

**MINUTES OF THE SPECIAL OPEN MEETING OF THE
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

October 7, 2016

A Special Open Meeting of the United Laguna Woods Mutual Board of Directors, a California non-profit mutual benefit corporation, met on Friday, October 7, 2016, at 2:00 PM at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Lenny Ross - Chair, Jan LaBarge, Don Tibbetts, Juanita Skillman, Barbara Copley, Ming-Lee Chang, Janey Dorrell, Pat English

Directors Absent: Jack Bassler, Eva Lydick, Steve Leonard

Staff Present: Betty Parker, Kim Taylor

Others Present: Katy Rector of Beecher Carlson (via phone open session only)

CALL TO ORDER

Lenny Ross - Chair, opened the meeting and stated that it was a Special Meeting held pursuant to notice duly given. A quorum was established and the meeting was called to order at 2:00 PM.

(3) APPROVAL OF THE AGENDA

Without objection the agenda was approved as written.

(4) MEMBER COMMENTS

There were no Member Comments.

(5) Entertain Motion to Obtain Difference in Conditions Policy (Earthquake Insurance)

Katy Rector of Beecher Carlson presented a proposed Earthquake insurance quote, differences in conditions as part of its property insurance renewal. Discussion ensued and Ms. Rector and Betty Parker answered questions from the Board.

Director Tibbetts moved to look into the California State Fund for Earthquake insurance.

Director Skillman moved to not to accept the Beecher Carlson Earthquake insurance quote and to research Earthquake insurance further. Director English seconded the motion. Discussion ensued. By a vote of 6-1-0 (Director Copley opposed) the motion carried.

(6) Entertain Motion to Approve 2017 Collection and Lien Enforcement Policy and Procedures for Assessment Delinquencies

The Board discussed revisions to the assessment collection policies. Betty Parker, Financial Director answered questions from the Board.

Director Skillman moved to approve revisions to the assessment collection policies as attached to the official minutes of this meeting. Director English seconded the motion. By a vote of 7-0-0 the motion carried.

(7) Entertain Motion to Approve 2017 Notice Assessments and Foreclosure

The Board discussed the 2017 Notice Assessments and Foreclosure notice. Betty Parker, Financial Director answered questions from the Board.

Director Skillman moved to approve the 2017 Notice Assessments and Foreclosure notice as attached to the official minutes of this meeting. Director English seconded the motion. By a vote of 7-0-0 the motion carried.

(8) Entertain Motion to Authorize Transfer of Surplus - Resolution

Secretary of the Board, Director Juanita Skillman, read the following proposed resolution authorizing transfer of surplus of \$937,449 from the accumulated operating surplus to the Contingency Fund to offset costs of a solar energy project:

RESOLUTION 01-16-98

**Authorize Transfer of Surplus of \$937,449 to
Offset Costs of a Solar Energy Project**

WHEREAS, in accordance with California Civil Code, a Common Interest Development shall not retain significant operating surplus (funds that are not needed to defray current operating costs); and

WHEREAS, the United Laguna Woods Mutual Balance Sheet as of December 31, 2015, reflected an operating surplus from prior years of \$974,849 of which \$37,400 is planned to be returned to the Members by way of reduced 2017 assessments; and by way of transfer to reserves;

NOW THEREFORE BE IT RESOLVED, October 7, 2016, that the Board of Directors of this Corporation hereby authorizes the transfer of \$937,449 from accumulated operating surplus to the Contingency Fund ~~to offset costs of a solar energy project:~~ 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 Skillman moved to approve resolution. Director LaBarge seconded the motion. Discussion ensued.

By a vote of 7-0-0 the motion carried and the Board approved the resolution as amended.

MEETING RECESS

The Special Open Session Meeting recessed at 3:15 PM and reconvened into the Special Executive Session at 3:16 PM to discuss and consider litigation matters.

ADJOURNMENT

With no further business before the Board of Directors, the meeting was adjourned at 4:39 PM.

Juanita Skillman, Secretary
United Laguna Woods Mutual