

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

March 10, 2009

The Regular Meeting of the Board of Directors of United Laguna Hills Mutual, a California Non-Profit Mutual Benefit Corporation, met on Tuesday March 10, 2009, 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 (11:41 A.M.-11:55 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.

PLEDGE OF ALLEGIANCE

Director John Dalis led the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

In the absence of Cheryl Walker from the Laguna Woods Globe, Ms. Janet Whitcomb, a freelance reporter was present, and the Channel 6 Camera Crew, by way of remote cameras, were also acknowledged as present.

APPROVAL OF AGENDA

The agenda was approved as amended by removing agenda item 12 (a) *705-C Approval of request for installation of open area lighting* from the Architectural Maintenance and Planning Committee Consent Calendar and placing it under the Report of the Architectural Maintenance and Planning Committee for discussion.

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

MEMBER COMMENTS

- Mary Wall (239-D) addressed the Board on a contractor not being allowed to enter the Community to work on her manor and commented on refrigerator rebates
- Margaret Pearlman (342-D) announced a town hall meeting to be held in Clubhouse 3 on April 1 from the "Let There Be Light" Group and invited the Board to attend to speak on the Board's plan to increase lighting in the Community

- Mary Stone (356-C) commented on the lack of representation on the GRF Nominating Committee from United Mutual and commented on the announcement of the vacancy on the GRF Board
- Collette Siegman (607-A) addressed her concern with lighting in the Community
- Connie Grundke (2214-B) inquired on the number of resident owners, non-resident owners, and vacant manors in United
- Kay Margason (510-C) commented on the history and operations of the Community and need to hire an attorney to review the Regulatory Agreement
- Dick Sharp (887-Q) stated that the United Nominating Committee is currently looking for qualified candidates to run for the 2009 Board of Director election
- Iris Gorin (828-Q) commented on the need to hire an attorney to review the outcome of the early pay off of the HUD loans
- Pamela Grundke (2214-B) commented on the Regulatory Agreement and early pay off of HUD loans
- Bob Zuzak (674-A) commented on United's governing documents
- Delsie Zuzak (674-A) commented on the number of issues in the Community and need for transparency
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting

RESPONSE TO MEMBER COMMENTS

- President Foster briefly responded to members' comments
- Mr. Johns clarified Ms. Wall's comment on disallowing a contractor into the Community, responded to Ms. Margason's comments on the sale of the old Administration Building, clarified statements made by Ms. Zuzak on credit cards and the incentive plan
- Director McIntosh reminded the membership that the Managing Agent carries out the direction and policies of the Board
- Director Dalis encouraged the residents to attend and participate in the upcoming budget meetings
- Director Curtis commented on assigning a Board member to attend the "Let There Be Light" Townhall meeting, and commented on the candidates running to fill the GRF Board vacancy

APPROVAL OF MINUTES

Without objection, the Board reviewed, amended, and approved the Minutes of the Regular Meeting of February 10, 2009 as follows:

- Adding the wording on page 9 under the Finance Committee Report to read as follows: "Director Curtis made a motion to remove #2 of the proposed Select Audit Committee resolution and the motion failed due to the lack of a second;" and "Director Curtis made a motion to add the words 'and Treasurers' under #5 of the proposed Select Audit Committee resolution and the motion failed due to the lack of a second."
- Revising the wording on page 12 from "yelled" to "stated loudly."

OLD BUSINESS

Directors Miller introduced the Board's Vision, Mission and Value Statement. The Board made comments and considered suggested changes to the Statement.

NEW BUSINESS

Director Strom made a motion to deny the request of Vimal and Anjana Chandra, non-resident members of 2106-N Ronda Granada, that the Board makes an exception to its 6-month lease restriction to allow their tenant to remain in the unit an additional 6 months or more. Director McIntosh seconded the motion and discussion ensued.

Mutual Members Barbara Copley (410-D), Connie Grundke (2214-B), Delsie Zuzak (674-A), and Mary Wall (239-D) addressed their comments and concerns with the 6-month lease limitation.

By a vote of 10-0-0, the motion to deny the request carried.

Director Rosenhaft made a motion to direct staff to report on an analysis of the Regulatory Agreement and satisfaction of the HUD loan. Director Wilson seconded the motion and discussion ensued.

Director Curtis stated that PCM cannot be trusted to carry out the direction.

Mr. Johns stated that PCM will work with HKC to assist them in carrying out the direction.

Mutual Members Iris Gorin (828-Q) commented on hiring the best lawyers to review the outcome of when the HUD loans are paid off; Frankie Henry (679-C) commented on a possible conflict of interest with PCM involvement; Kay Margason (510-C) commented on the need to spend the money to hire the best lawyers to guide United after the HUD loans are paid off; and Pamela Grundke (2214-B) encouraged the Board to hire experts.

By a vote of 9-1-0 (Director Curtis opposed), the motion carried.

The Board considered the document request of Ms. Barbara Copley of 401-D for a copy of the Membership List with no valid reason for its use.

Director Wilson made a motion to deny the request. Director Rosenhaft seconded the motion and discussion ensued.

Mutual Members Connie Grundke (2214-B), Mary Wall (239-D), and Ken Hammer (797-B) commented on the request.

Member Barbara Copley (410-D) addressed the Board on her request.

Director McIntosh made a motion to extend the time for Ms. Copley to comment on her request. Director Vogel seconded the motion and discussion ensued. By a vote of 7-3-0 (Directors Dalis, McNulty, and Rosenhaft opposed), the motion carried.

Ms. Copley stated that she is concerned with the upcoming elections and would like the Membership List to encourage people to come to meetings and run for the Board, and would not distribute flyers or mailings.

The Board addressed its justification to deny the request.

By a vote of 8-2-0 (Directors McIntosh and Curtis opposed), the motion carried.

President Foster stated that the denial is based on the lack of stated purpose.

CHAIR'S REMARKS

President Foster commented on the need to conserve water and commented on the El Toro Water District's proposed ordinance for water conservation and water supply shortage.

GENERAL MANAGER'S REPORT

Mr. Milt Johns commented on the current offers made by the City of Laguna Woods and the El Toro Water District to purchase GRF property and announced that the Corporate Members will hold a Special Closed Session meeting on March 26, 2009 to consider such offers; and updated the membership on the recent car thefts in the Community and encouraged residents to not leave their keys in the car and to always lock their car.

Ms. Janet Price entered the meeting at 11:41 A.M.

CONSENT CALENDAR

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

Architectural, Maintenance and Planning Committee

RESOLUTION 01-09-52

RESOLVED, March 10, 2009, that the request of Mr. and Mrs. Nick Sorensen of 19-A Via Castilla to approve a variance to construct a room addition on the front patio and perform a modification to the width of their kitchen window is hereby approved; and

RESOLVED FURTHER, that the length from the existing building exterior wall would be 10'-4", with an 8'-0" X 6'-0" XOX white vinyl new construction window centered on the front elevation; and

RESOLVED FURTHER, that all future costs and maintenance associated with the subject alterations are the responsibility of the Mutual member(s) at 19-A; and

RESOLVED FURTHER, that unit-specific plans depicting the proposed alteration, signed and wet-stamped by a California-licensed architect or engineer 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 *Option B* room addition and kitchen widow alteration; and

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

RESOLVED FURTHER, that any required landscape, irrigation, and drainage revisions are to be performed by the Landscape Division at the requesting Mutual member's expense.

RESOLUTION 01-09-53

RESOLVED, March 10, 2009, that the appeal request of Ms. Jean Fall of 356-B Avenida Castilla to retain the interlocking pavers on the entry walkway at her manor is hereby approved; and

RESOLVED FURTHER, that all costs for repair and maintenance, present and future, associated with the subject alteration is the sole responsibility of the Mutual Member(s) at Manor 356-B and shall not be the responsibility of the Member(s) at 356-C; and

RESOLVED FURTHER, that a required Mutual permit for the tile on the walkway must be obtained through the Permits and Inspections Office located in Laguna Woods Village Community Center; and

RESOLVED FURTHER, that the stucco at the bottom of the entry doors where they meet the interlocking pavers at both manors 356-B and 356-C must be repaired at the cost of the Mutual member at Manor 356-B.

RESOLUTION 01-09-54

RESOLVED, March 10, 2009, that the request of Ms. Marie Mendicino of 397-C Avenida Castilla to install a white vinyl framed, tempered glass room addition on her upper balcony is hereby denied.

RESOLUTION 01-09-55

RESOLVED, March 10, 2009, that the request of Mr. Joseph Giuliano of 440-B Avenida Sevilla to install two planter walls in front of his manor is hereby approved; and

RESOLVED FURTHER, that all costs and maintenance associated with the alteration are the responsibility of the Mutual member(s) at Manor 440-B; and

RESOLVED FURTHER, that any required landscape, irrigation, and/or drainage revisions are the responsibility of the Mutual member(s) at Manor 440-B; and

RESOLVED FURTHER, that the planter wall to the right of the walkway at Manor 440-B may not extend beyond the centerline of the patio storage cabinet of Manor 440-A.

RESOLUTION 01-09-56

RESOLVED, March 10, 2009, that the request of Mr. Donald Horton of 867-P Avenida Sevilla to retain an additional storage cabinet installed in the carport of his manor is hereby denied; and

RESOLVED FURTHER, that the Mutual Member is hereby required to remove the storage cabinet, at the Member's expense, within 30 days of the Board's decision.

RESOLUTION 01-09-57

WHEREAS, Mr. Emmanuel Jolley (Occupant), on behalf of owners Mr. and Mrs. Martin Murray of 2026-D Via Mariposa East, disputes the charge for the pipe remediation of the manor's alteration laundry plumbing lines; and

NOW THEREFORE BE IT RESOLVED, March 10, 2009, that the Board of Directors of this Corporation hereby upholds its alteration plumbing policy and affirms Mr. and Mrs. Martin Murray's responsibility for the \$338 charge to remediate the alteration plumbing at Manor 2026-D; 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 01-09-58

RESOLVED, March 10, 2009, that the request of Mr. Richard Christy of 2028-A Via Mariposa East for the Mutual to install an additional walkway light along

the walkway between Buildings 2028 and 2029 at an estimated cost of \$700 is hereby approved; and

RESOLVED FURTHER, that the work will be funded through the Mutual's General Maintenance Operating Budget.

RESOLUTION 01-09-59

WHEREAS, Ms. DoDee Boschert of 2062-A Via Mariposa East disputes the charge for the pipe remediation of her manor's alteration laundry plumbing lines; and

NOW THEREFORE BE IT RESOLVED, March 10, 2009, that the Board of Directors of this Corporation hereby upholds its alteration plumbing policy and affirms Ms. Boschert's responsibility for the \$338 charge to remediate the alteration plumbing at her 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.

Landscape Committee Recommendation:

- 70-B Denial of appeal request for landscape design change
- 378-C Denial of appeal request for plant replacements
- 102-A Denial of request for off-schedule tree trimming
- 403-C Denial of request for authorization to keep vegetation on patio wall
- 540-G Approval of request for landscape design change at the Mutual Member's Expense
- 556-B Approval of request for relandscaping at the Mutual Member's Expense
- 580-N Denial of request for tree replacements
- 930-O Denial of request for tree removal
- 2063-B Approval of request for two (2) tree removals at Mutual's expense
- 2160-B Denial of request for tree removal

Finance Committee Recommendations:

RESOLUTION 01-09-60

WHEREAS, Member ID 947-393-08 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-393-08; 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 01-09-61

WHEREAS, Member ID 947-401-39 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-401-39; 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 01-09-62

WHEREAS, Member ID 947-405-24 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-405-24; 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 01-09-63

WHEREAS, Member ID 947-424-53 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-424-53; 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 01-09-64

WHEREAS, Member ID 947-444-09 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-444-09; 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.

RESOLUTION 01-09-65

WHEREAS, Member ID 947-446-28 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-446-28; 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 01-09-66

WHEREAS, Member ID 947-455-28 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, March 10, 2009, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-455-28; 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 gave the Treasurer's and the Finance Committee Reports.

Ms. Price left the meeting at 11:55 A.M.

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

The Secretary of the Corporation, Director Linda Wilson, read a proposed resolution approving the Committee Charter. Director Wilson moved to approve the resolution. Director Rosenhaft 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 01-09-67

WHEREAS, on December 9, 2008, pursuant to Article VII, Section 1 of the Bylaws, the Board of Directors of this Corporation established the Architectural, Maintenance & Planning Committee as a standing committee; and

NOW THEREFORE BE IT RESOLVED, March 10, 2009, that the Committee shall maintain a working liaison with the Maintenance Division of the Managing Agent's organization to ensure that the real property and fixtures owned and managed by United Laguna Hills Mutual are maintained, reconditioned, improved or augmented as necessary or desired to meet the policies established by the Board of Directors, requirements of members and government agencies involved; and

RESOLVED FURTHER, that the review procedures for Architectural standards and variances shall be considered based on, but not limited to, the following criteria:

- Aesthetic impact (Building, Common Area, Neighbors)
- Conformity to Local and State Building Codes
- Conformity to the Mutual governing documents and Davis-Stirling Act

RESOLVED FURTHER, that the Committee shall review and recommend to the Board of Directors disposition of requests for variances from the Alteration Standards with findings for the recommended actions including modifications, additions or deletions of walkways, ramps, handrails, street lights, walkway lights, and the like; and

RESOLVED FURTHER, that the Committee shall maintain requirements that no structural alterations including any internal and external physical changes to the dwelling unit, performed or caused to be performed by the Member, shall be performed without prior written consent of the Corporation. Prior written consent is given either by proper processing of approved Alteration Standards, or by utilizing the Variance Request process; and further, that all alterations installed by the Member or any predecessor of the Member, shall be repaired and maintained at the Member's sole expense, whether the repairs and maintenance are performed by the Corporation or Member's licensed contractor, and

RESOLVED FURTHER, that the Committee shall review maintenance service level requirements and related variances in connection with the current Business Plan; and

RESOLVED FURTHER, that the Committee shall review budget requirements, service levels, all attendant costs and projected income related to services to

be provided by the Maintenance Division and make necessary recommendations to the Finance Committee and Board of Directors, and

RESOLVED FURTHER, that the Committee shall explore and review suggestions for short-term and long-term Mutual-wide improvements and cost effective programs for approval by the Finance Committee and Board of Directors, and

RESOLVED FURTHER, that the Committee shall review on a continuing basis long-range plans and needs for building and infrastructure maintenance and, in consultation with appropriate committees, recommend to the Board of Directors appropriate means for achieving such plans and needs; and

RESOLVED FURTHER, that the Committee shall review as needed the substance of specifications used for procurement of goods and services for programs under the review of this Committee. The Committee will consult with Managing Agent regarding award of contracts as needed; and

RESOLVED FURTHER, that the Committee shall review all requests for unbudgeted capital components or programs suggested by the Maintenance Division, other committees or members, and recommend appropriate action to the Board of Directors, and

RESOLVED FURTHER, that the Committee shall monitor major Operating and Reserve maintenance programs, such as roofing, asphalt maintenance and replacement, external painting, and the like; and

RESOLVED FURTHER, that the Committee shall establish building colors palette and determine primary roof, building and trim colors for buildings, as appropriate; updating the palette at least every four years, and

RESOLVED FURTHER, that the Committee shall perform such other tasks as may be approved and assigned by the Board of Directors; and

RESOLVED FURTHER, that Resolution 01-07-34 adopted March 13, 2007 and Resolution 01-07-01 adopted January 9, 2007 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.

The Secretary of the Corporation read a proposed resolution denying a request of Ms. Geraldine Ridgway of 25-A Avenida Castilla to retain two casement windows installed in the

kitchen of her manor. Director Wilson moved to approve the resolution. Director Rosenhaft seconded the motion and discussion ensued.

Director Dalis amended the motion that the approval be contingent upon the windows being permanently sealed. The motion was seconded and discussion ensued.

Ms. Ridgway of 25-A addressed the Board on her request and stated that she can not afford to retrofit the windows.

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

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

RESOLUTION 01-09-68

RESOLVED, March 10, 2009, that the request of Ms. Geraldine Ridgway of 25-A Avenida Castilla to retain two casement windows installed in the kitchen of her manor is hereby denied; and

RESOLVED FURTHER, that the windows shall be retrofitted with dual pane white vinyl windows in an XO configuration, at the member's expense, within 90 days of the Board's decision on the matter.

Director McIntosh made a motion to approve the request of 705-C to install additional lighting, but at the Member's expense, and the Mutual shall maintain the lighting. Director Strom seconded the motion and discussion ensued.

By a vote of 7-3-0 (Directors Vogel, Dalis, and Curtis opposed), the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 01-09-69

RESOLVED, March 10, 2009, that the request of Ms. Helen Gercich of 705-C Avenida Sevilla to install an additional walkway light at the end of the walkway between Buildings 704 and 705 which ends at Calle Aragon at an estimated cost of \$1,800 is hereby approved; and

RESOLVED FURTHER, that the work shall be at the Member's expense and shall be maintained by the Mutual.

Director Linda Wilson reported from the Landscape Committee.

Director Marty Rubin reported from the Resident Relations Information Services.

Director Maxine McIntosh reported from the Traffic Committee.

GRF HIGHLIGHTS

Due to time constraints, the Directors waived reporting from the GRF Committees to which they are assigned.

President Foster reminded the Board about the 3 minute time limitation for each Director during Directors' Forum.

DIRECTORS' FORUM

- Director Dalis wished everyone a Happy St. Patrick's Day
- Director Curtis encouraged the residents to express their concerns to the City on disallowing the construction of any more buildings like San Sebastian
- Director McIntosh commented on those wearing green today
- Director Rosenhaft encouraged residents to attend the committee and board meetings
- Director Wilson announced the next CPR class on March 20 in the Redwood Room
- Director McNulty commended Director Rosenhaft on his appearances on TV 6 and encouraged those who have proof of malfeasance to come forward with the evidence
- Director Miller wished everyone a Happy St. Patrick's Day
- Director Strom wished President Foster a Happy Birthday

MEETING RECESS

The Regular Open Session Meeting recessed for lunch at 12:31 P.M. and reconvened back into the Regular Executive Session at 1:07 P.M.

Summary of Previous Closed Session Meetings per Civil Code Section §1363.05

During its Regular Executive Session Meeting of February 10, 2009, the Board of Directors reviewed and approved the minutes of the Regular Executive Session Meeting of January 13, 2009, and the Special Executive Session Meeting of January 23, 2009; authorized a Notice of Default to be filed for Member ID 947-426-09; heard six (6) disciplinary hearings and imposed fines totaling \$2,050, and reinstated \$100 for violations of the Mutual's rules and regulations. The Board also discussed other member disciplinary, and pending and potential litigation matters.

During its Special Executive Session Meeting of February 18, 2009, the Board of Directors heard five (5) disciplinary hearings and imposed fines totaling \$800 for violations of the Mutual's rules and regulations. The Board also discussed other member disciplinary, and potential litigation matters.

The Traffic Committee of the Board met in Executive Session on February 18, 2009, to discuss member disciplinary issues.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 3:45 P.M.

Linda Wilson, Secretary