

**MINUTES OF THE SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF UNITED LAGUNA HILLS MUTUAL  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION  
2011 BUSINESS PLANNING MEETING – VERSION 2  
July 26, 2010**

The United Board of Directors met on Monday, July 26, 2010 at 9:00 A.M. in the Community Center Board Room at 24351 El Toro Road, Laguna Woods, California.

Members Present: Gail McNulty, Marty Rubin, Arlene Miller, Paul Vogel, Libby Marks (arrived at 10:20 A.M.), Cynthia Chyba (left at 10:05 A.M.), Ron Beldner, Heather Gerson, Harold Allen, Barbara Copley.

Members Absent: Linda Wilson

Others Present: Claire Webb, Laguna Woods Globe

Staff Present: Jerry Storage, Janet Price, Betty Parker, Marcel Bradley, Kurt Rahn, Jerry Rathje, and Dan Yost

**CALL TO ORDER**

Gail McNulty, President, declared that the meeting had been properly noticed, stated that a quorum was present, and called the meeting to order at 9:05 A.M.

**ACKNOWLEDGEMENT OF PRESS**

The press entered at 9:08 A.M.

**MEMBER COMMENTS**

Mary Stone (356-C) commented on United's representation at the GRF Business Planning Committee meeting.

**REVIEW PROPOSED 2011 BUSINESS PLAN**

Janet Price, Finance and Administration Director, presented the proposed 2011 Business Plan – Version 2, noting that GRF made changes at their Version 2 review which will further reduce the budget by approximately \$5.25 per manor per month.

**OPERATING BUDGET**

Staff indicated that the Version 3 plan will include a decrease of \$0.78 per manor per month due an overstated budget for roof repairs.

After considerable discussion of legal fees, Director Vogel made a motion to increase legal fees by \$1.00 per manor per month. The motion was seconded and carried by a vote of 8-0-0.

Ms. Price provided a year-end projection of operating surplus.

Director Vogel made a motion to plan for a return of surplus amounting to \$2.00 per manor per month. The motion was seconded by Director Chyba and by a vote of 5-3-0 (Rubin, Miller, and Allen opposed) the motion carried.

Director Chyba left at 10:05 A.M.

Discussion ensued regarding concerns with landscape and the appearance of the community. Director Gerson suggested maintaining the 2010 budget amount, instead of the proposed decrease for landscape renovation programs.

Director Marks entered at 10:20 A.M.

Director Gerson made a motion to increase the Landscape budget by approximately \$179,000 to achieve the same funding level as 2010 for landscape renovation programs. The motion was seconded by Director Miller and by a vote of 6-2-0 (Vogel and Copley were opposed) the motion carried.

#### RESERVE CONTRIBUTIONS

Ms. Price presented the Reserves portion of the 2011 Business Plan. Ms. Price suggested moving the reserve component for Building Structures to the operating budget under General Maintenance.

Director Rubin made a motion to remove the reserve component for Building Structures and instead add the service to General Maintenance. The motion was seconded and by a vote of 8-0-0 the motion carried.

Director Copley made a motion to combine the reserve components for Electrical Systems and Electrical Water Heater Systems in to one category. The motion was seconded and failed by a vote of 2-6-0 (Copley and Miller in favor).

Ms. Price suggested that the Board consider reducing the proposed contribution to the Replacement Fund, indicating projected balances that significantly exceed the baseline.

Director Vogel made a motion to reduce the replacement fund contribution by \$3.00 per manor per month. The motion was seconded and by a vote of 8-0-0 the motion carried.

#### COMMITTEE MEMBER COMMENTS

Committee members commented and thanked staff.

**ADJOURNMENT**

The meeting was adjourned at 11:00 A.M.

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Gail McNulty, Chair