

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TEN
September 27, 2017**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Ten was called to order by President Arlart on Wednesday, September 27, 2017, at 9:00 a.m. in the Administration Building, Conference Room A.

ROLL CALL

Present:	President Arlart, Vice President Cummings, Secretary Stipcich, Chief Financial Officer Giles, and Director Atkinson
Absent:	Director Newman
GRF Representative:	Ms. Winkler
Guests:	Three Mutual Ten shareholders
Staff:	Ms. Miller, Director of Finance (9:44 a.m.) Ms. Hopkins, Mutual Administration Director Mr. Black, Building Inspector Mrs. Aquino, Recording Secretary

INTRODUCTION

President Arlart welcomed the staff and guests to the meeting.

SHAREHOLDER(S)' COMMENTS

Several shareholders made comments.

MINUTES

President Arlart asked if there were any corrections to the Regular Monthly Meeting minutes of July 26, 2017. A correction was noted on page 1: under the minutes first paragraph, the last line should read, "as printed". On page 1:, a correction was noted in the second paragraph the last line should read "as printed".

A correction was also noted on Page 2: Unfinished Business, the second paragraph should read as follows: Director Atkinson presented an update on the fountain removal project, the tree removal at Building 254, Units K/L; and the tree trimmed at Building 259 – Laundry Room. A correction was noted on page 3: under New Business, it should read as follows: Following a discussion, it was the consensus of the Board to go out to bid for landscape maintenance service. The minutes were approved as corrected.

President Arlart asked if there were any corrections to the Special Meeting minutes of September 18, 2017. There being no corrections, the minutes were approved as written.

GRF REPRESENTATIVE

Ms. Winkler updated the Board on the GRF activity (attached).

EMERGENCY AGENDA ITEM

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

RESOLVED, To amend today's agenda of September 27, 2017, by adding the approval of new Legal Counsel under New Business, Item "h".

The MOTION passed.

BUILDING INSPECTORS REPORT

Inspector Black updated the Board on the Mutual Activity (attached).

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

RESOLVED, To authorize the replacement of the carport wall adjacent to the trash area at Carport 122.

The MOTION passed.

Following questions, Inspector Black left the meeting at 9:40 a.m.

GUEST SPEAKER – Ms. Miller

Ms. Miller presented the proposed 2018 Budget.

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

RESOLVED, To accept the 2018 Operating Budget for Mutual Ten of \$711,245, resulting in a regular monthly Mutual assessment of \$214.75 per apartment per month, for an increase of \$19.82 per month over the Mutual operating costs of 2017, as presented, and to adopt this Budget forthwith.

The MOTION passed.

Following questions, Ms. Miller left the meeting at 10:01 a.m.

UNFINISHED BUSINESS

Chief Financial Officer Giles updated the Board on the reserve study. Associated Reserves has prepared the contract and is ready for signature.

President Arlart updated the Board on the Mutual Ten Landscape Maintenance Service Bids. She stated that three bid proposals were received and opened at the Special Meeting on September 18, 2017. The Board will meet on September 27, 2017, in the afternoon to further discuss the BrightView bid in Executive Session as posted in the laundry rooms.

Director Atkinson, Landscape Chair, stated that the 2017 Landscape projects attached to the July minutes are being placed on hold at this time.

Following a discussion, it was the consensus of the Board to submit recommendations to the Presidents' Council committee regarding Policy 7510.10 – Eligibility Requirements.

Following a discussion, it was the consensus of the Board to postpone further discussion on Policy 7459.10 – Lockout Procedures until the next Regular Board meeting so that further research can be done.

NEW BUSINESS

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

RESOLVED, To approve the recommendation of the GRF Director of Finance and the CFO Council, the rescission of the following obsolete Mutual Accounting and Fiscal Operation Policies: 7301 – Audit Expense; 7302 – Capital Accounts; 7304 – Financing Capital Projects; 7305 – Depreciation–Straight Line Method; 7310 – Mutual Budgets; 7331 – Impounds; 7332 – Billings to Mutual; 7333 – Income Items and Their Distribution; 7334 – Investment Records; 7335 – Cash Disbursements; 7336 – Shareholders Interest; 7337 – Financial Reports; 7340 – Accounts Receivable; and 7341 – Cashier Services on a preliminary basis until the 30–day posting period is completed.

The MOTION passed.

Following a discussion, it was the consensus of the Board to use the Great California Shakeout as an opportunity to inform the shareholders to have items on hand so that they are prepared if there is an emergency.

NEW BUSINESS (continued)

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

RESOLVED, To authorize the GRF Executive Director and/or the Mutual Administration Director to issue four (4) **ADDITIONAL** Guest Passes, in accordance with GRF Policy 5536.1-33. Each guest pass shall carry a unique identification number with a monthly report provided by the GRF Stock Transfer Office to the Mutual Board of guest passes issued noting the Shareholder/Member name as responsible party for the Guest, effective 2017-2018.

The MOTION passed with one "no" vote (Giles).

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

RESOLVED, That Mutual Ten will use the ID Card Sign Sheet to track the pickup of ID cards from the Stock Transfer Office, drop-off the ID cards to the shareholder, and return the ID cards to the Stock Transfer office allowing the staff and the Mutual to keep an account of the ID cards released to the Directors.

The MOTION passed.

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

RESOLVED, That Mutual Ten will permit LA Seismic to place the nodes in Mutual Ten common areas.

The MOTION passed with three "yes" votes (Arlart, Cummings, Giles) and two "no" votes (Atkinson, Stipcich).

Secretary Aquino took a break at 11:04

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

RESOLVED, To engage in a GCAR Program with Roseman and Associates, effective immediately, and authorize the Mutual President to sign the necessary documentation.

The MOTION passed.

SECRETARY'S REPORT

Secretary Stipcich received no correspondence.

CHIEF FINANCIAL OFFICERS REPORT

CFO Giles submitted his financial report (attached).

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins updated the Board on the Mutual Administration activities (attached). In addition, she spoke about coyote safety within the Mutual.



ANNOUNCEMENTS

President Arlart went over the schedule of Council meetings for the month of October.

CFO Council: Wednesday, October 4, 2017, at 10:00 a.m. (B)
Presidents' Council: Thursday, October 5, 2017, at 9:00 a.m. (C4)
Physical Property Council: Thursday, October 5, 2017, at 1:30 p.m. (B)
Mutual Emergency PIC: Friday, October 6, 2017, at 10:00 a.m. (A)
Landscape Council: Friday, October 20, 2017, at 10:00 a.m. (B)
Roundtable: Friday, October 20, 2017, at 1:00 p.m. (A)

ADJOURNMENT

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


Attest, John Stipcich, Secretary 
SEAL BEACH MUTUAL TEN
ka:9/29/17 Attachments

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”**

09/27/17 RESOLVED, To amend today's agenda of September 27, 2017, by adding the approval of new Legal Counsel under New Business, Item "h".

RESOLVED, To authorize the replacement of the carport wall adjacent to the trash area at Carport 122.

RESOLVED, To accept the 2018 Operating Budget for Mutual Ten of \$711,245, resulting in a regular monthly Mutual assessment of \$214.75 per apartment per month, for an increase of \$19.82 per month over the Mutual operating costs of 2017, as presented, and to adopt this Budget forthwith.

RESOLVED, To approve the recommendation of the GRF Director of Finance and the CFO Council, the rescission of the following obsolete Mutual Accounting and Fiscal Operation Policies: 7301 – Audit Expense; 7302 – Capital Accounts; 7304 – Financing Capital Projects; 7305 – Depreciation–Straight Line Method; 7310 – Mutual Budgets; 7331 – Impounds; 7332 – Billings to Mutual; 7333 – Income Items and Their Distribution; 7334 – Investment Records; 7335 – Cash Disbursements; 7336 – Shareholders Interest; 7337 – Financial Reports; 7340 – Accounts Receivable; and 7341 – Cashier Services on a preliminary basis until the 30–day posting period is completed.

RESOLVED, To authorize the GRF Executive Director and/or the Mutual Administration Director to issue four (4) **ADDITIONAL** Guest Passes, in accordance with GRF Policy 5536.1-33. Each guest pass shall carry a unique identification number with a monthly report provided by the GRF Stock Transfer Office to the Mutual Board of guest passes issued noting the Shareholder/Member name as responsible party for the Guest, effective 2017-2018.

RESOLVED, That Mutual Ten will use the ID Card Sign Sheet to track the pickup of ID cards from the Stock Transfer Office, drop-off the ID cards to the shareholder, and return the ID cards to the Stock Transfer office allowing the staff and the Mutual to keep an account of the ID cards released to the Directors.

RESOLVED, That Mutual Ten will permit LA Seismic to place the nodes in Mutual Ten common areas.

RESOLVED, To engage in a GCAR Program with Roseman and Associates, effective immediately, and authorize the Mutual President to sign the necessary documentation.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TEN
September 18, 2017**

The Special Meeting of the Board of Directors of Seal Beach Mutual Ten was called to order by President Arlart on Monday, September 18, 2017, at 2:30 p.m. in Building 5 Conference Room B.

ROLL CALL:

Present: President Arlart, Vice President Cummings, Secretary Stipcich, CFO Giles and Director Atkinson.

Absent: Director Dr. Newman

Staff: Building Inspector, Kevin Black

Guest: One shareholder made comments. Left following the Bldg. Insp. Report.

LANDSCAPE MATTERS/PROJECTS

Landscape Chair, Director Atkinson, updated the Board on several issues with landscape projects.

BUILDING INSPECTOR REPORT

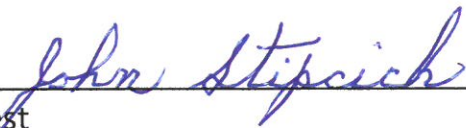
Building Inspector Black updated the Board on Mutual activity.

LANDSCAPE MAINTENANCE BIDS

Bids were opened and discussed.

ADJOURNMENT

President Arlart adjourned the meeting at 3:50 p.m.



Attest

John Stipcich, Secretary
SEAL BEACH MUTUAL TEN
Ra: 9/18/17

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(10) TEN**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **September 27th 2017**

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
10-253I	retro windows and entry door	both	06/01/17	08/30/17	no	red tag 9/18/17	mamuscia conts.
10-250H	washer/dryer/ elect. Panel	both	06/01/17	08/01/17	no	rough 7/26/17	Los AI builders
10-255F	cart pad	GRF	05/22/17	06/22/17	no		Johns landscape
10-247B	entry door, sliding door, washer	both	07/20/17	11/10/17	no	rough 8/16/17	Los AI builders
10-255H	flooring	GRF	07/18/17	08/21/17	no		karys Carperets 7/19/17 562.493.3678
10-244E	oven micro, stove top	both	09/10/17	11/20/17	no		Lw décor
10-241J	carport cabinet	GRF	09/08/17	10/08/17	no		Jeff Lashmet
10-251A	abatement	no	09/01/17	10/01/17	no		pw stevens
10252F	flooring	GRF	09/25/17	10/25/17	no		carrol's flooring
10-241F	hvac change out	both	09/21/17	10/21/17	no		alpine
10-239F	carport cabinet	GRF	09/18/17	10/18/17	no		handy man alan hari
10-245A	remodel w/repipe	both	09/25/17	02/28/18	no		kang

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
10-241G			12/16/16	12/21/16	01/03/17		
10-245A		04/21/17	06/14/17	06/30/17	07/11/17		
10-257F		04/20/17	08/25/17	09/05/17	09/13/17		
10-251E			07/18/17	07/18/17	07/28/17		
10-256A		08/04/17	09/05/17	09/12/17	09/22/17		
10-243I		08/08/17	08/16/17		09/01/17		
10-254D		08/29/17					
10-253K		09/18/17					
10-260J		09/18/17					

NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation
 FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (10) TEN

INSPECTOR: Kevin Black

MUTUAL BOARD MEETING DATE: September 27th 2017

CONTRACTS and PROJECTS

CONTRACTOR	PROJECT
JLS Landscaping Lawns:	Mutual gardening and lawns - on going,
RFP's due for lawn maintenance	3 received one returned to sender
Rain Gutters:	on going depending on weather conditions
Tree removals:	
Class One Arboriculture Tree Maintenance:	Fall Pruning will be at the end of Sept. or first part of Oct.
Fenn Pest and Termite	contract - on going, Monday and Wednesday service for pest, Wednesday
Advance Painting Touch ups due to Roofing:	completed for buldg. 238 / 239
John Nelson Plumbing Re-piping:	was going to start 10/5/17, however this has to be re-scheduled
Dry rot / Termite / Paint lists	still walking the mutual and typing list for repairs and paint - see partial list
Concrete	Looking for areas to R/R. 240D-E, 256C, 251F-G, 245A two corners and 10
	of main sidewalk - 239I @ pop up

SHAREHOLER and MUTUAL REQUESTS

thrash wall repair? Carport 122	
239E chk screens	
242D chk floor tiles	
9/8/17 landscape bidders conference	
246D chk on shower	
250G termite chk	
249I termites	
238D termites	
9/18/17 PP meeting	

CFO Report - Mutual 10
August 31, 2017

Account Description	\$ Variance	% Variance	Explanation
Total Other Income	\$ (2,757)	-9.1%	Total income is less than budget due to Tax Exempt Interest Income and Inspection Fees being less than budgeted. Interest income will not improve by the year end, however, with the number of units sales increasing in Leisure World, Inspection Fees, should be at or better than budget by year end.
Utilities	\$ (2,839)	-4.9%	Utilities have been better than budget most of the year due to City of Seal Beach running behind on their billings for the Water bill. This is improving and by the end of the year Utilities should be closer to budget.
Professional Fees	\$ (7,336)	-37.8%	Legal Expense continue to be better than budget which is a good thing, however with policies having to be updated and needing a legal opinion this will change and be closer to the final budgeted amount.
Outside Services	\$ (16,675)	-12.3%	Outside Services continue to be better than budget in all areas with Service Maintenance being the highest at \$7,249. This amount is \$6,321 less because Roofing Expense was charged to Outside Service and should have been charged to Roofing Reserve. With this correction the Outside Services would be \$23,096 better than budget.
Taxes & Insurance	\$ 7,173	15.9%	As in past months Insurance is over budget due to an accounting procedure and will correct by year end.
Excess Inc / (Exp) Before Off-Bdgt Item	\$ 16,925	N/A	

**SEAL BEACH MUTUAL NO. 10
FINANCIAL STATEMENTS RECAP
For the 8 months ending August 31, 2017**

August			Account	YTD		
Actual	Budget	Variance		Actual	Budget	Variance
68,443	68,442	0.0%	Regular Assessment	547,541	547,536	0.0%
25,293	25,292	0.0%	Reserve Funding	202,341	202,336	0.0%
93,736	93,734	0.0%	Total Regular Assessment	749,882	749,872	0.0%
494	582	-15.1%	Service Income	4,418	4,656	-5.1%
1,959	1,932	1.4%	Financial Income	14,862	15,456	-3.8%
3,010	1,278	135.5%	Other Income	8,299	10,224	-18.8%
5,463	3,792	44.1%	Total Other Income	27,579	30,336	-9.1%
\$ 99,199	\$ 97,526	1.7%	Total Mutual Income	\$ 777,461	\$ 780,208	-0.4%
39,934	39,934	0.0%	Trust Maintenance Cost	319,472	319,472	0.0%
8,543	7,314	16.8%	Utilities	55,673	58,512	-4.9%
1,443	2,429	-40.6%	Professional Fees	12,096	19,432	-37.8%
17,177	16,921	1.5%	Outside Services	118,693	135,368	-12.3%
6,505	5,636	15.4%	Taxes & Insurance	52,261	45,088	15.9%
25,293	25,292	0.0%	Contributions To Reserves	202,341	202,336	0.0%
\$ 98,895	\$ 97,526	1.4%	Operating Expenses Before Off-Budget	\$ 760,536	\$ 780,208	-2.5%
\$ 304	(1)		Excess Inc / (Exp) Before Off-Bdgt Items	\$ 16,925	-	N/A
-			Depreciation (Off-Budget Item)	-		
\$ 304	\$ (1)		Excess Inc / (Exp) After Off-Bdgt Items	\$ 16,925	\$ -	N/A
			Restricted Reserve			
(764)			Appliance Reserve	20,559		
319			Painting Reserve	138,728		
4,537			Roofing Reserve	1,561,671		
-			Emergency Reserve	225,588		
11,364			Infrastructure Reserve	13,429		
-				-		
\$ 15,456			Total Restrictred Reserve	\$ 1,959,975		N/A

Mutual Administration Director's Report

SEPTEMBER 2017

Coyote Safety



Coyotes in populated areas are typically less fearful of people. They have been known to attack pets and approach people too closely.

Coyotes are skilled hunters; we must be strong, motivated, and most importantly, **proactive**.

But what does being proactive mean?

- We must continue to haze the coyote. Do not turn your back and run. By running you are seen as prey.
- We must not feed wildlife. Bird feeders on your property will attract rats, squirrels, and rabbits which will attract coyotes to your home.
- We must keep food and trash off our patios.
- We must protect our pets.

Small pets can easily become coyote prey. Cats and small dogs **should never be allowed outside alone**. It's highly recommended that small pets always be accompanied by their owner and dogs must be on a 6 foot leash. Do not use a retractable leash. Your pet can get too far away from you with a retractable leash. One may want to see their dog scamper around on a long retractable leash, but that is only placing the pet in harm's way and is a violation of policy.

Long Beach Animal Care Services recommends calling them at (562) 570-7387 (PETS) to report all coyote sightings and to determine if an Animal Control Officer is needed. Sightings can also be reported online using the link below:

(http://www.longbeach.gov/acs/wildlife/living_with_urban_coyote.asp)

IF A COYOTE IS POSING AN IMMINENT THREAT TO LIFE, CALL 911.

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Audit Expense – All Mutuals Except Two, Four, Five, Eight, Nine, Twelve, Fourteen, Fifteen, Sixteen and Seventeen**

WHEREAS, in the past the audit expense has been charged to the year when the expense was billed and not for the year for which the audit was made

THEREFORE, BE IT RESOLVED that the audit expense be hereafter charged to the expenses for the year for which the audit was made. The audit expense for 1969 shall be charged to 1969 expenses.

MUTUAL ADOPTION:**RESCIND**

ONE	04-30-70	
TWO	04-16-70	07-20-17
THREE	04-20-70	
FOUR	04-06-70	06-04-17
FIVE	04-03-70	10-19-16
SIX	04-24-70	
SEVEN	05-15-70	
EIGHT	04-09-70	08-28-17
NINE	05-20-70	08-14-17
TEN	03-30-70	
ELEVEN	04-02-70	
TWELVE	03-30-70	07-13-17
FOURTEEN	03-26-70	06-20-17
FIFTEEN:	04-02-70	07-21-14
SIXTEEN	04-09-70	02-07-17
SEVENTEEN	N/A	

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Capital Accounts – Except Mutual Two, Five, Eight, Nine, Twelve, Fourteen and Sixteen**

Legal opinion from Attorney W. A. Williams in letter dated 28 Oct 70 to the Controller:

"One of the unfortunate aspects of each Mutual at Leisure World is the fact that it was set up as a general corporation in its inception. This, of course, requires it to be controlled by the general corporation laws for the State of California.

With respect first to dividends, it would be unlawful for the declaration of any kind of dividend out of these funds as, in my opinion, they constitute a paid-in surplus. Paid-in surpluses cannot be used for the payment of dividends except to shares entitled to preferential dividends. None of the shares in the Mutual Corporations qualify as shares entitled to preferential dividends. I would disagree with the position that the funds are available for patronage dividends. The only funds that I would view as available for patronage dividends are those funds paid in by the members as payments in excess of the budget and remaining at the end of the year. A liability can attach to the director and the shareholder receiving those payments if they are not authorized by law. California Corporation Code holds a liability of shareholders for receipt of an unauthorized dividend in Corporation Code 1510. Illegal declaration of dividends can constitute a misdemeanor in the State as set forth in the Penal Code for the State of California.

The only source of dividends that can be made is from earned surplus or out of net profits earned during the preceding accounting period which is not to be less than six months or more than one year. In this latter instance, such dividends can be declared despite the fact that the next assets of the corporation may be less than the stated capital unless there are liquidation preferences on some share, a problem which we do not have.

The fact that these funds, however, cannot be used for dividends does not prevent their use for proper corporate purposes, particularly the establishment of reserve accounts, and I see no reason why the funds cannot be used for reserve account needs or as you have indicated, by transfer within the capital accounts. However, these funds must be clearly designated in that the original stated capital must be set forth and the paid-in surplus must be also clearly identified. It cannot be shown as an earned surplus at any time. Actually, an earned surplus could occur if the payments of the resident exceed the budget requirement set forth at the beginning of the year.

The Board of Directors will have the power to take the necessary steps for transfer of capital funds so long as those steps are within the framework of the restrictions I have indicated."

Mutual
Two
Five:

Amend

Rescind
07-20-17
06-21-17

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Capital Accounts – Except Mutual Two, Five, Eight, Nine, Twelve, Fourteen and Sixteen**

Eight:		08-28-17
Nine		08-14-17
Twelve		07-13-17
<u>Mutual</u>	<u>Amend</u>	<u>Rescind</u>
Fourteen		06-20-17
Sixteen		07-07-17

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Financing Capital Projects – Except Mutual Nine, Twelve, Fourteen, Sixteen**

WHEREAS, Seal Beach Mutual No. _____ (all except Mutual No. Nine, Fourteen, Sixteen) recognizes the need for continuing development and improvement of the trust property of Seal Beach Leisure World for the benefit of all stockowners, and

WHEREAS, it is the desire of the Mutual Corporation to assist in the financing of capital improvements to the trust,

NOW, THEREFORE, BE IT RESOLVED that for any refund owing to the Mutual Corporation from the Golden Rain Foundation for the fiscal year 1972, this Corporation does hereby instruct the Golden Rain Foundation as their agent to:

1. Deposit to the credit of the trust fund of Seal Beach Leisure World which is held by the Golden Rain Foundation as trustee for the benefit of the Seal Beach Mutual Corporations any portion of the refund due this Corporation from the Golden Rain Foundation that is the proceeds in excess of the first \$50,000 of refund derived from the operation of the Golden Rain Foundation.
2. It is the intent of this resolution that the Golden Rain Foundation shall refund in the normal manner the first \$50,000 for the fiscal year 1972 and apply any refund in excess of \$50,000 to the capital funds of the trust in the same proportion that the original contributions were made to the trust.

BE IT FURTHER RESOLVED, that this resolution will become effective only in the event that all other Seal Beach Mutuals adopt a similar resolution.

Mutual No.5 (11-18-16) & Mutual No. 7 Only (Effective 11-21-00):

WHEREAS, Seal Beach Mutual No. _____ recognizes the need for continuing development and improvement of the trust property of Seal Beach Leisure World for the benefit of all stockowners, and

WHEREAS, it is the desire of the Mutual Corporation to assist in the financing of capital improvements to the trust,

NOW, THEREFORE, IT BE RESOLVED, that for any refund owing to the Mutual

Mutual No.5 (Effective 11-18-16) & Mutual No. 7 Only (Effective 11-21-00) (Cont'd.):

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Financing Capital Projects – Except Mutual Nine, Twelve, Fourteen, Sixteen**

Corporation from the Golden Rain Foundation for the fiscal year 1972 and following fiscal years, this Corporation does hereby instruct the Golden Rain Foundation as their agent to:

1. Deposit to the credit of the trust fund of Seal Beach Leisure World which is held by the Golden Rain Foundation as trustee for the benefit of the Seal Beach Mutual Corporations any portion of the refund due this Corporation from the Golden Rain Foundation that is the proceeds in excess of the first \$50,000 of refund derived from the operation of the Golden Rain Foundation.
2. It is the intent of this resolution that the Golden Rain Foundation shall refund in the normal manner the first \$50,000 for the fiscal year 1972 and the following fiscal years and apply any refund in excess of \$50,000 to the capital funds of the trust in the same proportion that the original contributions were made to the trust.

BE IT FURTHER RESOLVED, that this resolution will become effective only in the event that all other Seal Beach Mutuals adopt a similar resolution.

MUTUAL ADOPTION**AMENDED****RESCINDED**

ONE			
TWO	11-16-72		
THREE	11-20-72		
FOUR	01-08-73		
FIVE	12-20-72	11-18-16	
SIX	12-08-72		
SEVEN	01-19-73	11-21-00	
EIGHT			
NINE	11-13-72		07-11-11
TEN	11-30-72		
ELEVEN	12-21-72		

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Financing Capital Projects – Except Mutual Nine, Twelve, Fourteen, Sixteen**

TWELVE	11-09-72	07-13-17
FOURTEEN	11-09-72	06-20-17
FIFTEEN	11-10-72	
SIXTEEN	12-14-72	07-07-17

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Depreciation - Straight Line Method – Except Mutual Fourteen****RESOLUTION:**

WHEREAS, the official books of this Corporation are being kept using the Sinking Fund method of depreciation, and income tax returns are submitted using the Straight Line method of depreciation, and

WHEREAS, it is desirable to use the same method on the books as is used on the tax returns, and

WHEREAS, the Internal Revenue Service will not recognize the Sinking Fund method as a generally accepted method of depreciation and give their approval for its use on the income tax returns;

THEREFORE, BE IT RESOLVED, to adopt the Straight Line method of depreciation for the official books of this Corporation.

BE IT FURTHER RESOLVED, THAT this resolution will become effective only in the event that all other Seal Beach Mutuals adopt a similar resolution.

<u>MUTUAL</u>	<u>ADOPTION</u>	<u>RESCINDED</u>
ONE	03-27-75	
TWO	03-20-75	
THREE	03-17-75	
FOUR	04-07-75	
FIVE	06-18-75	
SIX	06-27-75	
SEVEN	03-21-75	
EIGHT	03-24-75	
NINE	03-10-75	
TEN	04-24-75	
ELEVEN	04-17-75	
TWELVE	03-13-75	
FOURTEEN	06-27-75	06-20-17
FIFTEEN	03-03-75	
SIXTEEN	06-18-75	

(Aug 17)

MUTUAL OPERATIONS

RESCIND MUTUAL TEN

ACCOUNTING AND FISCAL

Depreciation - Straight Line Method – Except Mutual Fourteen

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Mutual Budgets – All Mutuals Except Five, Nine, Twelve, Fourteen and Sixteen****I. LEGAL BASIS**

The Regulatory Agreement between the Mortgager (Mutual) and the Department of Housing and Urban Development (HUD) requires, under Section 4, that an Operating Budget shall be prepared and submitted to HUD sixty (60) days prior to the beginning of each fiscal year.

Civil Code 1365 requires distribution of the Operating Budget to the all members/stockholders annually 45 to 60 days before the beginning of the fiscal year. In addition, a summary of the association's reserves, whether special assessments will be needed for repairs or to replenish reserves, and a statement of the procedures used for the calculation of the reserves must be included.

The Management Agreement between the Mutuals and the Golden Rain Foundation requires, under paragraph Fourth, subparagraph (k), that the Foundation shall prepare a budget for adoption by the Mutuals for those items covered by the Agreement.

II. METHOD OF PREPARATION

Since the Management Agreement between the Mutual and the Foundation requires the Foundation to prepare a budget with respect to the items contained in the Agreement, and since these items become a portion of the budget of the Mutual Corporations, the following procedure is used in preparing and presenting budgets for adoption:

- A. The Golden Rain portion of the budget is prepared and adopted by the Board of Directors during July and August for the fiscal year following.

The portions of the budget covered by this adoption are:

Administration	Property Management
Recreation	Grounds Maintenance (Community Facilities)
Transportation	Community Facilities Maintenance
Security	Service Maintenance (all phases except Mutual
	Other
Janitorial Services	Improvements)

- B. After the adoption of the Golden Rain Foundation budget, the costs of this budget are allocated to the Mutual for use in their budget preparation.

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Mutual Budgets – All Mutuals Except Five, Nine, Twelve, Fourteen and Sixteen**

- C. The Golden Rain Foundation is responsible for furnishing information to the Mutual Corporations regarding those budget items which are not covered by the Foundation budget. These costs fall into two groups:

1. The items that are either required by contract or set up by governmental agencies are:

Real Estate Taxes	Hazard Insurance
State Franchise Tax	Mortgage Insurance
FHA Mortgage Insurance Premium	Mortgage Principal
Replacement Reserve	General Operating Reserve

Water and Sewer

2. The items which must be determined by the Mutual Board individually are:

Audit Fee	Vacancy and Collection Losses
Electricity	Rubbish Removal*
Grounds Maintenance – other improvements	Service Maintenance – other improvements
Misc. Maintenance and Repairs	Painting Reserve
Supplemental Replacement Reserve	Special Contingency Funds

*Arranged cooperatively through the Golden Rain Foundation

- D. Recommendations by the Golden Rain Foundation concerning the Mutual budget, together with estimates of income, expenses, and monthly carrying charges, should be available to the Mutual Corporations four (4) working days period to their September Board Meeting. This will enable the Mutual Corporations to have a period of time for study, evaluation, adjustment, and adoption of their budget prior to October 1.

Approximately three (3) weeks are needed after Mutual adoption to complete the clerical work in the Controller's Office for preparing the documentation and required reports for submission to HUD by November 1, and the required distribution to the members/stockholders between November 1 and November 15.

III. OTHER INFORMATION

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Mutual Budgets – All Mutuals Except Five, Nine, Twelve, Fourteen and Sixteen**

- A. The administrative staff is always ready and available to discuss proposed budget actions, and to make budget presentations when requested by the Mutual Board.
- B. The action by the Mutual Board is the final action on the budget subject to HUD approval, and is the determining factor in the monthly carrying charge for all residents.
- C. In order to keep all Directors informed of the procedures on the budget, the following other information is furnished:
 - 1. The Presidents and Chief Financial Officers of the Mutual Boards are furnished pertinent budget information at the same time as the Golden Rain Board.
 - a) All Mutual Directors are furnished complete information on the Golden Rain budget when it is adopted, together with complete information on the Mutual budget recommendations.
- D. Normally, the first or second week in September is used for study meetings between the Mutual President and CFO/Treasurer and the staff so that complete information is available for determining budget factors.

Procedure

Amended: Jul 88, Aug 00

Executive Director

Golden Rain Foundation

RESCIND

FIVE: 11-18-16

NINE: Rescinded Feb 09

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Mutual Budgets – All Mutuals Except Five, Nine, Twelve, Fourteen and Sixteen**

TWELVE: Rescinded 07-19-17

FOURTEEN: Rescinded 06-20-17

SIXTEEN: 03-07-17 Rescinded

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Impounds – Except Mutuals Two, Five, Nine, Twelve, Fourteen**

Budget for impounds is based on advice from mortgagee, and equal monthly payments made to the mortgagee are based on the budget. The mortgagee makes disbursements to payee and advises Mutuals the amounts disbursed. Types of impounds are as follows:

a. Hazard Insurance

Fire and lightning, windstorm, hail, explosions, smoke, riot, aircraft and motor vehicles, vandalism and malicious mischief.

b. Tax Reserve

Assessments by county assessor's office based on parcel or loan area within Mutual.

c. Mortgage Insurance

Based on one-half of 1% unpaid principal balance at the beginning of each year.

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE:	11-18-16
NINE:	08-14-17
TWELVE:	07-13-17
FOURTEEN:	06-20-17

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Billings to Mutuals – All Mutuals Except Mutuals Two, Five, Eight, Nine, Fourteen, Sixteen**

1. Billings to the Mutuals are generated by the Golden Rain Foundation. Any profit or loss is allocated back to the Mutuals at the year's end. There are basically three types of billings:

- A. SROs or service repair orders issued by the Service Maintenance Department for the Mutuals' maintenance needs and all community facility-related service costs.

Maintenance persons bill their work time to a corresponding area. Rates per hour charged by these departments are computed on a basis intended to recover wages, employer's taxes, depreciation of equipment, supplies, and other expenses. These rates are subject to periodic studies. Changes in rates result when increased costs exceed budgeted income.

- B. Administration, recreation, and maintenance of common areas and facilities not charged in item 1, warehouse facilities, property management, transportation, security, and shop repair, are billed to the Mutuals on a pro-rata basis according to the number of apartments. Each month, the Mutual receives a billing covering one-twelfth (1/12) of its budgeted expense.

- C. Billings for expenses paid by Golden Rain Foundation on behalf of the Mutuals and shared expenses:

- a. If it is a bill from an outside vendor specifying more than one Mutual, the Golden Rain Foundation pays it and bills the Mutuals.
- b. Shared expense, such as water charges and street lighting.

2. Mutuals are billed directly by outside vendors for their individual expenses.

Amended: Jul 87, Aug 00

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE	06-21-17
EIGHT	08-28-17
NINE:	08-14-17
FOURTEEN:	06-20-17
SIXTEEN:	07-07-17

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Income Items and Their Distribution – All Mutuals Except Two, Five, Nine, Fourteen, Sixteen**

Income is derived from the monthly apartment payments, plus other miscellaneous income received from laundry facilities, interest on reserves, inspection fees on apartment resales, late charges, and carport rentals.

A substantial part of the income is used for retirement of principal and interest on the mortgage. The remainder is divided between impounds, reserves, Golden Rain Foundation operations and individual Mutual maintenance and operation expenses.

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FOURTEEN:	06-20-17
SIXTEEN:	07-07-17

See Policy 7333.5 for Mutual Five (Feb 16)
See Policy 7333.9 for Mutual Nine (Oct 06)

Revised: Sep 88
Revised: Aug 00
Revised: Feb 09

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Investment Records – Except Mutuals Two, Five, Eight, Nine, Fourteen, Sixteen**

Records of investments, time certificates of deposit and bank pass books and/or reconciliations are available for inspection at any time by the Mutual Directors. Mutual Directors desiring general information should call the Mutual Accountant for an appointment. No appointment is necessary, of course, if an unannounced audit is made.

Reissued Jul 87

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE:	11-18-16
EIGHT:	08-28-17
NINE:	08-14-17
FOURTEEN:	06-20-17
SIXTEEN:	07-07-17

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Cash Disbursements – All Mutuals Except Nos. Five, Nine, and Twelve**

Cash disbursements are made from one of two checking accounts referred to as the Agency Account and General Account (except Mutuals Nos. 16 & 17 who have only an Agency Account.)

A. Agency Account

1. Mortgage Payments
2. Power and Lights
3. Trash Hauling
4. GRF (paid by GRF and invoiced to Mutuals)
 - a. Admin., Recreation, Physical Property
 - b. Service Maintenance (SROs)
 - c. Water Charges
 - d. Rubbish Hauling
 - e. Street Lighting
 - d. Third Party Charges
5. Funding
 - a. Operating Reserve
 - b. Replacement Reserve
 - c. Supplemental Replacement Reserve
 - d. Painting Reserve
 - e. Special Contingency Fund (if applicable)
 - f. Emergency Reserve (if applicable)
6. Federal and State Income Taxes.
7. Property Taxes
8. Refund to Residents Related to Monthly Fees

B. General Account

1. Extraordinary Expenses
2. Outside Contractors and Services

Amendments**RESCIND**

Mutual Five-Jan 17

Mutual Nine-Aug 17

Mutual Twelve-Oct 13 (See 7335.12)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Shareholders' Interest – All Mutuals Except Five, Nine, Fourteen**

The Internal Revenue Service regulations provide for inclusion of mortgage interest and property tax as an itemized deduction on an individual tax return. This provision extends to shareholders of a cooperative housing corporation.

At the end of each calendar year, a letter will be sent to each shareholder informing them of the amount of their pro-rated mortgage interest and property tax amount paid during the year just ended.

MUTUAL ADOPTION**AMENDED****RESCINDED**

ONE	08-01-88	08-01-00, 02-28-02	
TWO	08-01-88	08-01-00, 03-21-02	
THREE	08-01-88	08-01-00, 04-12-02	
FOUR	08-01-88	08-01-00, 03-04-02	
FIVE	08-01-88	08-01-00, 02-20-02	01-20-16 (see policy 7336.5)
SIX	08-01-88	08-01-00, 03-26-02	
SEVEN	08-01-88	08-01-00, 05-15-02	
EIGHT	08-01-88	08-01-00, 02-25-02	
NINE	See Policy 7336.9 for Mutual Nine Information		
TEN	08-01-88	08-01-00, 02-27-02	
ELEVEN	08-01-88	08-01-00, 02-21-02	
TWELVE	08-01-88	08-01-00, 01-10-02	
FOURTEEN	08-01-88	08-01-00, 03-13-02	06-20-17
FIFTEEN	08-01-88	08-01-00, 02-19-02	
SIXTEEN	08-01-88	08-01-00, 02-19-02	
SEVENTEEN	08-01-88	08-01-00, 02-05-02	

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Financial Reports – All Mutuals Except Two, Five, Eight, Nine, Fourteen, Sixteen****I. Monthly Reports**

The Accounting Department, under the direction of the Golden Rain Foundation Controller, prepares and distributes monthly financial reports to each Mutual Director. These reports consist of a balance sheet, an operating statement, which compares income and expenses to budget, detailed balances of the various reserve accounts, reconciliations of bank accounts, and the statements of cash receipts and disbursements of both the agency and the general accounts.

2. Annual Financial Statement

The Controller's Department prepares and distributes a preliminary year-end statement. Any necessary adjustments to this statement are made on completion of the audit. A copy of the annual statement is sent to each Mutual Director.

3. Inquiries About Financial Statements

The Controller is very willing to answer all questions pertaining to either the monthly financial statements or the published annual financial statements. However, it should be realized that the Controller's schedule is heavy, and that the established regulatory procedure is to request an appointment through the Chief Financial Officer or Treasurer of each individual Mutual corporation.

Reissued Jul 87

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE	06-21-17
EIGHT	08-28-17
NINE:	08-14-17
FOURTEEN:	06-20-17
SIXTEEN:	07-07-17

(Aug 17)

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Accounts Receivable – All Mutuals Except Two, Five, Eight, Nine, Fourteen and Sixteen**

This position is responsible for maintaining tenant Accounts Receivable records, including Golden Rain Foundation annual dues, on a current basis. All inquiries regarding tenant delinquencies should be referred to this office.

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE:	11-18-16
EIGHT	08-28-17
NINE:	08-14-17
FOURTEEN:	06-20-17
SIXTEEN:	02-07-17

MUTUAL OPERATIONS**RESCIND MUTUAL TEN****ACCOUNTING AND FISCAL****Cashier Service – All Mutuals Except Two, Five, Nine, Fourteen, Sixteen**

The position of Cashier has been established to facilitate all cash payments made by those members not maintaining a commercial (checking) account who wish to transact all their business on a cash basis.

<u>MUTUAL</u>	<u>RESCIND</u>
TWO:	07-20-17
FIVE:	06-21-17
NINE:	08-14-17
FOURTEEN:	06-20-17
SIXTEEN:	02-07-17

MUTUAL TEN

GOLDEN RAIN MONTHLY
SUMMARIES FOR
SEPTEMBER 2017

(See information attached.)

GOLDEN RAIN REPRESENTATIVE'S REPORT
MUTUAL 10
SEPTEMBER 2017

The numbers are in!! The amount of your Golden Rain Foundation (GRF) and Mutual assessment, for the calendar year 2018, have been determined by the votes of the GRF and Mutual 10 Board of Directors (BOD). GRF will have the largest increase in some years at \$8.01 bringing the GRF assessment to \$ 152.70 and the Mutual is \$ 214.75 to cover the cost of repairs including the new intake water lines which need to be replaced in all our Mutual buildings. Our new assessment is \$367.45. Remember, this does not include your share of the property taxes, which will also increase this year. The GRF BOD and our Mutual Directors work very hard determining estimated expenses for the next year. The Foundation works with the expenses and related income page by page, cost center by cost center with very few residents, in attendance, to ask questions which could be of assistance in determining the estimated bottom line for the year 2018. However, we all enjoyed a great amphitheater season and residents have asked for a repeat. We don't have pot holes on our streets. If we have a plumbing problem on the weekend, you can get a plumber out to fix the problem right away at no charge, and you can enjoy a host of amenities for no additional dollars. It is still, in my opinion, Leisure World and Mutual 10 is the absolute best affordable place to live in Southern California.

There are still Identification Cards, (ID), which need to be picked up by Mutual 10 residents if you haven't got your new one, as yet, you can go to Stock Transfer for the new one. If you are unable to leave the house call your Mutual Building Director and they can help you to obtain your new one. However, the BOD did pass a policy this month, if you do not return the ID card when you or your heirs sell your property, you will be fined \$500.00. So, please keep track of it. Eventually you may be using your card to access the many amenities we have here in Leisure World. (LW)

The GRF BOD voted to place the dolphin topiaries, taken from the main entrance to LW, and place them near Clubhouse 3, named the area, between the Health Center and the Administration building, as the "Plaza", renewed the election services contract for the Foundation and the Mutuals with Accurate Voting Services, renewed the NuVision Credit Union Lease and extended the lease agreement with Briskey our resales agent for one year. In addition, we approved the engagement letter with the Foundation and Mutual CPA professionals. Each Mutual will also need to sign the letter of engagement.

There was some confusion and disagreement whether two 7,000 series policies could be rescinded by GRF or the individual Mutuals so the question was sent back to the applicable GRF Committee.

This last month as a GRF Director I had the opportunity to attend a "Parking Panel". This group of three GRF Directors, representing three different Mutuals, plus one alternate, sits in judgement to review and determine whether the parking tickets and fines are correctly issued.

If a resident receives a citation, or their guest, they have the opportunity to go to the panel, which meets on a monthly basis, and ask their citation and subsequent fine be adjudicated. It was a very interesting exercise. The ticketed resident must write a letter or e-mail to the Security Department or Administration requesting an opportunity to explain why they did what they did.

The Alternate Director is present so if a resident, of one of the Mutuals, comes before the Panel thus making it possible for a Director to not sit in judgement of their neighbor. The parking officers take pictures of the alleged transgression, such as parking in a fire lane or outdated license tags on their plates, a picture of the license plate and the pass, which should be on their dashboard if the car does not have a GRF sticker. The individual resident has an opportunity to meet with the panel in private and basically tell their side of the story. The Parking Panel will in turn send a letter to the resident of their decision.

A few observations; 1) Please ask your guest to display their green or white pass on their dashboard and verify it can be seen from the outside of the car. 2) All the red curbs and fire lanes are in the process of being repainted, pay attention as this is a much larger fine if you park in one. 3) Make sure your license plate stickers are current. 4) If a sign says cart parking only, it means cart parking only. 5) Don't forget to display your handicap placard when you leave the car on a trust street. Parking transgressions are being taken seriously, so please be compliant with all the issues and rules when parking on a Trust street. If in doubt, remember the Trust streets have the rounded curbs.

Once again, I urge you to attend the Mutual and GRF board meetings. You have an opportunity to talk to the Directors and share your thoughts and concerns with the board members which must make all these decisions. Your concerns and input is needed and valuable. Coffee and water is available at both meetings and at the GRF meeting there are donuts and cookies and tables you can sit at to observe the proceedings. Please join us.

Respectfully Submitted
Ronde Winkler GRF Representative.



MANAGEMENT SERVICES REVIEW AD HOC COMMITTEE SUMMARY REPORT

Tuesday, September 5, 2017

Action/Request	Person Responsible	Action Taken
1. New Business, Item 6A: Purpose Statement. i. Physical Property Department The Committee reviewed the GRF Building Inspector Services ##1-25, and determined whether those services are a normal maintenance and repair work, provided to the GRF and the Mutuals.	Facilities Director Project Coord.	
2. New Business, Item 6B: Election of Vice Chair Committee member Susan Hopewell was declared, by acclamation, Vice Chair of the Committee.	Executive Coordinator will update the roster	

RECREATION COMMITTEE SUMMARY REPORT

Wednesday, September 6, 2017

Action/Request	Person Responsible	Action Taken
1. Correspondence, Item 6A: Amphitheater Shows, Darnell Cook Chair Perrotti stated that the resident request cannot be accommodated, because military band performances have to be open to the public, which would contradict GRF Policy on Amphitheater programs.	Recreation Manager	
2. Correspondence, Item 6B: Clubhouse Six Mural, S. Ralston, S. Hamilton, M. Silberling The Executive Director stated that preliminary drawings on this project will be discussed at the next scheduled ADR Committee meeting. Chair Perrotti asked the Recording Secretary to let the letter senders know that the Clubhouse Six mural project is following its course.	Executive Director Recording Secretary	

<p>3. Correspondence, Item 6C: Delivery of Supplies to LW pool, Kathy Rapp The Recreation Director stated that the issue has been addressed, and pool supplies will be delivered early in the morning in an appropriate area.</p>	Recreation Director	
<p>4. Correspondence, Item 6D: LW Swimming Pool and Jacuzzi Hours, Sheryl Carrier Following a discussion, Chair Perrotti asked the Recording Secretary to send a letter to the resident stating that her request on extending swimming pool and Jacuzzi hours cannot be accommodated at this time.</p>	Recreation Director	
<p>5. Correspondence, Item 6E: LW Pool, Use of Lap Lanes During Water Aerobics Classes, Kathy Rapp It was the consensus of the Committee to allow water aerobics class use lap swimming lanes during the 40 min. class at 8:30 a.m. and 10:30 a.m.</p>	Recreation Director	
<p>6. Correspondence, Item 6F: Domino Club Request to Meet in Clubhouse One Foyer During Clubhouse Remodel The Executive Director stated that this issue will be addressed with the Security Services Director and the Security Manager, and the course of action will be taken to accommodate the Domino Club request.</p>	Executive Director Security Services Director Security Manager	
<p>7. Correspondence, Item 6G: No Ice Maker in Clubhouse Four, Kathy Rapp The facilities Director stated that he will look into accommodating this request.</p>	Recreation Director	
<p>8. Correspondence, Item 6H: Window Coverings in Clubhouse Three, Beverly Emus Following a discussion, Chair Perrotti asked the Recording Secretary to send a letter to the resident stating that this subject will be tackled during the Revitalization Project for Clubhouse Three.</p>	Executive Director Recording Secretary	
<p>9. Correspondence, Item 6I: Ceiling Lights in Clubhouse Three, Room Nine, Nancy Mayhew The Executive Director stated that this request will be addressed during the Revitalization Project for Clubhouse Three.</p>	Executive Director	

<p>10. Correspondence, Item 6J: Clubhouse Three Closure due to Revitalization Project, Anna Derby Chair Perrotti stated that this piece of correspondence has been withdrawn by its sender.</p>	Executive Director	
<p>11. Correspondence, Item 6K: GAF Fundraising The Committee concurred to move forward with GAF fundraising and walkathon on behalf of the Recreation Department.</p>	Recreation Manager	
<p>12. Correspondence, Item 6L: Volleyball Court The Executive Director stated that the Volleyball Court will not be a part of the Multipurpose Court design, with the priority given to other areas to better serve community needs.</p>	Executive Director	
<p>13. Old Business, Item 7A: Deferring Registration Requirement for Tow Vehicles The Committee concurred to send a letter to the resident stating that Policy on towing is being worked on.</p>	Recreation Director Recording Secretary	
<p>14. Old Business, Item 7B: Ice Cream Truck. Update The Committee concurred to have the Recreation Director proceed with arranging a rotating schedule for the ice cream truck for special events.</p>	Recreation Director	
<p>15. Old Business, Item 7C: Donor Wall Celebration Date The Recreation Manager stated that the Donor Wall celebration date is set for the evening of September 22, 2017, and will be announced in the LW News after all the details are finalized.</p>	Recreation Manager	
<p>16. Old Business, Item 7D: LW Trailer Club Member Registration Variance The Recreation Director stated that this issue is being looked into.</p>	Recreation Director	
<p>17. Old Business, Item 7E: Swimming Pool Furniture Arrival The Recreation Director stated that the Swimming Pool furniture has arrived, and the request for additional refurbished furniture has been sent out.</p>	Recreation Director	

<p>18. Old Business, Item 7F: Cost Center 45 - Amphitheater The Committee moved to amend the 2018 Budget for Cost Center 45, and update the Budget Assumption to reflect a \$220,000 increase in Community Entertainment.</p>	Recreation Director Recreation Manager	
<p>19. New Business, Item 8A: RV Lot Attendant Office The Recreation Director provided the Committee with the information on the RV Lot Attendant office upgrades, and stated that the permanent doorbell surveillance system will be installed next week.</p>	Recreation Director Recreation Manager Security Services Director	
<p>20. New Business, Item 8B: Space Request in the Event of Special Circumstances The Recreation Director stated that the draft of Policy on space request in the event of special circumstances will be created based on the Committee's approval of this subject at its last meeting.</p>	Recreation Director	
<p>21. New Business, Item 8C: Republican Club Incident in July Following the discussion of the incident, no actions were taken by the Committee at the time of the meeting.</p>	Recreation Director	
<p>22. New Business, Item 8D: LW Trailer Club Financial Review The Committee moved to suspend all rights and privileges of the Leisure World Trailer Club, Inc. effective immediately, place the Club in default of the Club's agreement with the Golden Rain Foundation, and hand deliver hard copies of following documents to either Mr. Terry DeLeon or Mr. Thomas Fileto in the Recreation Department, no later than September 14, 2017, 4:30 p.m.:</p> <ol style="list-style-type: none"> 1. Year-to-date income statement through 07/31/2017 per Golden Rain Foundation (GRF) Policy 1406-50; 2. Itemized financial report of money returned to the LW Trailer Club, Inc. members and how it was dispersed; 3. Year-to-date bank statements through 8/31//2017 	Recreation Director Recreation Manager	

4. Detailed breakdown, and itemization of how money were collected by the LW Trailer Club, Inc. from Club members for the 2017 lease payments to GRF, and how it was returned to Club members. The justification for all money kept by the LW Trailer Club, Inc. must be included.		
23. New Business, Item 8E: LW Trailer Club Signed Lease There was no action taken on this matter at the time of the meeting.	Recreation Director	
24. New Business, Item 8F: Finbar "Italian Night" Food Service The Recreation Director provided the Committee with the handouts on Finbar dinners to take place in Clubhouse One on Monday evenings.	Recreation Director	
25. New Business, Item 8G: Finance Committee Approval of \$25,000 for Swimming Pool Planning Chair Perrotti stated that she, the Recreation Director, the Facilities Director, and the Executive Director will arrange a basic planning session to set the parameters for a Swimming Pool within the approved \$25,000 budget.	Executive Director Recreation Director Facilities Director	
26. New Business, Item 8H: Security Cameras at the Swimming Pool The Committee moved to install a camera at the LW Swimming Pool, as requested by the Recreation Manager, in the amount not to exceed \$1,000.	Recreation Manager	
27. Policies, Review: Item 9A i: Policy 5135-50, Recreation Committee The Committee moved to add Cost Center 47 to the second page of Policy 5135-50, Recreation Committee, mark it as reviewed, and send it to the Board for final approval. Amend: Item 9B i: Policy 1411-50, Recreational Facilities The Committee moved to amend #7 of Policy 1411-50, Recreational Facilities, to read as follows: "Reservations for private parties must be made by and/or be for Members only", and send it to the Board as amended. Item 9B ii: Policy 1431-50, Liability Insurance	Recreation Director Recreation Manager	

<p>The Committee moved to send Policy 1431-50, Liability Insurance, to the Board for final approval.</p> <p>Item 9B iii: Policy 1710-50, Adult Education The Committee moved to send Policy 1710-50, Adult Education, to the Board for final approval.</p>		
<p>28. Sub-Committees, Item 10A: Entertainment/Movie Sub-Committee The Chair of the Entertainment Sub-Committee provided the Committee with the updates on a movie selection process.</p> <p>Item 10B: Golf Course Sub-Committee The Recreation Manager stated that he will arrange a meeting with the Recreation Director, the Golf Course Sub-Committee Chair, and the President of Women's Golf Club to go over Golf Course issues.</p> <p>Item 10C: Swimming Pool Sub-Committee The Committee discussed the Swimming Pool Sub-Committee under New Business, and thanked the Recreation Department staff for looking over the showers and swimming pool cleaning services.</p>	Recreation Director Recreation Manager	
<p>29. Staff Reports, Item 11B: Recreation Director The Recreation Director spoke of his reports as presented, and provided the Committee with the updates on upcoming events.</p>	Recreation Director	
<p>30. Staff Reports, Item 11D: Executive Director The Executive Director updated the Committee on Clubhouse Revitalization project, on looking into new sound system for the Amphitheater, and moving the Recreation Department to the lower level of Clubhouse Five within the next few weeks.</p>	Executive Director	

EXECUTIVE COMMITTEE SUMMARY REPORT

Friday, September 8, 2017

Action/Request	Person Responsible	Action Taken
<p>1. Old Business: Amend Job Descriptions The Committee concurred to review the positions upon the Management Services Review Ad Hoc Committee's review of Physical Property and Service</p>		No action required

	The Committee moved to recommend the GRF BOD accept amendment to Policy 1220-30, Resident Specialists.		
8.	Policies: Amend Policy 5025-30, Election Procedures The Committee concurred to refer Policy 5025-30, Election Procedures to the Policy Re-write Committee.	Recording Secretary	
9.	Policies: Review Policy 5110-30, Executive Committee The Committee concurred to review Policy 5110-30, Executive Committee, at the October meeting.	Recording Secretary	

ARCHITECTURAL DESIGN & REVIEW COMMITTEE SUMMARY REPORT

Monday, September 11, 2017

Action/Request		Person Responsible	Action Taken
1.	Old Business, Item 8B – Clubhouse Two, Update Mr. Weaver reported that this item is being moved to the Physical Property Committee.	Facilities Director	
2.	New business, Item 9A – Library Area, Bid from Johns Landscaping The Committee moved to approve Option #2 of Johns Landscaping bid for the Library Area in the amount of \$4,080.	Facilities Director	
3.	Old Business – Item 8F – St. Andrews Median The Committee moved to accept concept for the St. Andrews Median, as presented by GRF President Stone.	GRF President Facilities Director	
4.	Special Presentation, Item 7A – Fox & Fox Design, John Fox The Committee moved to request a proposal from Fox & Fox Design to incorporate landscape and monument lighting in their current plan.	Facilities Director	
5.	Old Business, Item 8D - Landscape Specifications The Committee moved to accept the Landscape Specifications for Community	Facilities Director	

	Facilities as presented by Mr. Weaver with one modification, which is to add the words "maintenance and improvement" to Section A1.		
6.	Old Business, Item 8E – Mural at Clubhouse 4, Update It is the consensus of the Committee to direct staff to take more pictures for this project.	Comm. & Tech. Director	
7.	Old Business, Item 8G – RV Lot Signage, Update It is the consensus of the Committee to select the second layout with the addition of a contact phone number.	Executive Director Recreation Mgr.	
8.	Old Business, Item 8H – Mural at Clubhouse 6, Update The Committee moved to accept the revised mural as presented by the LW Art League and forward to the Board for approval.	LW Art League	
9.	Old Business, Item 8I – Fleet Vehicle Appearance The Committee moved to approve the color for GRF fleet vehicles.	Executive Director Facilities Director	
10.	Old Business, Item 8J – Holiday Decorations, Update It is the consensus of the Committee to have Mr. Fileto request a larger size wreath for the Administration building and see what extras can be provided at no additional cost.	Recreation Mgr.	
11.	New Business, Item 9B – Signs for North and St. Andrews Gates It is the consensus of the Committee to bring the item of Signs for the North and St. Andrews gates to the next scheduled committee meeting.	Executive Director	
12.	New Business, Item 9C – Signage for "The Courtyard." After a brief discussion, Mr. Ankeny stated that he will draw up a design and present it at the next scheduled meeting.	Executive Director	

MUTUAL ADMINISTRATION COMMITTEE SUMMARY REPORT

Tuesday, September 12, 2017

Action/Request	Person Responsible	Action Taken
1. Old Business: Glossary of Terms The Committee concurred to schedule a special meeting/work study to review the Glossary of Terms.	Committee Members	Work study to be completed by Committee Members
2. Old Business: Renumbering Sub-Committee The Committee moved to accept the nominees for the Policy Renumbering Sub-Committee as follows; Paula Snowden (Chair), Susan Hopewell, Margaret Gillon, and Dr. Betty Coven.	Recording Secretary	Recording Secretary to notify GRF Executive Coordinator, for documentation update
3. New Business: Recording Secretaries' Work Station Replacement The Committee moved to recommend to the Finance Committee funding (Capital or Reserve) to replace the work stations, and upon determination by the Finance Committee that sufficient funds exist for the replacement asset, recommend to the Board to replace the work station, per plans and quotation of August 1, 2017, by Talimar Systems, not to exceed \$3,800.	Recording Secretary	Included in Finance Agenda
4. New Business: Guest Passes The Committee concurred to approve the Guest Passes Resolution with a change to the last sentence of the first paragraph to Mutual Board.	Recording Secretary	Submitted to Mutual Administration to be placed on Mutual agendas.
5. Policies: Update of Policy 5165, Mutual Administration Committee The Committee moved to recommend the GRF Board to accept amendment to Policy 5165, Mutual Administration Committee.	Recording Secretary Executive Director	Include in the GRF BOD September agenda
6. Policies: Review of Policy 7720, Distribution of Services The Committee moved to recommend the GRF BOD rescind Policy 7720, Distribution Services.	Mutual Recording Secretary	Mutual Recording Secretary to research policy and place on Mutual agendas as needed.

SECURITY, BUS & TRAFFIC COMMITTEE SUMMARY REPORT

Wednesday, September 13, 2017

Action/Request	Person Responsible	Action Taken
1. Old Business: Dwelling Live Presentation A one hour presentation was made after which many questions were answered.	Dwelling Live Representative	None at this time
2. New Business: Parking Policy Questions The Committee concurred to recommend the Security Services Director direct the Traffic Enforcement Officers, and request Physical Property post hours on signage as to when parking prohibited in spaces in question.	Security Services Director	
3. Polices: Committee Charter The Committee Charter will be considered in the October meeting.	Recording Secretary	Copies of Charter will be included in October Agenda.

COMMUNICATIONS COMMITTEE SUMMARY REPORT

Thursday, September 14, 2017

Action/Request	Person Responsible	Action Taken
1. Correspondence, David Harlow – Mutual 5, 55H Chair Gould asked staff to thank Mr. Harlow for his letter and to draw his attention to Policies 2811-36 and 2840.04-36. Ms. Roberts responded that Mr. Harlow has been responded to.	Comm. & Tech. Director	
2. Correspondence, Margie Meigs, Mutual 2, 55H Mr. Ankeny recommended that the Committee draw an advertisement policy to ensure advertisers are not making discriminatory/ prejudicial statements. He also stated that he will send a letter to Ms. Meigs regarding this matter.	Executive Director	
3. Unfinished Business, Item 7A – I.D. Project, Summary Report It is the consensus of the Committee to agree with Barry Holland's recommendation to delete people from the database by placing an extra column and marker for identifying purposes and to shred the surplus cards.	ITS Technician	

<p>4. Unfinished Business, Item 7B – Website Refresh/ Launch The Committee unanimously moved to to approve the navigation bar, launch the refreshed website and to announce it in LW Weekly.</p>	<p>Comm. & Tech. Director ITS Systems Analyst</p>	
<p>5. Unfinished Business, Item 7D – Drop-Box Demo It is the consensus of the Committee for Mr. Fabian to bring this item back to the Committee for further discussion next month.</p>	<p>ITS Systems Analyst</p>	
<p>6. Unfinished Business, Item 7E – Calendar Project The Committee moved to utilize local pictures that are LW-centric/hometown.</p>	<p>Executive Director</p>	
<p>7. New Business, Item 8A – St. Andrews Bandwidth Increase It is the consensus of the Committee to agree with Barry Holland's recommendation to delete people from the database by placing an extra column and marker for identifying purposes and to shred the surplus cards.</p>	<p>ITS Systems Analyst</p>	
<p>8. Unfinished Business, Item 8B – Interactive Map Ms. Roberts presented an interactive map demo. It is the consensus of the Committee for staff to continuing developing this project.</p>	<p>Comm. & Tech. Director</p>	
<p>9. New Business, Item 7D – Drop-Box Demo The Committee approved to request of the Board a non-budgeted operational fund request not to exceed \$9,000 for the upgrade of the File Maker Pro Sales Database.</p>	<p>Comm. & Tech. Director</p>	
<p>10. Policies, Item 9A-C After review of Policies 2810-36; 2811-36 and 2840.7-36, the Committee agreed to have staff review each policy with feedback and forward to the Policy Rewrite Committee for further review.</p>	<p>Comm. & Tech. Director</p>	

SPECIAL FINANCE COMMITTEE

SUMMARY REPORT

Tuesday, September 19, 2017

Action/Request	Person Responsible	Action/Taken
1. Unfinished Business – 2018 budget Proposal The Committee moved to accept the 2018 Budget Proposal and recommend the GRF BOD approve the proposed 2018 Operating Budget, as presented.		

FINANCE COMMITTEE

SUMMARY REPORT

Tuesday, September 19, 2017

Action/Request	Person Responsible	Action/Taken
1. Financials The Committee moved and recommended the GRF BOD to accept the August 2017 financial, statements, as presented, for audit.	Director of Finance	
2. Unfinished business – NuVision Credit Union, Lease Agreement Renewal The Committee moved and recommended the GRF BOD to approve the use of Trust Property, per terms and conditions of the proposed Management and Lease agreement, and authorize the President to sign the agreement.	Executive Director	
3. Unfinished Business – RV Leases (Individual and Club) The Committee moved to refer this item to the Recreation Committee for amendment.	Recreation Director Recreation Manager	
4. Unfinished Business – Investments The Committee moved to recommend the GRF BOD approve adding \$500,000 to the investment ladder and authorizing the Director of Finance to purchase a 52-week CDAR for the month of September.	Director of Finance	
5. New Business –Recording Secretaries – Work Stations The Committee moved and recommended the GRF BOD to approve \$3,800 Capital Funding for Mutual Administration Secretaries workstations.	Facilities Director	

<p>6. New Business – Capital Funding – Topiary Area The Committee moved to approve and recommend the GRF BOD the allocation of Capital Funds in the amount of \$8,000 for the noted Trust Property improvement.</p>	Facilities Director	
<p>7. New Business – NSBN, LLP Presentation The Committee moved to recommend to the GRF BOD to authorize the President to sign the 2017 annual financial audit engagement letter and to allow the Director of Finance to coordinate with each Mutual Corporation to present at their next board meeting the 2017 annual financial audit engagement letter, providing authorization to their respective President to sign the engagement letter.</p>	Executive Director	
<p>8. New Business – On-Site Sales Office Agreement The Committee moved to recommend the GRF BOD approve one year extension of current terms and conditions.</p>	Executive Director	

RECAP OF GOLDEN RAIN FOUNDATION BOARD ACTIVITY OF SEPTEMBER 26, 2017

Approved Minutes

MOVED and duly approved to accept the minutes of the August 22, 2017 Golden Rain Foundation (GRF) Board of Directors (BOD) meeting, as corrected. The Minutes of the August 31, 2017 Special Golden Rain Foundation (GRF) Board of Directors (BOD) meeting were accepted, as presented.

General - Committee Appointment – Mutual Administration Committee

MOVED and duly approved to appoint Perry Moore to the Mutual Administration Committee.

Architectural Design and Review Committee – Approved Capital Funds, Topiary Area

MOVED and duly approved to award a contract to Johns Landscaping Service to replace the landscaping adjacent to Clubhouse Three, including planting topiaries removed from the Main Gate area, replacing the irrigation, and installing the grass mixture, for a cost not to exceed \$8,000 using Capital funds, and authorize the President sign the contract.

Architectural Design and Review Committee – Approved Trust Property, Naming

MOVED and duly approved to the naming of the Trust Property located at the junction of the Administration Building, Amphitheater and Medical Building, The Courtyard.

Executive Committee – Approved Election Services Contract

MOVED and duly approved to award a contract to Accurate Voting Services, Inc. to perform the general election services of the Golden Rain Foundation and the Mutual Corporations for the years 2018, 2019 and 2020, at a cost of \$110,000, plus photocopying, postage and staffing needs.

Executive Committee – Approved Expedited Hiring of Full Time Staff in Security Department

MOVED and duly approved to implement the plan to convert approximately twenty (20) part time positions in the Security Department to ten (10) full time positions and to fill current openings with full time staff. This funding will impact, at most, one (1) month of potential employee benefits, and this minimal cost will be partially offset by reductions to recruiting and training of new employees.

Executive Committee – Amended Policy 1220-30, Resident Specialists

MOVED and duly approved to amend Policy 1220-33, Resident Specialists to change the term Resident to Member and amend the appointment process (change appointment by a committee chair, through the Executive Committee, to appointment by a standing committee chair) and to formalize that Member Specialists serve in an advisory capacity only and list the limitations.

Finance Committee – Accepted August 2017 Financial Statements

MOVED and duly approved to accept the August 2017 Financial Statements for audit.

Finance Committee – Approved CDAR Purchase

MOVED and duly approved to continue the investment ladder by investing \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR @ .70% which will be fully insured by the FDIC.

Finance Committee – Acceptance of the 2018 GRF Operating Budget

MOVED and duly approved to I move to recommend the GRF Board approve 2018 Golden Rain Foundation Operating Budget of \$12,108,155 or \$152.70 per apartment per month, an increase of \$8.01 per apartment, per month, over the 2017 operating budget.

Finance Committee - Approved NuVision Lease

MOVED and duly approved the use of Trust Property, per terms and conditions of the proposed Management and Lease agreement, and authorize the President to sign the agreement.

Finance Committee – Amended On-Site Sales Lease

MOVED and duly approved First Amendment to the Resales Lease Agreement between the Golden Rain Foundation, Seal Beach and Charles Briskey Real Estate, Inc, for one (1) year, new expiration date of December 31, 2018, and authorize the President to sign the agreement.

Finance Committee – Approved NSBN Engagement Letter

MOVED and duly approved to authorize the President to sign the 2017 annual financial audit engagement letter and to allow the Director of Finance to coordinate with each Mutual Corporation to present at their next board meeting the 2017 annual financial audit engagement letter, providing authorization to their respective President to sign the engagement letter.

Mutual Administration Committee – Approved Capital Funding – Mutual Administration Recording Secretaries Work Station Replacement

MOVED and duly approved the replacement of the Trust assets identified as the Mutual Administration Recording Secretaries Work Stations, Capital funding, in the amount of \$3,786.34, and authorize the Executive Director to initiate the purchase.

Mutual Administration Committee – **FINAL VOTE**, Amended Policy 1201-33, Photo ID Cards

MOVED and duly approved to ratify Policy 1201-33, Photo ID Cards, to include proposed fee (fines) changes.

Mutual Administration Committee – Amended Policy 5165-MAC, Mutual Administration Committee

MOVED and duly approved to amend Policy 5165-MAC, Mutual Administration Committee.

Mutual Administration Committee – Rescinded Policy 7720, Distribution Services

MOVED and duly approved to table the motion to rescind Policy 7720, Distribution Services.

Mutual Administration Committee – Rescinded Policy 7740, Messenger Service

MOVED and duly approved to table the motion to rescind Policy 7740, Messenger Service.

Recreation Committee – Amended Policy 1411-50, Recreational Facilities

MOVED and duly approved to amend Policy 1411-50, Recreational Facilities, refining the Policy language, amending the latest reservation from 10:30 p.m. to 10:00 p.m. and updating the Reservations by Outside Organizations section to list Government Agencies and Special Events.

Recreation Committee – Amended Policy 1431-50, Liability Insurance-Clubs

MOVED and duly approved to amend Policy 1431-50, Liability Insurance-Clubs, refining policy language and stating that any deficiencies of the facilities discovered prior to an event should be reported to the custodian.

Recreation Committee – Amended Policy 1710, Adult Education

MOVED and duly approved to amend Policy 1710-50, Adult Education, refining policy language, including “other educational originations or institutions” to provide on site adult classes and “require”

rather than “request” relocation of classes to outside of the community, if a majority of the students are from outside the community.

Recreation Committee – Amended Policy 5135-50, Recreation Committee.

MOVED and duly approved to amend Policy 5135-50, Recreation Committee, changing the header to “Charter” rather than “Functions” and adding cost center 47, RV Lot.