

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

May 6, 2008

The Regular Meeting of the Golden Rain Foundation of Laguna Woods Board of Directors, a California non-profit mutual benefit corporation, was held on Tuesday May 6, 2008, at 9:30 A.M., at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Bob Miller, Ruth May, Don Tibbetts, Bea McArthur, Ken Hammer, Joseph Heller, Ray Gros, Erwin Stuller, Mark Schneider, Noel Hatch

Directors Absent: Jack Bassler

Others Present: Jerry Storage, Patty Fox, and Janet Price (11:27 A.M.-11:58 A.M.)
Executive Session: Jerry Storage, Patty Fox, Cris Trapp, Janet Price

Designated Representative: None
from Mutual Fifty

CALL TO ORDER

Bob Miller, President, served as Chair of the meeting and stated that it was a regular meeting held pursuant to notice duly given and that a quorum was present. The meeting was called to order at 9:30 A.M.

A moment of silence and reflection was held to honor our US Troops who are serving our Country, and for those who are in harm's way.

PLEDGE OF ALLEGIANCE TO THE FLAG

Director Ruth May led the membership in the Pledge of Allegiance to the Flag.

ACKNOWLEDGEMENT OF PRESS

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

APPROVAL OF AGENDA

Without objection, the agenda was approved as written.

APPROVAL OF MINUTES

Without objection, the Amended Minutes of the Regular Board Meeting of February 5, 2008, the Minutes of the Regular Board Meeting of April 1, 2008, and the Minutes of the Special Board Meeting of April 18, 2008 were approved as written.

MEMBER COMMENTS

- Marty Rhodes (5369-2A) commented on the success of the Senior Games and announced that residents can purchase an "I love the Village" pin at the Golf Shop.
- Karel Brouwer (3189-C) commented on the Needs Assessment Presentation.

- Jody Foster (2162-C) announced that the United and Third Nominating Committees are looking for qualified candidates to fill vacancies on the Board of Directors and encouraged the residents to obtain an application in the Community Center.
- Lucie Falk (3377-A) commented on the pool closure times.
- Denny Welch (5517-1C) announced the Kiwanis Pancake Breakfast, to be held on May 17, 2008.
- Jerry Sheinblum (3488-C) announced the next CCA Town Hall Meeting.
- Bud Nesvig (2392-3H) commented on PCM employees using Laguna Woods Village stationery and monthly reports on staff support expenditures.
- Mike Curtis (342-A) expressed his sentiments with living in the Village and commented on his requests for credit card statements and a Cease & Desist letter he had received from GRF.
- Dottie Fredericks (776-Q) commented on the United Nominating Committee.
- Barbara Copley (410-D) commented on a bill she received from GRF for replacing a smoke detector.
- Kay Margason (510-C) commented on GRF vehicles use by PCM employees and need for financial audit.
- Pamela Grundke (2214-B) announced the next Residents' Voice Meeting and commented on the inability of Residents' Voice to receive club status.

DIRECTORS' RESPONSE TO MEMBER COMMENTS

- President Miller briefly responded to Members' comments.
- Director Schneider responded to Ms. Falk's comments about the pool closures and Mr. Brouwer on the Needs Assessment Study.

CHAIR'S REPORT

President Miller apologized for his inappropriate comments made last month and his policy on responding to emails.

OLD BUSINESS

The Secretary of the Corporation, Director Bea McArthur, read a proposed resolution revising the 2007 Recreation Resident Fee Schedule.

Director McArthur moved to remove the resolution from the table. The motion was seconded and carried without objection.

By a vote of 9-0-0, the original motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-34

WHEREAS, on May 2, 2006, by way of Resolution 90-06-32, the Board of Directors of this Corporation approved the Resident Fee Schedule for 2007; and

WHEREAS, one of the fees currently on the list is not being collected and one of the fees being charged is not on the list; and

NOW THEREFORE BE IT RESOLVED, May 6, 2008 that the Board of Directors hereby revises the 2007 Resident Fee Schedule as follows:

- Remove the \$25 fee for a bag tag deposit
- Add a \$10 fee for golf club rentals

RESOLVED FURTHER, that such changes shall be effective May 6, 2008; and

RESOLVED FURTHER, that Resolution 90-06-32 adopted May 2, 2006 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.

The Secretary of the Corporation read the following resolution on the use of Electronic Personal Assistive Mobility Devices in the Community:

RESOLUTION 90-08

WHEREAS, GRF desired an evaluation of Electronic Personal Assistive Mobility Devices (EPAMDs), as defined by the State of California, to ensure equal treatment of both existing and emerging technologies affecting safe personal transportation needs of its members; and

WHEREAS, of particular interest is an EPAMD with the commercial name of "Segway," and

WHEREAS, the Segway meets the State of California's definition of an EPAMD; and

WHEREAS, The State of California encourages the use of EPAMDs in an effort to reduce the State's traffic and air pollution problems and declares that the EPAMD is part of the State's program to use no-emission vehicles;

NOW THEREFORE BE IT RESOLVED, July 1, 2008 that the Board of Directors of this Corporation hereby allows the use of EPAMDs within the Community, with the following contingencies to which each operator of such device shall agree:

- 1) Not operate an EPAMD at a speed greater than is reasonable and prudent (not to exceed 4.5 MPH) having due regard for weather, visibility, pedestrians, and other traffic;

- 2) Not operate an EPAMD at a speed that endangers the safety of persons or property, or with willful or wanton disregard for the safety of persons or property;
- 3) Operate an EPAMD in such a way as to yield the right-of-way to all pedestrians on foot, including persons with disabilities using assistive devices and service animals that are close enough to constitute a hazard;
- 4) Operate the EPAMD only on sidewalks and cross walks in the Community;
- 5) Indemnify, defend, and hold harmless GRF and its managing agent for any loss arising out of the ownership, maintenance, or use of the EPAMD; and
- 6) Abide by all state and local laws and community rules.

RESOLVED FURTHER, that in order to endeavor to ensure safe operation of the devices, an annual permit shall be required for operation of EPAMDs on sidewalks in the community, which shall include:

- 1) A statement that the operator has consulted with their physician and that they are in satisfactory health to operate the EPAMD; and
- 2) 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.

RESOLVED FURTHER, that the use of roller skates, in-line skates and any skateboard-based scooters within the Community shall be prohibited; and

RESOLVED FURTHER, that Resolution number 2621, adopted September 5, 1978 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 McArthur moved to approve the resolution. Director Ray Gros seconded the motion and discussion ensued.

Mr. Scott Dunham, Risk Manager, entered the meeting at 10:35 P.M.

Mutual Members Denny Welch (5517-1C); Libby Marks (82-Q); Mike Curtis (342-A); Lucie Falk (3377-A); Linda Wilson (816-P); Carol Skydell (3070-B); and Gene Ryan (3361-O) expressed their comments and concerns with the resolution.

Mr. Dunham addressed Members' comments and concerns.

Mr. Dunham left the meeting at 11:00 A.M.

Mutual Member Dee O`Connor (2200-D) addressed the Board on the length of time and effort put forth by the Mutual Boards and Staff to bring the resolution into fruition.

Ms. Cris Trapp, Legal Affairs Manager, entered the meeting at 11:02 A.M. and commented on enforcing the resolution and left the meeting at 11:04 A.M.

Director Heller made a motion to table the motion to the July Meeting to satisfy the required statutory thirty-day notice requirements. The motion was seconded and carried unanimously.

Ms. Wendy Bucknum, Public Affairs Manager, entered the meeting at 11:05 A.M.

NEW BUSINESS

The Secretary of the Corporation read a proposed resolution on providing a complimentary DVD of the Laguna Woods Village marketing video to participants of the Historical Society VIP Docent Tours. Director McArthur moved to approve the resolution. Director May seconded the motion and discussion ensued.

Mutual Members Linda Wilson (816-P) commented on the VIP tours; and Carol Skydell (3070-B) commented on marketing the Community.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-35

WHEREAS, the Laguna Woods Village Historical Society Docents offers a tour of the Community three times a month to anyone wishing to visit the Community; and

WHEREAS, GRF provides DVD marketing videos of the Community upon request for a nominal fee to participants in the Historical Society Docent Tours; and

WHEREAS, several times a year, the Historical Society hosts VIP Docent Tours for foreign visitors who pay for the tour and often present to the Community gifts from their country, and it is in the best interest of the Community to reciprocate such gifts by providing a complimentary DVD video to such participants;

NOW THEREFORE BE IT RESOLVED, that effective May 6, 2008 GRF will provide a complimentary DVD of the Laguna Woods Village marketing video to participants of the Historical Society VIP Docent Tours; 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.

Ms. Bucknum presented the proposed bus logo application design concept.

Director Ruth May made a motion to approve the bus logo application design concept as presented. Director Joseph Heller seconded the motion and discussion ensued.

Director Mark Schneider amended the motion to remove the logo design from the 2 side doors. Director Ken Hammer seconded the motion and discussion ensued.

Mutual Members Isabel Muennichow (5285); Linda Wilson (816-P); Maxine McIntosh (68-C); Lucie Falk (3377-A); and Mike Curtis (342-A) commented on the logo design.

By a vote of 2-7-0 (Directors Schneider and Hammer voted in favor), the amendment failed.

Director Noel Hatch called the question. The motion was seconded and carried unanimously.

By a vote of 8-0-1 (Director Schneider abstained), the main motion carried.

Ms. Bucknum left the meeting at 11:21 A.M.

Director Gros made a motion directing Staff to draft a subject report for CAC review that will evaluate an offering by way of a third party, a full range of physical therapy services using a GRF facility such as the fitness center at the Community Center. Director McArthur seconded the motion. Director Gros commented on the concept of providing such services, and discussion ensued.

Ms. Janet Price, Director of Finance and Administration, entered the meeting at 11:27 A.M.

Mutual Members Mike Curtis (342-A); Denny Welch (5517-1C); Lucie Falk (3377-A); Libby Marks (82-Q); Barbara Copley (410-D); and Jerry Sheinblum (3488-C) addressed their concerns with the concept.

By a vote of 1-8-0 (Director Gros voted in favor), the motion failed.

CONSENT CALENDAR

No items came under the Consent Calendar.

COMMITTEE REPORTS

Director Don Tibbetts reported on the Treasurer's Report and from the Finance Committee.

Director Tibbetts indicated that the GRF Finance Committee will no longer review the credit card statements every month, but any resident wishing to obtain a copy may do so by way of a document request.

The Secretary of the Corporation read a proposed resolution authorizing a transfer of \$1,000,000 from the Operating Surplus to the Facilities Fund. Director McArthur moved to approve the resolution. Director Tibbetts seconded the motion and discussion ensued.

Mutual Members Mike Curtis (342-A); Barbara Copley (410-D); and Kay Margason (510-C) commented on the resolution; and Denny Welch (5517-1C) thanked Ms. Janet Price for coming under budget.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-36

WHEREAS, according to the Davis-Stirling Act, a Common Interest Development shall not retain significant operating surplus (funds that are not needed to defray current operating costs); and

WHEREAS, the Golden Rain Foundation Balance Sheet reflects a total operating surplus from the prior year of over \$1.6 million, of which \$650,000 is being returned to the members by way of reduced 2008 assessments;

NOW THEREFORE BE IT RESOLVED, May 6, 2008 that the Board of Directors of this Corporation hereby authorizes the transfer of \$1,000,000 from accumulated operating surplus to the Facilities Fund; 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.

Member Mike Curtis (342-A) addressed Director Tibbetts on obtaining copies of credit card statements.

Ms. Price left the meeting at 11:58 A.M.

Director Ken Hammer reported from the Bus Services Committee.

Director Mark Schneider reported from the Community Activities Committee.

The Secretary of the Corporation read a proposed resolution approving the request from the Orange County Outreach to hold their annual food drive. Director McArthur moved to approve the resolution. Director Gros seconded the motion.

By a vote of 9-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION 90-08-37

RESOLVED, May 6, 2008 that the Board of Directors of this Corporation hereby approves the request from South County Outreach to place food barrels in the

Clubhouses, the library, and the Community Center in support of its Annual Food Drive from May 5, 2008 through June 13, 2008; 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.

Mutual Members Marty Rhodes (5369-2A), Denny Welch (5517-1C); and Bud Nesvig (2392-3H) addressed the Board on the CAC report.

Director Bea McArthur reported from the Landscape Committee.

Director Bea McArthur reported from the Gate Renovation Ad Hoc Committee.

Director Joseph Heller reported from the Maintenance and Construction Committee.

Director Noel Hatch reported from the Broadband Committee.

The Secretary of the Corporation read the following proposed resolution approving the digital services fee structure:

RESOLUTION 90-08

WHEREAS, in order to offset the expense of providing digital cable services based on subscriber choices, the Broadband Services Division established a fee structure; and

WHEREAS, the Broadband Services Committee found it necessary to revise the fee structure;

NOW THEREFORE BE IT RESOLVED, July 1, 2008 that the Board of Directors of this Corporation hereby authorizes Staff to charge subscribers for Digital Services based on the following fee structure:

Installation (one-time fee):	\$30.00
Equipment (monthly fee):	
Digital Set Top Box /TV	5.00
Digital Set Top Box/DVR	10.00
Digital Set Top Box/Motorola DCH	10.00
6200 High Definition capable	
Digital Video Recorder Subscription	5.00
Programming:	
Digital Basic	10.00
Sports Pak (7 Channels)	4.00
Movie Packages	10.00

HBO	12.00
Pay Per View – First Run Movie	4.00
Pay Per View – Per Event – Adult	9.00
Playboy	15.00

RESOLVED FURTHER, that such fees shall be effective August 1, 2008; and

RESOLVED FURTHER, that Resolution 90-06-67 adopted August 1, 2006 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 McArthur moved to approve the resolution. The motion was seconded and discussion ensued.

Mr. Russ Ridgeway, Director of Broadband Services, entered the meeting at 12:30 P.M. and commented on the proposed changes and left the meeting at 12:34 P.M.

Director McArthur made a motion to table to the July Meeting to satisfy the required statutory thirty-day notice requirements. The motion was seconded and the motion carried unanimously.

Director Ruth May reported from the Government and Public Relations Committee.

Due to time constraints and without objection, agenda item 19(a) *Entertain Motion to Approve Tasteful Sponsorship Advertising on Back of GRF Buses* was tabled to next month.

Director Erwin Stuller reported from the Security and Community Access Committee.

DIRECTOR'S COMMENTS:

- Director May commented on properly addressing the Board Members.

MEETING RECESS

The meeting recessed at 12:36 P.M. and went into Executive Session at 1:12 P.M.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 4:20 P.M.

Elizabeth C. McArthur, Secretary