

**MINUTES OF THE ANNUAL SHAREHOLDERS' MEETING
SEAL BEACH MUTUAL TEN
MAY 17, 2022**

The annual meeting of the shareholders of Seal Beach Mutual Ten, a California corporation, was called to order by President Arlart at 10:00 a.m. on Tuesday, May 17, 2022, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

President Arlart called for the *Pledge of Allegiance*.

QUORUM

President Arlart advised that a quorum was present, either in person or by ballot, and she declared the meeting officially in session.

SHAREHOLDER DECLARATION

At the March 23, 2022, regular board meeting, Gary Hager of Unit 238A, declared his intent to vote cumulatively at this Annual Shareholders' Meeting.

CERTIFICATION OF NOTICE OF MEETING

Secretary Stipcich read the certification notice:

I, John Stipcich, secretary for Seal Beach Mutual No. Ten, hereby certify that the Notice of Stockholders' Meeting and ballot were mailed in accordance with Article VII, Section 7.4, of the bylaws of said corporation to all subscribers of common stock as of April 14, 2022.

**FURTHER, IN ACCORDANCE WITH THE BYLAWS, THE CUMULATIVE
VOTING PROCEDURE WILL BE USED.**

INTRODUCTION OF CANDIDATES

The following nominated candidates were introduced as follows:

| | |
|--------------------------------|------------------|
| Ruthann Arlart (Incumbent) | Rod Sims |
| Esther S. Cummings (Incumbent) | Elissa Viglietta |
| Michael Giles (Incumbent) | |

CLOSE OF NOMINATIONS

President Arlart requested a motion to close the nominations.

Upon a MOTION duly made by Doris Sandrick, unit 245-D, and seconded by Jillene Harding, unit 255-I, it was

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RESOLVED that the nominations be closed.

The MOTION passed.

BALLOTING

Ms. Cheryl Wilson from Accurate Voting Services thanked the Mutual for the opportunity to provide this election procedure for the mutual. They are the outside independent election service company that was selected to create the ballot, mail the ballot to the shareholders, and receive the return ballots to be opened today to determine Mutual Ten's new Directors.

President Arlart announced that the ballot boxes were closed and instructed any interested shareholders to accompany Accurate Voting Services to the counting area to observe the counting of the ballots. When the counting is completed, the newly elected Board will hold its Organizational Meeting to elect officers. The results of the election will be posted on the main doors of all the clubhouses.

MINUTES

President Arlart asked for a motion to dispense with reading of the minutes of the last Annual Shareholders' Meeting held on May 19, 2021, and that they be approved as printed and distributed.

Upon a MOTION duly made by Charles Thomas Sprott, unit 247-B, and seconded by Larry Costa, unit 256-E, it was

RESOLVED that the Annual Shareholders' meeting minutes of May 19, 2021, be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD OF DIRECTORS AND GUESTS

President Arlart introduced the current 2021-2022 Board of Directors.

Ruthann Arlart, President
Esther Cummings, Vice President
Michael Giles, Chief Financial Officer
John Stipcich, Secretary
Cheryl Gibson, Director

President Arlart then introduced the GRF Representative, Carol Levine; GRF President Susan Hopewell; Portfolio Specialists Ripa Barua and Josh Monroy, Mutual Administration Director Jodi Hopkins; and Recording Secretary Nancy Duarte.

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PRESIDENT'S REPORT

President Arlart presented her report (attached).

VICE PRESIDENT'S REPORT

Vice President Cummings presented her report (attached).

SECRETARY'S REPORT

Secretary Stipcich presented his report (attached).

CHIEF FINANCIAL OFFICER'S REPORT

Chief Financial Officer Giles presented his report. (attached)

Additional Reports

Vice President Cummings presented report for the Physical Property, Landscaping and Policy Changes.

Director Gibson presented her report on Emergency Information Council.

President Arlart presented report on Unoccupied Unit Quarterly Inspections.

GRF REPRESENTATIVE'S REPORT

GRF Representative Levine presented her report (attached).

GRF PRESIDENT'S REPORT

GRF President Ms. Hopewell presented her report (attached).

MUTUAL ADMINISTRATION DEPARTMENT REPORT

Portfolio Specialist Barua presented her report (attached).

ELECTION RESULTS

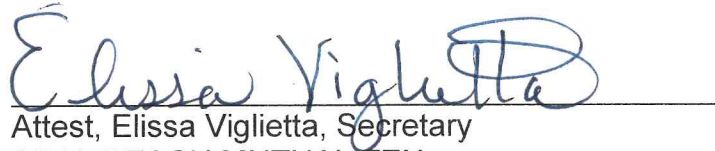
Accurate Voting Service, Inc., reported the following results of the election to the shareholders present. With 173 members representing 62% of the total voting power in Seal Beach Mutual No. Ten the following candidates were elected for the 2022-2023 term of office. Ruthann Arlart elected with 132 votes; Esther Cummings elected with 231 votes; Michael Giles elected with 150 votes; Rod Sims elected with 115 votes; Elissa Viglietta elected with 172 votes: Abstentions 7 votes.

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ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 10:51 a.m.



Attest, Elissa Viglietta, Secretary

SEAL BEACH MUTUAL TEN

ND:05/17/22

Attachments

SEAL BEACH MUTUAL NO. TEN ANNUAL MEETING

PRESIDENT'S ANNUAL REPORT

May 17, 2022

The past two years, the Regular Monthly Board Meetings were held via ZOOM video and conference call-in. Recently, we were allowed back in Conference Room A for the Regular Monthly Board Meetings. The Board appreciates that shareholders have been present at our business meetings. Hope that more of you will join us this coming year. Agendas and minutes are posted on the laundry room bulletin boards and the website.

Today, while we wait for Accurate Voting Services to complete the task of counting the ballots, the Board of Directors, GRF Rep, GRF President and the Mutual Administration staff will be presenting reports covering the year in review: regarding budget, projects, and documents.

On behalf of the Board, thank you for your cooperation and patience with the challenges these past two years.

I appreciate each of you, and I am hopeful that **you** will consider volunteering and supporting Mutual Ten.

PLEASE contact a Director. Participate with us! Attend meetings.

The Mutual's success is a co-operative effort of **EVERYONE** working together: Team of Directors; Shareholders; and the very capable Golden Rain Foundation Staff.

"Friendship is a plant that one must often water."

German Proverb

Ruthann Arlant

Mutual Ten President

Vice President's Report
Mutual 10 - Annual Meeting
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The duties of the Vice President include the recruitment and training of Building Captains and other tasks assigned by the President.

My major extra assignment this past year or more has been to keep the Rules and Regulations project moving along, with lots of help from the Mutual President and the other Directors. A final draft of the new Rules and Regulations document has been completed and will be processed and reviewed by our attorney. Once that is completed, it will come to the Board for final review and be adopted on a preliminary basis until the 28 day posting period has been completed. The Rules and Regulations will be ratified at the next scheduled meeting after consideration of all shareholder comments,

Because of Covid and the restrictions on all of us over the past 2 years, we have not been able to function as we did in the past. The Building Captain tasks were assumed by the Directors. I hope that we can re-establish a Building Captain program and also find some people that are interested in organizing social events for our Mutual.

I want to give a special shout out to John Stipcich and Cheryl Gibson who will be leaving the Board. Both have made significant contributions and will be missed! Many thanks to both of you!

We will be welcoming two new Board members at the end of the meeting today. I am looking forward to working with them to move ahead with projects and plans for Mutual 10.

Esther Cummings

SECRETARY'S REPORT
ANNUAL SHAREHOLDERS' MEETING
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Welcome fellow shareholders of Mutual 10 and thank you for attending your Mutual 10 Annual Meeting. It has been my pleasure to serve you as a Director for the last several years and to help you with your questions and concerns that you have.

As Secretary, I sign the Stock Certificates of the new owners, and I sign the Board Meeting Minutes. The draft Board Meeting Minutes are no longer distributed to each building. One copy is now posted on each laundry room bulletin board and the Mutual 10 website. Please check there for the information.

Thank you to the Mutual Administration staff, Stock Transfer staff and the Copy Center staff for all your assistance this past year.

John Stipcich

Mutual Ten Secretary

**Mutual Ten
Annual Financial Report**

Madam President, Members of the Board of Directors, and Shareholders of Mutual Number Ten.

Clifton, Larson, and Allen LLP conducted an audit of Mutual Ten Financial Statements on December 31, 2021, and related statements of operations, stockholders' equity, direct operating expenses, and cash flow. The following is the official auditors' opinion of the report.

"In our opinion, the financial statements present fairly, in all material respects, the financial position of Mutual No. Ten as of December 31, 2021, the results of its operations and its cash flows for the year ended following accounting principles generally accepted in the United States of America."

In the year ending December 31, 2021, Occupancy income was \$1,331,656 less \$384,826 transferred to Reserves plus \$43,221 Non-Operating Income left \$990,551 available for operations. The direct expense was \$909,840 leaving a surplus of \$80,221 to be transferred to Reserves to cover future unexpected expenses.

As required by Davis Stirling during the year 2021, an updated Reserve Study was completed by Association Reserves Orange County. The study found the reserves are 68% funded, which means the Mutual's special assessment and deferred maintenance risk is currently medium.

All reserves are collected through the monthly assessment from the Shareholders of the Mutual. The income generated from these investments is utilized to help defray expenses and repairs.

It is anticipated that Mutual will continue to remain solvent in the coming years.

I want to thank Ms. Miller, and her staff for the guidance and support which has contributed to a successful year. I want to thank Ms. Levine for her hard work as a Mutual 10 GRF Representative.

My thanks to fellow Board Members and Mutual Ten Stockholders for allowing me to serve as your Chief Finance Officer.

Physical Property and Landscaping Report
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The Physical Property and Landscaping Projects this last year have been managed by the Board and implemented with the full support of our Physical Property Inspector Michael Meza, our new Inspector Ryan Quental who started in September and our Landscape Contractor Jose Anguiano of J&J Landscaping.

Physical Property Projects that were completed in 2021/2022:

Fire Safety inspections of all apartments in Mutual 10 were completed this year by our new inspector Ryan Quental and Mutual 10 Directors.

In May we continued the mosquito control program using 10 bait stations with Fenn Pest Control through October. The program will be repeated this year.

All gutters were cleaned prior to the rainy season and as needed once the rains began. We are having fewer gutter drain issues with the new, larger gutter systems that have been installed along with the new roofs.

We are under contract for 6 additional roof replacements to be completed in 2022 by Roofing Standards. They are: 246, 247, 248, 249, 250 and 251.

Identified areas with termite and/or dry rot damage were repaired and painted as part of our ongoing annual inspection of the buildings by Fenn.

All the asphalt areas of the streets located in the Interlachen carport area were replaced with concrete by M. J. Jurado Inc.

Lighting units in the original bedroom/den and living room soffits and kitchen ceilings have been, and will continue to be, replaced with new LED fixtures and bulbs as the existing units fail at Mutual cost.

Sewer lines were cleaned under each building. No root intrusions or damaged pipes were found.

Landscaping Projects that were completed in 2021/2022:

The annual tree trimming was completed after a walk through the Mutual by the Board, the Inspector and the Landscape Contractor. All the Bottle-Brush trees were trimmed back away from the buildings.

French drains were installed in the greenway between building 240 and 241 and at the end of building 248.

The lawns had a winter grass reseeding and spring fertilizing.

General maintenance of the sprinkler system included the replacement of several valves.

A new three year contract with J & J Landscaping was approved.

Esther Cummings

Emergency Information Council

The Emergency Information Council meets the 2nd Thursday of each month at 10:00 am usually in Room B of Building 5. The meeting is open to all shareholders. They conduct these monthly meetings to educate and inform residents about planning and preparing for any emergency, large or small.

We encourage all Shareholders to be proactive!! We are on our own. Please read the Red Section "Emergency/Disaster Prep" in your LW Community Guide & Telephone Directory. It has a lot of good information.

The EIC has a newly formed "Boots on the Ground" committee that is working on an emergency preparedness book with maps on where to gather for emergencies and designated first aid stations. They want to get this info out to all Service Clubs (Bike, Drones, CERTs, Radio, Clergy, Paws & Claws, Rolling Thunder, etc). Really encourage you to attend these meetings if you can. We need educated volunteers.

The Seal Beach Police Dept gave a great presentation on the Local Hazard Mitigation Plan. They assured us that their #1 Priority is McGaugh Elementary and Leisure World. That being said there is a lot we can be involved in to be sure we are ready for a disaster. They also gave a brief presentation on Fraud and what to watch out for and what to do.

The most recent presentation was on Solar Power and Communications by Midge Bash, LW Resident, who is also the ECoordinator for ARES (Amateur Radio Emergency Service) which is very active in the community.

There is always great information! Plus we need to get as many residents CERT (Community Emergency Response Team) trained as possible. It's a free course that trains you in basic disaster response skills, such as fire safety, light search and rescue, team organization and disaster medical operations. It is so important that we are able to assist others in the event professional responders are not immediately available. I had the opportunity to be a victim when one group had completed their training and it's quite eye opening and very realistic with ketchup and broken bones, bandages, etc.

Again, I can't emphasize enough to please read the red section in your Directory and get involved where you can.

Cheryl Gibson
5/2022

UNOCCUPIED UNIT QUARTERLY INSPECTIONS

Seal Beach Mutual Ten Annual Meeting

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Quarterly inspections of Mutual Ten unoccupied units were conducted this past year by the Mutual Ten Building Inspector and a Mutual Ten Director. The term "unoccupied unit" refers to the units that are vacant, unoccupied, seasonal use units, or units of residents who travel for extended periods of time [i.e. three months or more]. The importance of these quarterly inspections is to fill plumbing traps by running the water to avoid sewer gases coming back into the units. Units were also checked for rodents, insects, water leaks, and the general condition of the unit. Results of our findings indicated the true importance of doing these inspections every three months to check water supply lines; check for water heater leaks; evidence of termites; garbage disposal blockage; faucet leaks; food spoilage in refrigerators; and the chirping batteries in smoke alarms. It is important to leave the electricity on for the smoke alarm and the refrigerator. If the electricity is off, the refrigerator needs to be empty of perishable food and the door needs to be propped open.

Ruthann Arlant

Mutual Ten President

2021-2022 GRF Annual Report

As we prepare for the beginning of a new term, we should take a moment and reflect on the challenges we faced, the successes we shared and thank those who contributed to our successes during the past term.

After 2 ½ frustrating years, we finally had a ribbon cutting for the Aquatic Center. The final inspection is next week. If all goes well, the pool and spa will be officially open for Memorial Day weekend. Fingers crossed.

The COVID health crisis improved this year but continued to keep us challenged. GRF continues to have COVID-related supply shortages and delays, substantial cost increases, as well as staffing shortages. GRF is not alone in these struggles, all businesses face the same challenges.

We experienced a cyber-attack in January which fortunately resulted in limited disruption. However, this was a wakeup call. We have since hired an IT Manager with cyber security background and we have implemented his short-term plan to improve security and approved his plan to upgrade our IT infrastructure by the end of this year.

The most surprising challenge was the resignation of our Executive Director in early November 2021. This was certainly unexpected and could have been disastrous. But it was not a disaster. And the reason; the entire GRF team did not miss a beat in their commitment to this community, to their co-workers and in supporting other departments when needed. The saying I hear so often from GRF staff is “there is no I in team.” And please believe me, it is more than just a saying; it is part of their work ethic and a commitment to each other and to this community. I witnessed it many times during the last seven months.

These past seven months I also had the good fortune to work with Mark Weaver, Carolyn Miller, Jodi Hopkins, and LeAnn Dillman on the Management Team leading our community while we searched for a new Executive Director. I thank them for showing up, stepping up and embracing this challenge. I am grateful for the encouragement they gave each other and to me. I am indebted to them for the grace and patience they showed me. It has been a privilege to have partnered with them these past months.

The GRF Board has been committed to improving the benefits and wages for all GRF employees. Our goal is to retain our valued employees and improve our recruitment opportunities to attract new employees. We have succeeded in making many changes in support of this objective with several enhancements. In March, we approved an economic adjustment of a 5% wage increase for all employees except Department Directors. Our healthcare coverage options this year offered an additional HMO plan that allowed us to offer the employee-only coverage paid entirely by GRF and a greater contribution to other levels of coverage.

We approved a new pay grade schedule for all positions and the GRF Administration Committee is currently doing salary reviews for all positions. The goal is to complete the reviews and make appropriate salary changes by the end of this term.

GRF has, with the collaboration of Mutual Directors, finalized a list of services provided to Mutuals by GRF. The current Management Agreement was written nearly 60 years ago. A long overdue new Management Agreement is in the final stages of being completed.

On behalf of GRF, I thank the Mutual Directors for their dedication and commitment to the business of running your Mutual. LWSB continues to exist because of the dedication of the overworked, and often underappreciated leadership of all Mutual Boards. Thank you to those who have served, continue to serve and to those of you new to your Boards. GRF is here to support you and we wish you all a successful year

Next term will bring exciting changes and opportunities. Hopefully, early in the term all Mutual Boards will approve and sign the new Management Agreement. The newly renovated woodshop is scheduled to open in August. The Board will be considering the 1.8 mini-farm plans. The Amphitheatre Season is about to begin with a full and exciting line up of shows. Training and Department Orientation is scheduled for GRF and Mutual Directors later this month. The GRF Board will continue our pledge to improve our cyber security and improve software which will result in more efficient work processes for staff in every department.

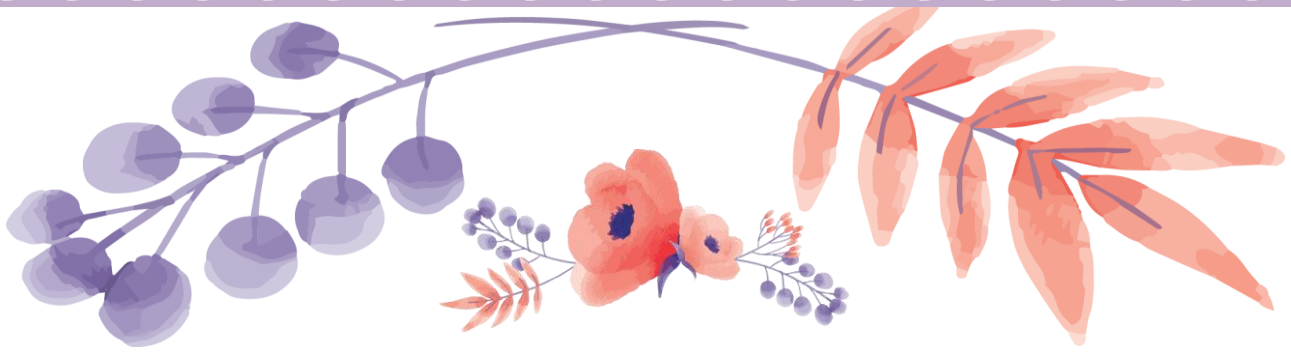
We will have the opportunity to welcome our new Executive Director, Jessica Sedgwick. She has the leadership, vision, and experience to keep LWSB the best place to live and lead us into the future.

Our community has a solid foundation for continued success. Each Mutual has a dedicated team of volunteer Mutual Directors to manage their property. GRF has a team of experienced and dedicated employees committed to providing exceptional service to each Mutual Board and to the community members. The GRF Board will continue to care and improve our infrastructure, amenities and be fiscally prudent and continue to work to improve communication to the community.

We have new leadership at the helm beginning June 22. The future offers many opportunities for this wonderful community to continue to thrive.

GRF ANNUAL REPORT
2021-2022

Thanks to our paid staff, GRF was able to meet the needs of the mutual. In addition the needle arts studio was completed, the golf course fixed, sewer maintenance of main lines was taken over by GRF, streets were paved, the gym was completed, a game room was opened and children allowed to play when supervised by a resident, automatic door openers were installed in many trust property building, and excess income was returned to the mutual. We are looking forward to a new year with a new executive director.



ANNUAL HOMEOWNERS' MEETING 2022

Good Morning,

Wow, what a year! We are so happy to be here with you all again to acknowledge all that you have voluntarily given to our community. Your ongoing commitment and support continued as we had another challenging year.

We experienced another year filled with uncertainties So, thank you for keeping up your spirits and continuing to volunteer through the unknowns and lifting the spirits by being flexible, being open minded, and doing the work to keep our community moving forward.

A heart filled thank you to the GRF Board for being calm and patient as they took on the many challenges and for continuing to spearhead our way out of this historical period.

Thank you as we could never do anything here in Leisure World without the vision, ideas, labor, and support of all of you who volunteer on the boards and committees. Thank you to the Mutual Board of Directors for your dedication, loyalty, commitment, experience, and resources to the job of making life better for all of us. Thank you to the Mutual Directors whom year after year commit to represent their shareholders, effectively run their Mutuals, and provide insightful knowledge to staff.

The work continues and we look forward to working with a team dedicated to providing the best to our community.

Sincerely,
Mutual Administration Department