

**MINUTES OF THE 2011 BUSINESS PLANNING
AGENDA PREPARATION MEETING OF BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL NO. FIFTY
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION
June 22, 2010**

The Board of Directors of Laguna Woods Mutual Fifty, a California nonprofit mutual benefit corporation, met at 2:00 P.M. on Tuesday, June 22, 2010 in the Towers Administration Conference Room at 24055 Paseo del Lago West, Laguna Woods, California.

Members Present: Richard Gray, Marilyn Ruekberg, Richard Wurzel, Herb Harris, Keith Wallace

Members Absent: None

Staff Present: Judie Zoerhof, Janet Price, Betty Parker

CALL TO ORDER

Richard Gray, Board President, called the meeting to order at 2:00 P.M.

Janet Price, Finance and Administration Director, reviewed with the Board the proposed 2011 Business Plan – Version 1 that will be presented on June 24.

Significant changes from the prior year include elimination of Mutual Fifty Trust and an assumption of 11 mutual-owned units (only 4 were planned in 2011).

Ms. Price indicated that Manor utilities and housekeeping were calculated based on square footage of individual units. The Board asked if an increase should be considered for legal fees. Ms Price advised that if collection issues continue into 2011, the proposed budget may not be enough.

Ms. Price noted that the Management Fee will be updated in later version based on published June 2010 CPI figures.

Ms. Price advised the Board that although a Surplus/Deficit Recovery is not used for Version 1, a projection will be made for Version 2.

Ms. Price stated that the elimination of Mutual Fifty Trust will lead to a reduction in allocation from Financial Services in Version 2.

Ms. Price discussed the proposed reserve contributions. The increase ensures balances will be sufficient at the end of each year to meet the association's obligations for repair and/or replacement of major components during the next 30 years, as identified in the reserves plan.

Ms. Price indicated that the GRF Business Planning Committee met on Monday 6/21/10 and made changes that will be reflected in Version 2.

Contributions were reinstated for the Contingency Fund after a one year reduction in the 2010 business plan. A significant portion of the Contingency Fund will be used in 2010 to write-off uncollectible accounts.

Board Members inquired about Recovery of Mutual Owned Units and concluded that each Mutual owned unit costs members approximately \$4.75 PUPM.

The Board reviewed the 2011 Reserves Expenditures Plan.

After discussion, the Board agreed that the Dog Park should not be included in the 2011 Business Plan. Most concerns centered on limited space and clean-up costs.

Further, the Board agreed to pursue the following projects:
add a putting green with artificial grass behind the Zen garden; remodel of the reception area; remodel of the second floor restrooms including replacing stalls, countertops, faucets, light fixtures, paint, and removing the anteroom door; and install acoustical sound panels in Lortscher Hall.

ADJOURNMENT

The meeting was adjourned at 4:15 P.M.

Keith Wallace, Secretary