

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TEN
July 27, 2016**

The Meeting was called to order by President Arlart on Wednesday, July 27, 2016, at 9:00 a.m. in Conference Room A of the Administration Building.

ROLL CALL

Present: President/Secretary Arlart, Vice President Cummings, CFO Giles, Directors Atkinson, Phillips, Newman and Winkler, and Advisory Director Thompson

Absent: Advisory Director Houck

GRF Representative: Mr. Scheuermann

Guests: Four Mutual Ten shareholders

Staff: Mrs. Hopkins, Mutual Administration Director
Mr. Black, Building Inspector
Ms. Aquino, Recording Secretary

INTRODUCTION

President Arlart welcomed the staff and guests to the meeting.

MINUTES

President Arlart asked if there were any corrections to the Regular Monthly Meeting minutes of June 22, 2016, Special Meeting minutes of July 13, 2016, and Special Meeting minutes of July 18, 2016. Correction on July 18, 2016, Special Meeting minutes, Mr. Sheuermann was listed as Director in error. The minutes were approved as corrected.

BOARD ACTION

Following a discussion, and upon MOTION duly made by Director Atkinson and seconded by Director Newman, it was

RESOLVED, To appoint Ronde Winkler as Director to finish
out the 2015/2017 term of office.

The MOTION passed.

BUILDING INSPECTOR

Building Inspector Black updated the Board on activity in the Mutual.

Following a discussion, and upon a MOTION duly made by Director Atkinson and seconded by Vice President Cummings, it was

RESOLVED, To have John's Landscape remove trees, as stated in proposal, in front of Buildings 256-D and 246-A, to not exceed \$1,280.00.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by Director Winkler it was,

RESOLVED, To authorize Physical Property to contract for abatement and re-piping of Building 244, per specifications, not to exceed \$50,000, and direct the Mutual President to sign the contracts.

The MOTION passed.

Inspector Black left at 10:34 a.m.

President Arlart called a break from 10:34 a.m. to 10:49 a.m.

UNFINISHED BUSINESS

Following a discussion, it was the consensus of the Board that the JLS proposal for services to install white iceberg roses and removal of plants and trees, be added to the August agenda for further discussion.

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by CFO Giles, it was

RESOLVED, To amend, Policy 7499.10 Air Conditioning/HVAC/Heat pump units on a preliminary basis until the 30-day positing period is completed.

The MOTION passed.

UNFINISHED BUSINESS (continued)

Following a discussion, it was the consensus of the Board that the ratification of Policy 7502.10 – Carport Regulation be postponed until the August Board Meeting.

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by Director Phillips, it was

RESOLVED, To ratify Policy 7426.10 – Smart Burners.

The MOTION passed.

Following a discussion, it was the consensus of the Board that tree maintenance for 2017 be added to the August agenda for further discussion.

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by CFO Giles, it was

RESOLVED, To amend, Policy 7425.10 – Garden Areas, Trees, and Shrubs, on a preliminary basis until the 30 day posting period is completed.

The MOTION passed

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by Director Newman, it was

RESOLVED, To accept, with regret, the resignation from Director Scheuermann.

The MOTION passed.

Following a discussion, it was the consensus of the Board that the Mutual Ten committees be added to the August agenda for further discussion.

Following a discussion, it was understood that towing guidelines need to be written in policy form and ratified by the Board before Mr. C's Towing contract will be signed.

**BOARD OF DIRECTORS
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NEW BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by Director Winkler, it was

RESOLVED, To authorize Mutual Administration and GRF Administration to release Mutual Board contact information. (Email and/or telephone numbers) to: Mutual Shareholders, Non Mutual Shareholders, Non-Mutual Board members, GRF board members.

The MOTION failed.

Following a discussion, it was the consensus of the Board that Policy 7403.G-Skylights & Sola Tubes, will be considered for further discussion after revisions are made

CORRESPONDENCE

President Arlart reviewed correspondence received. In addition, several get well cards were sent out.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Giles presented his Mutual Financial Report (attached).

EMERGENCY MOTION

Following a discussion, and upon a MOTION duly made by Director Newman and seconded by Vice President Cummings, it was

RESOLVED, To add an emergency MOTION to the agenda of July 27, 2016.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Vice President Cummings and seconded by Director Winkler, it was

RESOLVED, To change all future Mutual Ten Board Meetings to start at 9:00 a.m.

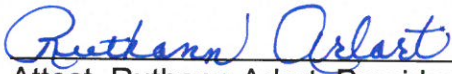
The MOTION passed.

**BOARD OF DIRECTORS
MUTUAL TEN**

July 27, 2016

ADJOURNMENT

President Arlart adjourned the meeting at 11:57 a.m. and announced an Executive Session would follow to discuss member issues.



Attest, Ruthann Arlart, President/Secretary

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ka:7/27/16

Attachments

(These are tentative minutes, subject to approval by the Board of Directors at the next Board of Directors Meeting.)

NEXT MEETING: WEDNESDAY, AUGUST 24, 2016 at 900 a.m.

BUILDING CAPTAINS AND SHAREHOLDERS: PLEASE DO NOT LEAVE THE MONTHLY MINUTES AT EMPTY APARTMENTS. THANK YOU.

REMINDER: THE SWEEPING DAY FOR MUTUAL TEN'S TRUST STREETS IS THE 4th WEDNESDAY NIGHT OF EACH MONTH. PLEASE DO NOT PARK ON INTERLACHEN, ST. ANDREWS, OR NORTHWOOD STREETS AT THIS TIME.

Mutual Ten shareholders can access the monthly minutes on the Mutual website at:

www.lwsb.com – go to “MUTUALS” – click on “Mutual 10”

RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF JULY 27, 2016

- 07/27/16 RESOLVED, To appoint Ronde Winkler as a Director to finish out the 2015/2017 term of office.
- RESOLVED, To have John's Landscape remove trees, as stated in the proposal, in front of buildings 256-D and 246-A, not exceed \$1,280.00
- RESOLVED: To authorize Physical Property to contract for abatement and re-piping of building 244 per specifications, not to exceed \$50,000, and to direct Mutual President to sign the contracts.
- RESOLVED, To amend, Policy 7499.10 – Air Conditioning/HVAC/Heat Pump Units on a preliminary basis until the 30-day posting period is completed
- RESOLVED, To ratify Policy 7426.10 – Smart Burners.
- RESOLVED, To amend, Policy 7426.10 – Garden Areas, Trees, and Shrubs, on a preliminary basis until the 30-day posting period is completed.
- RESOLVED, To accept, with regret, the resignation from Director Scheuermann.
- RESOLVED, To add an emergency MOTION to the agenda of July 27, 2016
- RESOLVED, To change all future Mutual Ten Board Meetings to start at 9:00 a.m.

CFO Report - Mutual 10
June 30, 2016

Account Description	\$ Variance	% Variance	Explanation
Total Other Income	\$ 2,305	10.0%	Total Other income is better than budget due to Inspection Fees being over budget and Interest income under budget.
Utilities	\$ (8,314)	-17.5%	As in the past months Utilities are better than budget due to less use of electricity and water. However, water usage for June has increased.
Professional Fees	\$ (3,810)	-45.8%	Professional Fees are better than budget due to legal items in process and not billed.
Outside Services	\$ (13,053)	-13.1%	Outside Services are better than budget in all areas however this is expected to correct in future months with work in process and not paid.
Taxes & Insurance	\$ 6,942	19.9%	As in past months Insurance is over budget due to an accounting procedure which will correct by year-end.
Excess Inc / (Exp) Before Off-Bdgt Item	\$ 20,545	0.0%	June ended better than budget.
			The YTD ending June is better than budget and as mentioned in the past month this will correct as seasonal expense come in along with some unexpected repairs.
			At the end of July we will began work on the 2017 Budget. If you are interested in participating please contact me at 562-370-6376.

SEAL BEACH MUTUAL NO. 10
FINANCIAL STATEMENTS RECAP
For the 6 months ending June 30, 2016

June				YTD		
Actual	Budget	Variance	Account	Actual	Budget	Variance
67,592	67,592	0.0%	Regular Assessment	405,558	405,552	0.0%
17,399	17,399	0.0%	Reserve Funding	104,394	104,394	0.0%
84,991	84,991	0.0%	Total Regular Assessment	509,952	509,946	0.0%
422	582	-27.5%	Service Income	3,317	3,492	-5.0%
1,914	2,487	-23.0%	Financial Income	11,662	14,922	-21.8%
1,027	768	33.7%	Other Income	10,348	4,608	124.6%
3,363	3,837	-12.4%	Total Other Income	25,327	23,022	10.0%
\$ 88,354	\$ 88,828	-0.5%	Total Mutual Income	\$ 535,279	\$ 532,968	0.4%
39,785	39,785	0.0%	Trust Maintenance Cost	238,710	238,710	0.0%
8,308	7,905	5.1%	Utilities	39,116	47,430	-17.5%
734	1,386	-47.0%	Professional Fees	4,506	8,316	-45.8%
14,069	16,550	-15.0%	Outside Services	86,247	99,300	-13.1%
6,961	5,804	19.9%	Taxes & Insurance	41,766	34,824	19.9%
17,399	17,399	0.0%	Contributions To Reserves	104,394	104,394	0.0%
\$ 87,256	\$ 88,829	-1.8%	Operating Expenses Before Off-Budget	\$ 514,739	\$ 532,974	-3.4%
\$ 1,098	(1)		Excess Inc / (Exp) Before Off-Bdgt Items	\$ 20,540	(5)	
			Depreciation (Off-Budget Item)			
\$ 4,890	\$ (1)		Excess Inc / (Exp) After Off-Bdgt Items	\$ 20,540	\$ (5)	
			Restricted Reserve			
(1,367)			Appliance Reserve	34,258		
669			Painting Reserve	132,161		
13,778			Roofing Reserve	1,522,615		
-			Emergency Reserve	266,713		
-			Infrastructure Reserve	209,433		
-				-		
\$ 13,080			Total Restrcted Reserve	\$ 2,165,180		

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TEN
July 13, 2016**

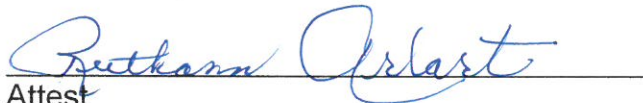
A QUORUM OF THE BOARD WAS NOT PRESENT.

In accordance with the Corporation Bylaws, and pursuant to due notice to the Directors and Shareholders, a Special Meeting of the Board of Directors of Seal Beach Mutual Ten on July 13, 2016, was called to order by President Arlart at 1:00 p.m. in Building 5, Green Room.

Those members present were: President Arlart, Vice President Cummings, and CFO Giles, and Advisory Director Thompson. Directors Phillips, Newman, and Atkinson were absent. Also present were GRF Representative Scheuermann (1:45 p.m.), and shareholders Ronde Winkler, Gaylen Koppel, Bobbi Olsen, and Ana O'Brien (1:38 p.m.).

The purpose of the meeting was for the Garden Policy Committee to meet to prepare a draft garden policy.

The meeting was adjourned at 2:25 p.m.



Attest

Ruthann Arlart, President
SEAL BEACH MUTUAL TEN

cd:7/22/16

**MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL TEN**

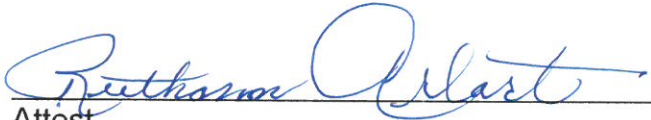
July 18, 2016

In accordance with the Corporation Bylaws, and pursuant to due notice to the Directors and Shareholders, a Special Meeting of the Board of Directors of Seal Beach Mutual Ten on July 18, 2016, was called to order by President Arlart at 2:36 p.m. in Building 5, Conference Room B.

Those members present were: President Arlart, Vice President Cummings, CFO Giles, and Directors Phillips, Newman, and Scheuermann, and Advisory Director Thompson. Advisory Director Houck was absent. Also present were two shareholders, Cheryl Gibson, and Ronde Winkler, and GRF Representative Bruce Scheuermann.

A discussion followed on the Physical Property Committee projects, and Building Inspector comments.

The meeting was adjourned at 3:45 p.m.



Attest

Ruthann Arlart, President
SEAL BEACH MUTUAL TEN

ka:7/22/16