests to the United Board for consideration, and if the proposed request is disapproved, then such decision is subject to appeal to the United Board by the Mutual Member;

NOW THEREFORE BE IT RESOLVED; January 13, 2009, the Board of Directors of this Corporation hereby establishes the following appeals policy for alterations and surrounding area improvement requests for this Corporation:

1. Within 30 days of the Board's decision, made at a Board Meeting, a requesting Member may appeal the Board's decision by requesting another review by the appropriate United committee; and
2. Upon receipt and review of the recommendation from the committee, the Board of Directors will make a final decision; and
3. No further appeals will be granted for a twelve (12) month period from the date of the Board's final decision on the appeal. This twelve-month period shall apply to both the original requesting Mutual Member and the subsequent members(s) on the same issue, if any.

RESOLVED FURTHER, that the purpose of this resolution is to codify existing unwritten policy; and

RESOLVED FURTHER, that Resolution 01-03-109 adopted July 8, 2003 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.

Director Wilson moved to approve the resolution. Director Maxine McIntosh seconded the motion and discussion ensued.

Member Mary Stone (365-C) commented on the motion.

Director Wilson moved to postpone the resolution to the Old Business portion of the January Meeting to satisfy the required statutory thirty-day notice requirement. Director McIntosh seconded the motion and the motion carried unanimously.

NEW BUSINESS

The Secretary of the Corporation read a proposed resolution establishing a new standing committee identified as the Architectural, Maintenance & Planning Committee. Director Wilson moved to approve the resolution. Director Marv Rosenhaft seconded the motion and discussion ensued.

Member Barbara Copley (510-D) inquired on the reason for the new committee.

By a vote of 9-0-1 (Director Dalis abstained), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-234

WHEREAS, by way of Resolutions 01-08-197 and 01-08-198, the Board of Directors of this Corporation established the Architectural Review and Maintenance Committee and the Policies, Procedures & Planning Committee; and

WHEREAS, in order to better address maintenance items, Mutual Alteration Standards, variance requests, policies and planning, it is recommended that the Board combines the Architectural Review and Maintenance Committee and the Policies, Procedures & Planning Committee under a new standing committee;

NOW THEREFORE BE IT RESOLVED, December 9, 2008, that in compliance with Article VII, Section 1 of the United Laguna Hills Mutual Bylaws, the Board of this Corporation hereby establishes a new standing committee identified as the Architectural, Maintenance, and Planning Committee to serve at the pleasure of this Board; and

RESOLVED FURTHER, that the duties and powers of this Committee shall be determined by the Board, provided that the authority is limited to advising the Board and all final action is subject to the specific approval of the Board; and

RESOLVED FURTHER, that the Architectural Review and Maintenance Committee and the Policies, Procedures & Planning Committee are hereby dissolved; and

RESOLVED FURTHER, that Resolutions 01-08-197 and 01-08-198 adopted November 14, 2008 are 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.

Director Gail McNulty made a motion to remove United Mutual from its portion of the Landscaping Operational Review. Director Marty Rubin seconded the motion and discussion ensued.

Members Mary Stone (356-C), Mary Wall (239-D), Kay Margason (510-C), and Frankie Henry (679-C) expressed their concern with the motion.

Director Curtis made a motion to postpone until after the preparation of the scope of work by the Finance Committee. Director McIntosh seconded the motion and discussion ensued.

By a vote of 6-4-0 (Directors Rosenhaft, Wilson, McNulty, Rubin opposed), the motion carried.

CHAIR'S REMARKS

President Foster commented on variance requests and encouraged the residents to submit the necessary information before the request is submitted; and encouraged residents to conserve water whenever possible.

GENERAL MANAGER'S REPORT

Mr. Johns provided an update on the recent burglaries in the Community, and announced the various awards the Community has received due to its water conservation and recycling efforts.

Ms. Janet Price entered the meeting at 10:48 A.M.

CONSENT CALENDAR

The Consent Calendar was approved as amended, with one abstention (Director Dalis), and the following actions were taken:

Architectural Review and Maintenance Committee

No meeting was held this month.

Landscape Committee Recommendation:

No meeting was held this month.

Finance Committee Recommendations:

RESOLUTION 01-08-235

WHEREAS, Member ID 947-381-11 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, December 9, 2008, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-381-11; 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.

RESOLUTION 01-08-236

WHEREAS, Member ID 947-426-09 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, December 9, 2008, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-426-09; 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.

Policies, Procedures and Planning Committee Recommendations:

RESOLUTION 01-08-237

RESOLVED, December 9, 2008, that the request of Ms. Bobbye Frank of 762-B Calle Aragon for the Mutual to refrain from painting the inside and top

ledge of her patio wall, and to retain the vines on the top ledge at her manor when the Mutual paints Building 762 this year is hereby denied; 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

No items came before the Board.

COMMITTEE REPORTS and SERVICES

FINANCE REPORT

Director Paul Vogel reported on the Treasurer's Report and the Finance Committee.

Ms. Price left the meeting at 10:58 A.M.

Director Marv Rosenhaft reported from the Architectural, Review, and Maintenance Committee.

The Secretary of the Corporation read a proposed resolution denying the request of 8-Q to retain plastic lattice panels on the balcony. Director Wilson moved to approve the resolution. The motion was seconded.

Director Dalis moved to amend the motion to remove the panels at the time of repainting, replace after the painting, and paint the panels the same color of the balcony railing at the Members expense. Director Curtis seconded the motion and discussion ensued.

Members Barbara Copley (410-D), Mary Stone (356-C), and Ken Hammer (797-B) commented on the motion and following the standards.

By a vote of 2-8-0 (Directors Dalis and Curtis voted in favor), the amendment failed.

By a vote of 8-2-0 (Directors Dalis and Curtis opposed), the main motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-238

RESOLVED, December 9, 2008 that the request of Ms. Elizabeth Beko of 8-Q Via Castilla to retain the plastic lattice panels on the balcony of her manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires the removal of the lattice within 30 days of the Board's decision.

The Secretary of the Corporation read a proposed resolution denying the request of 20-S to retain plastic lattice panels on the balcony. Director Wilson moved to approve the resolution. Director McIntosh seconded the motion.

Director Dalis moved to amend the motion to remove the panels at the time of repainting, replace after the painting, and paint the panels the same color of the balcony railing at the Members expense. Director Curtis seconded the motion and discussion ensued.

By a vote of 2-8-0 (Directors Dalis and Curtis voted in favor), the amendment failed.

By a vote of 8-2-0 (Directors Dalis and Curtis opposed), the main motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-239

RESOLVED, December 9, 2008 that the request of Ms. Duck Soon Yu of 20-S Via Castilla to retain the plastic lattice panels on the balcony of her manor is hereby denied; and

RESOLVED FURTHER, that the Board hereby requires the removal of the lattice within 30 days of the Board's decision.

Director Linda Wilson reported from the Landscape Committee.

Director Bevan Strom reported from the Policies, Procedures, and Planning Committee.

The Secretary of the Corporation read a proposed resolution upholding the Mutual's alteration roofing policy. Director Wilson moved to approve the resolution. Director Vogel seconded the motion and discussion ensued.

By a vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-240

WHEREAS, by way of Resolution 01-04-112, the Board of Directors adopted a policy whereby the Mutual will remove and replace all roof alterations during replacement of the main building roof, and the costs for replacement of the alteration roof shall be charged to the resident; and

WHEREAS, Mr. Hossein Nazari-Gorgani of 796-D Via Los Altos disputes charges for the re-roofing of an alteration patio cover at his manor;

NOW THEREFORE BE IT RESOLVED, December 9, 2008, that the Board of Directors of this Corporation hereby upholds its alteration roofing policy and

affirms Mr. Nazari-Gorgani's responsibility for the \$634.74 charge to re-roof the alteration patio cover at his manor; 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.

The Secretary of the Corporation read a proposed resolution approving a policy that requires the Mutual to move alteration clothes washers and dryers for the purpose of conducting maintenance and repairs. Director Wilson moved to approve the resolution. Director Strom seconded the motion and discussion ensued.

Members Barbara Copley (410-D) commented on the motion.

By a vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-241

WHEREAS, the Board of Directors recognizes that many policies have been implemented by way of practice over the years but not formally documented; and

WHEREAS, the Policies, Procedures & Planning Committee has recommended that the Board of Directors document specific policies;

NOW THEREFORE BE IT RESOLVED, December 9, 2008, that the Board of Directors of this Corporation hereby approves a policy that requires the Mutual to move alteration clothes washers and dryers for the purpose of conducting maintenance and repairs; and

RESOLVED FURTHER, that the Mutual will not replace, nor reinstall alteration clothes washers and dryers that have been moved to perform maintenance and repairs; and

RESOLVED FURTHER, that the Member is hereby responsible for reinstallation of alteration clothes washers and dryers, 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 the Resolution.

The Secretary of the Corporation read a proposed resolution authorizing the President, or Alternative, to appoint directors to fill vacant committee assignments. Director Wilson moved to approve the resolution. Director McIntosh seconded the motion and discussion ensued.

By a vote of 10-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-08-242

WHEREAS, United Mutual recognizes that a transition/void period exists during elections the latter part of each year impacting committee assignments, and

WHEREAS, this situation results in outgoing directors having no legal status and incoming directors not having been approved for committee assignments by their respective Boards, and

NOW THEREFORE BE IT RESOLVED, December 9, 2008, that the Board of Directors hereby authorize the President, or Alternative as designated by Corporate Bylaws, in descending order, to appoint directors to fill vacant committee assignments, and

RESOLVED FURTHER, that said appointments are temporary and shall last only until the Board approves permanent committee assignments, and

RESOLVED FURTHER, that directors filling the temporary assignments are accorded all rights and privileges as though they were a Board-approved committee member, 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 the Resolution.

Director Gail McNulty reported from the Resident Relations Information Services.

Director Maxine McIntosh reported from the Traffic Committee.

GRF HIGHLIGHTS

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

Without objection, the Board agreed to limit the time per speaker to 3 minutes.

DIRECTORS' FORUM

- Director Dalis wished everyone a Happy Hanukkah and Christmas
- Director McIntosh commented on rejoicing in living in this Country and to reach out and do good for others and wished all Happy Holidays
- Director Miller commented on her learning curve being on the Board, announced that the Community uses the best paint available, and stated that PCM is looking out for the Community
- Director Vogel wished everyone a Happy Holiday

- Director Rubin thanked Director McNulty and Director Miller for doing a fabulous job, wished the Community a happy and healthy New Year and to work in harmony solving problems
- Director Wilson thanked Director McIntosh for her statements about our Country and wished everyone Happy Holidays
- Director Rosenhaft echoed the sentiments of working together and commented on the positive comments he receives from residents, and thanked Wendy Panizza and her staff for a job well done
- Director Strom commented on working together, encouraged residents to blow out candles and to not water the sidewalks
- Director Curtis commented on his request for PCM Incentive Plan documents.
- President Foster denied the allegation from Director Curtis that the Board has denied his request for documents
- Mr. Johns responded to Director Curtis' allegations regarding denial of access to documents, and wished everyone a Happy Hanukkah and Christmas
- Director McNulty expressed her sentiments for working on the Board and encouraged those who have evidence of malfeasance to come forward to the Board.

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 12:05 P.M. and reconvened back into the Regular Executive Session at 12:52 P.M.

During its Regular Executive Session Meeting of November 14, 2008, the Board of Directors reviewed and approved the minutes of the Regular Executive Session Meeting of September 9, 2008, minutes of the Special Executive Session Meeting of September 30, 2008, and the minutes of the Special Executive Session Meeting of October 16, 2008; authorized a Notice of Delinquent Assessment (Lien) to be filed for the following: Member ID 947-366-32, Member ID 947-372-88, Member ID 947-380-11, Member ID 947-414-07, Member ID 947-419-46, Member ID 947-451-59; established a non-judicial foreclosure sale date for a manor; and discussed member disciplinary issues and potential litigation matters.

The Traffic Committee of the Board met in Executive Session on November 19, 2008, to discuss member disciplinary issues.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 6:06 P.M.

Linda Wilson, Secretary