

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

July 19, 2012

The Board of Directors of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation, met at 2:00 P.M. on Thursday, July 19, 2012 at 24055 Paseo del Lago West, Laguna Woods, California.

Directors Present: Ryna Rothberg, Chair; Marilyn Ruekberg; Inesa Nord-Leth; Erwin Levy; and Joyce Bender

Directors Absent: None

Others Present: Judie Zoerhof, Jerry Storage, Patty Kurzet

1. Call to Order

President Rothberg chaired the meeting and stated that it was a regular meeting of the Corporation and that a quorum was present. The meeting was called to order at 2:00 P.M.

2. Pledge of Allegiance to the Flag

Director Nord-Leth led the membership in the Pledge of Allegiance to the Flag.

3. Approval of the Minutes

The Board reviewed and approved without objection the minutes of the Regular Meeting of June 21, 2012 and the minutes of the Special Meeting of July 11, 2012.

4. President's Comments

No comments were made.

5. Members' Comments

- Mary Wayman (860) commented on costs to hold special functions.
- Herb Parker (308) commented on funds for special functions.

6. Consent Calendar

No Consent Calendar items came before the Board.

7. Old Business

No old business came before the Board.

8. Items for Discussion and Consideration

a. Change Short Term Parking Designation

The Board discussed the re-designation of the "Short-term Parking" in front of the Towers to a "Loading and Unloading only, No Parking" zone. Violators may be given a Notice of Violation beginning August 1, 2012.

b. Zen Garden Furniture

Director Ruekberg read a proposed resolution authorizing a supplemental appropriation to purchase furniture for the Zen Garden. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion and discussion ensued.

Members Olive Guggenmos (455), Rene Merer (1005), Herb Parker (308), Bea Gross (707), Lou Parker (1206), and Anne Gilbert (1403) spoke on the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-38

WHEREAS, the Ad Hoc Zen Garden Committee has met and discussed outdoor seating and conversation areas; and

WHEREAS the Committee reports that there is not enough conversation areas provided for residents;

NOW THEREFORE BE IT RESOLVED, July 19, 2012, that the Board of Directors of this Corporation on behalf of the Corporation hereby authorizes a supplemental appropriation in the amount of \$2,400 from Replacement Fund for the purpose of purchasing deck chairs and furniture for a conversation area; 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.

c. Approve Annual Pet Fee

Director Ruekberg read a proposed resolution approving an annual pet fee to help defray the cost associated with carpet cleaning. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion and discussion ensued.

Members Herb Parker (308) and Rene Merer (1005) spoke to the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-39

WHEREAS, Mutual Fifty has an existing Pet Policy with regard to pets permitted in the Towers; and

WHEREAS, pets in the Towers result in use of staff time for special cleaning or emergency care; and

WHEREAS, the Governing Documents make provision for assessments for expenses incurred by the members or their guests;

NOW THEREFORE BE IT RESOLVED, July 19, 2012, that the Board of Directors of this Corporation hereby approves modifying the Pet Policy to include a yearly fee for all Pet owners in the amount of \$35 per year; and

RESOLVED FURTHER, that Resolution M50-11-65 dated October 20, 2011 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.

d. Mutual 50 Acceptance of Deeds in Lieu of Foreclosure

Ms. Zoerhof reported on the Board's practice of accepting Deeds in lieu of foreclosure. The Mutual currently owns 10% of the units and since the Corporation is doing slightly better than breaking even, the Board will continue to consider requests for transferring deeds in lieu of foreclosure on a case by case basis.

Members Lou Parker (1206), Anne Gilbert (1403), and Herb Parker (308) spoke to the motion.

The Board directed Staff to place the individual requests regarding accepting Deeds in lieu of foreclosure with proof of hardship on the agenda on a case by case basis.

e. Convert Elevator Lobby Doors to Automatic Doors

Director Ruekberg read a proposed resolution authorizing a supplemental appropriation to convert two doors in the two first floor elevator lobbies from manual to automatic doors. Director Ruekberg moved to approve the resolution. The 2012 Reserve expenditure plan included \$13,000 for these doors. Director Bender seconded the motion and discussion ensued.

Members Mary Wayman (860), Anne Gilbert (1403), and Vicky Kasselheim (1056) spoke to the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-40

WHEREAS, the 2012 Reserve Expenditure Plan included \$13,000 to convert the two doors in two elevator lobbies from manual to automatic doors; and

WHEREAS, the price of the automatic doors for two elevator lobbies is \$19,800;

NOW THEREFORE BE IT RESOLVED, July 19, 2012 that the Board of Directors on behalf of the Corporation hereby approves a supplemental appropriation in the amount of \$6,800 from the Replacement Reserve Fund in addition to funds already budgeted to convert the two doors in two elevator lobbies from manual to automatic doors; and

RESOLVED FURTHER, that the officers and agents of this corporation on behalf of the corporation are hereby authorized to carry out the purpose of this resolution.

e. (2) Approve New Card Reader System

Director Ruekberg read a proposed resolution authorizing a supplemental appropriation for a new card reader system. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-41

WHEREAS, the card reader system installed in 2008 is obsolete and is no longer reliable; and

WHEREAS, it is no longer possible to obtain new system parts thus increasing the unreliability of the system;

NOW THEREFORE BE IT RESOLVED, July 19, 2012 that the Board of Directors on behalf of the Corporation hereby approves a Supplemental Appropriation in the amount of \$20,900 from the Replacement Reserve Fund for a new card reader system for 12 first floor exterior doors including the two tunnels; and

RESOLVED FURTHER, that the officers and agents of this corporation on behalf of the corporation are hereby authorized to carry out the purpose of this resolution.

f. Lighting in Hearth Rooms

Ms. Zoerhof spoke to the lighting control disputes in the Hearth Rooms and asked direction from the Board. Without objection, the Board directed Staff to take control of the lighting.

Member Rene Merer (1005) spoke to the motion.

g. Dress Code for Crystal Dining Room

Director Ruekberg read the following proposed resolution approving the revised dress code policy:

RESOLUTION M50-12-

DINING ROOM DRESS CODE POLICY

WHEREAS, Mutual Fifty has maintained a dress code for each dining room since the inception of the Towers; and

WHEREAS, good grooming (clothing, hair, face and hands) is expected at all times in the dining rooms and common areas; the following dress codes for the Towers dining rooms apply to both residents and their guests (for whom residents are responsible); and

NOW THEREFORE BE IT RESOLVED, September 20, 2012, that the Board of Directors of this Corporation on behalf of the Corporation hereby states the Mutual Fifty Dress Code Policy as follows;

In order to maintain the high standards of the Towers at Laguna Woods Village, the Board of Directors requests residents to read and adhere to the following Dress Code Policy:

Collarless tee shirts, tee shirts with printed offensive language, or tee shirts with logos are not allowed at any time; No shorts or sleeveless muscle shirts are to be worn at any time; foot wear such as flip-flops, or thong sandals are not allowed in either dining room; No tore or patched jeans are to be wore at any time.

CRYSTAL DINING ROOM

Men are required to wear dress slacks, dressy sport clothing, professional attire, which may include a suit coat or sports coat, collared shirts or turtleneck shirts as appropriate for gentlemen;

Ladies are required to wear dressy pant suits, dresses, or other dressy separates;

No caps or visors are to be worn in the Crystal dining room at any time;

CALIFORNIA DINING ROOM

Men are required to wear dressy casual slacks and collared shirts or sweaters, men are not allowed to wear shorts or shirts without collars;

Women are required to wear dressy casual or resort wear separates, denim or jeans are allowed in the California Room only; shorts are not allowed at any time;

No caps are to be worn in the California dining room at any time.

RESOLVED FURTHER, that in an instance where a possible violation of the Dress Code is observed, two members of the Board must agree that there is a violation; at that time the information regarding the violation will be communicated to the Administration Office Staff who will advise the resident by a polite, positive letter acknowledging the possibility of the alleged specific offense; and

RESOLVED FURTHER, that no sleep attire, bathrobes, bed clothing, or spa attire is allowed in the common area at any time; and

RESOLVED FURTHER, that Resolution M50-11-64 dated October 20, 2011 is hereby canceled and superseded; 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 Ruekberg moved to approve the resolution. Director Levy seconded the motion and discussion ensued.

Director Nord-Leth amended the motion to disallow caps in either dining room. The motion was seconded. The motion carried by a vote of 3-2-0 (Directors Levy and Nord-Leth voted in favor, and President Rothberg voted in favor to break the tie).

Without objection, the Board agreed to revisit the policy in three months.

The resolution was postponed as amended to August to conform to 30-day notification requirement.

h. Brunch Ticket Policy

Ms. Zoerhof reported on the brunch ticket policy.

i. Revised Pet Policy

The Board considered the following proposed resolution approving the revised pet policy, which eliminated wording that Guide dogs and assistance dogs are exempt:

RESOLUTION M50-12-

WHEREAS, Mutual Fifty has an existing Pet Policy with regard to pets permitted in the Towers; and

WHEREAS, the Board has recently considered requests from individuals who wish to be allowed two small pets;

NOW THEREFORE BE IT RESOLVED, September 20, 2012, that the Board of Directors of this Corporation hereby approves the following Pet Policy:

Policy Statement

A pet must be licensed, with current inoculation records, and spayed or neutered. A copy of the license and a veterinarian's certificate verifying the aforementioned must be presented when applying for a permit.

All dogs, cats or other household pets authorized to be kept within a dwelling unit are required to have a permit issued by the Mutual.

The pet owner is required to appoint a pet guardian who will be responsible for the care of the pet in case of an emergency or when the owner is not available. If the guardian is not available within 24 hours of the emergency, or owner's absence, the animal shelter will be notified.

An identity collar must be on the animal at all times, identifying the owner, unit, and pet's name.

The pet owner must submit a current Certificate of Insurance with their application, which provides homeowner's insurance coverage for any damage done by the pet to persons or Mutual property with a minimum coverage of \$250,000 per occurrence.

Rules for two dogs or two cats – The Pet Policy shall apply to those requesting to purchase or move-in with two pets.

Rules and Regulations

The ability of a resident to keep a pet is, as set forth above, subject to the following rules and regulations which are founded on health and safety considerations of all Mutual residents, visitors and guests.

1. No pet shall be permitted within the common area outside and/or inside the buildings unless restrained by a leash, **not to exceed six (6) feet**, and in the charge of a person competent to restrain and control the pet. Owners with two pets shall use the elevator to the tunnel exit exclusively and avoid the common area lounges. This request is made so that the control of multiple dogs on a leash does not cause a trip hazard.
2. Pets are only permitted in interior common areas when leaving their residence to the elevator and from the elevator to the nearest exit and must be on a leash at all times.
3. No pet shall be permitted to urinate or defecate within the common area except within the grass areas north of Tower I and west of Tower II. Fecal waste shall be removed forthwith and placed in a sealed double plastic bag by the owner or person in charge of the pet before placing in the trash chute.
4. Pet owners shall not allow their pets to obstruct or interfere with the right of other residents, guests or visitors, or annoy them by unreasonable noises at any time.
5. Small dogs may be carried while in the elevators to avoid leash tangles or accidents with the automatic doors.
6. Pets must be kept free of fleas at all times.
7. The Mutual's staff is not responsible for the cleanup or disposal of pet refuse.
8. During housekeeping services, the pet must be restrained or out of the manor.
9. Pet litter is never to be disposed of in toilets. Pet owners will receive a service charge if toilets become clogged because of the above.
10. There will be a \$25 cleanup charge to the owner of the pet who soils the common area.
11. Visitors with pets must comply with all rules pertaining to pets in Common Area.
12. Pet owners must comply with all pet related requirements of Laguna Woods Mutual Fifty and the City of Laguna Woods.

Disciplinary Procedures:

All pet related complaints will be investigated. After due notice of hearing, and opportunity for the resident to present his or her case, the matter will be considered by the Mutual's Board of Directors. The Board may take all disciplinary action authorized by the Mutual's bylaws including, but not limited to, 1) a fine; 2) payment of the corporation's attorney fees incurred in enforcing the pet regulations; 3) removal of the pet; or 4) termination of the occupancy of the resident in Mutual Fifty.

RESOLVED FURTHER, that Resolution M50-11-65 dated October 20, 2011 is hereby superseded and canceled; and

RESOLVED FURTHER, that the officers and agents of this corporation on behalf of the corporation are hereby authorized to carry out the purpose of this resolution.

Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

The motion was postponed to August to conform to 30-day notification requirement.

j. Discontinue Salad Service

Director Ruekberg read a proposed resolution discontinuing salad service. Director Ruekberg moved to approve the resolution. Director Levy seconded the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-42

WHEREAS, the served salad is often small and usually can be duplicated from the salad bar and could be eliminated at a cost savings;

WHEREAS, servers are able to prepare and serve salads from the salad bar for those who are not able to serve themselves from the salad bar;

NOW THEREFORE BE IT RESOLVED, July 19, 2012 the Board of Directors of this Corporation on behalf of the Corporation hereby determines that the served salad is superfluous and shall be discontinued effective August 1, 2012; 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 Vicki Kasselheim (1056) commented on the motion.

k. Remodel Mutual-Owned Unit 1007

Director Ruekberg read a proposed resolution authorizing to refurbish Unit 1007. Director Ruekberg moved to approve the resolution. Director Nord-Leth seconded the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-43

WHEREAS, Mutual Fifty owns several units that are used as model homes during Open House events; and

WHEREAS, Unit 1007 is a mutual-owned "D" unit that the Board wishes to use as one of the Open House models, and is in need of refurbishing;

NOW THEREFORE BE IT RESOLVED, July 19, 2012, that the Board of Directors of this Corporation on behalf of the Corporation hereby authorizes an unbudgeted operating expense in the amount of \$10,000 to refurbish Unit 1007 to use as a model during an Open House; and

RESOLVED FURTHER, that the officers and agents of this corporation on behalf of the corporation are hereby authorized to carry out the purpose of this resolution.

I. Establish Tunnel Mural Painting Ad Hoc Committee

Director Ruekberg read a proposed resolution establishing a Tunnel Mural Painting Ad Hoc Committee. Director Ruekberg moved to approve the resolution. Director Bender seconded the motion.

By a vote of 4-0-0, the motion carried and the Board of Directors adopted the following resolution:

RESOLUTION M50-12-44

RESOLVED, July 19, 2012 the Board of Directors, on behalf of the Corporation hereby establishes the Ad Hoc Tunnel Mural Painting Committee; and

RESOLVED FURTHER, the following members are appointed to the committee:

Joyce Bender, Chair
Sally Levy
Fred Emmerich
Ruth Allen

Inesa Nord-Leth
Rhoda Brody

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.

m. Approve Paint Mural Ad Hoc Committee Charter

Director Ruekberg read a proposed resolution approving the Paint Mural Ad Hoc Committee Charter. Director Ruekberg moved to approve the resolution. Director Nord-Leth seconded the motion.

By a vote of 4-0-0, the motion carried and the Board of Director adopted the following resolution:

RESOLUTION M50-12-45

AD HOC COMMITTEE TO PAINT MURALS IN THE TUNNELS 2012
CHARTER

WHEREAS, the governing documents grant the Board of Directors the purposes and powers of the corporation to make contracts, and to do all other acts necessary or expedient for the administration of the affairs and the attainment of the purposes of the corporation;

WHEREAS, the authority of the Board cannot be delegated to members nor to Staff;

NOW THEREFORE BE IT RESOLVED, July 19, 2012 that the Board of Directors of this corporation hereby assigns the duties and responsibilities of the Ad Hoc Tunnel Mural committee as follows:

1. Perform the duties imposed upon all standing committees as set forth in the current resolution entitled, "General Duties of Standing Committees."
2. Meet with Ed Presley for a beginning plan on scheduling and wall preparation;
3. Assignment to include working within the existing schedule of Trash removal and resident moves;
4. All clean-up is to be done by the committee and those painting;
5. Plan a theme and determine the best means of carrying out the themed murals;

RESOLVED FURTHER, that all correspondence will take place directly between the Ad Hoc Committee, Chair and Staff with regular reports to the Board; 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.

9. Financial and Budget Report

Director Levy gave the Financial and Budget Report.

10. Standing Committee Reports:

- **Resident Entertainment Committee:** JoAnn Cramer reported on behalf of the Resident Entertainment Committee.
- **Business Planning Committee:** Director Levy reported on behalf of the Business Planning Committee.
- **Orientation Committee:** No report was given.
- **Architectural Control Committee:** No report was given.

11. GRF Committees:

- **Community Activities Committee:** President Rothberg reported on behalf of the Community Activities Committee.
- **Media and Communications Committee:** President Rothberg reported on behalf of the Media and Communications Committee.
- **Mobility and Vehicles Committee:** Director Bender reported on behalf of the Mobility and Vehicles Committee.
- **Finance:** No report was given.
- **Security Committee:** No report was given.

12. Golden Rain Foundation

Mr. Jerry Storage reported on the on the July 3, 2012 Golden Rain Foundation Board Meeting.

13. Resale and Leasing Reports

Mr. Storage reported on the resale and leasing activity at the Towers.

14. Administrator's Report

No comments were made.

15. Directors' Forum

No comments were made.

Recess

The meeting recessed at 3:56 P.M. and reconvened into Executive Session at 4:07 P.M.

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

During its Regular Executive Session of June 21, 2012 the Board of Directors reviewed and approved the minutes from the May 17, 2012 Regular Executive Session; approved the recording of a Notice of Default for Member ID 932-961-83; held a disciplinary hearing; and discussed contractual and litigation matters.

During its Special Executive Session of July 11, 2012, the Board discussed litigation matters.

There being no further business to come before the Board, the meeting was adjourned at 4:16 P.M.

Joyce Bender, Secretary