

**MINUTES OF THE SPECIAL 2008 BUSINESS PLANNING
MEETING OF BOARD OF DIRECTORS OF
LAGUNA WOODS MUTUAL No. FIFTY
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION
June 28, 2007**

The Board of Directors of Laguna Woods Mutual Fifty, a California nonprofit mutual benefit corporation, met at 10:00 A.M. on Thursday, June 28, 2007 in the Lortscher Hall at 24055 Paseo del Lago West, Laguna Woods, California.

Members Present: Richard Wurzel – Chair, Tom Jackson, Ruth Mervis, Robert Lutz, and Janet Schwartz

Members Absent: None

Others Present: Keith Wallace (Board Observer)

Staff Present: Judie Zoerhof, Janet Price, Betty Parker, Brad Antoine, Marci Mednick.

CALL TO ORDER

Richard Wurzel, Chair of the Committee, stated that a quorum was present and called the meeting to order at 10:00 A.M.

REVIEW PROPOSED 2008 BUSINESS PLAN

Janet Price, Finance and Administration Director, presented the proposed 2008 Business Plan – Version 1. Ms. Price noted that the proposed assessments include a significant increase due to a change in food service to improve wait service.

ASSUMPTIONS

Ms. Price explained the Policies, Practices, Directives & Assumptions used for developing the proposed 2008 Business Plan.

OPERATING BUDGET

Ms. Price explained that the total basic assessment for Mutual Fifty and Fifty Trust reflects an increase ranging from \$218.04 to \$233.65 per manor per month, depending on manor type.

Ms. Price noted several corrections that will be included in Version 2 including an increase of approximately \$0.30 PMPM for Gas and a decrease near \$8.84 PMPM in Building Maintenance to remove a position budgeted in error.

A motion was made, seconded and unanimously carried to remove the \$90.40 increase in food service related to the improvement of wait service. This change will be reflected in Version 2.

Ms. Price noted that the surplus/deficit line item would be projected and available for consideration in Version 2 and it may reduce the bottom line by \$23.66, similar to last year.

RESERVE CONTRIBUTIONS

Ms. Price discussed the proposed reserve contributions. For Version 1 the budget is based on last year's reserve study. The Board recently hired a consultant to prepare the 2008 reserves study and, once the study is complete, the proposed budget for reserve contributions may be revised.

Ms. Price noted that after making the mentioned corrections, and deleting the food service increase, the average increase is estimated to be approximately \$103 PMPM. This does not take into account any recommendations to be made by the reserves specialist.

DIRECTOR COMMENTS

The Board addressed questions and comments from the audience.

ADJOURNMENT

The meeting was adjourned at 10:43 A.M.

Ruth Mervis, Secretary