

**MINUTES OF THE REGULAR MONTHLY MEETING OF
THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR**

August 9, 2017

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Four was called to order, following the open forum for shareholders to address the Board, by President Slater on Wednesday, August 9, 2017, at 9:30 a.m. in the Administration Building Conference Room A, followed by the *Pledge of Allegiance*.

ROLL CALL

Present: President Slater, Vice President Levitt, Secretary Gerrity, Chief Financial Officer Smith, and Directors Kuhl, Russell

GRF

Representative: Mrs. Reed

Guests: Ten shareholders of Mutual Four

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

ADD AGENDA ITEM

President Slater asked for a motion to add the resignation of Director Ladner to the agenda. Upon a MOTION duly made by Secretary Gerrity and seconded by President Slater, it was

RESOLVED, To add to New Business, Item g., the
resignation of Director Ladner from the Board.

The MOTION passed.

INTRODUCTIONS

President Slater welcomed the guests and staff members to the meeting.

MINUTES

President Slater asked if there were any corrections to the July 12, 2017, Regular Board minutes. A correction was noted on page 3: under Old Business, no motion was made. It was a consensus to adopt Policy 7549.04 – Lockout Procedures until the posting period is completed. A correction was noted on page 4: under Ms. Hopkins report, the “In” should be removed. Upon a MOTION duly made by Vice President Levitt and seconded by Secretary Gerrity, the minutes were approved as corrected.

CORRESPONDENCE

Director Kuhl had one piece of correspondence.

GRF REPRESENTATIVE

Mrs. Reed updated activity on the GRF Board (attached).

BUILDING INSPECTOR’S REPORT

Inspector Black updated the Board on activity in the Mutual (attached).

Following a discussion, and upon a MOTION duly made by Secretary Gerrity and seconded by Director Kuhl, it was

RESOLVED, To approve the request from Unit 44-A
to install a golf cart pad.

The MOTION passed.

President Slater said that effective immediately, if you have an antenna on your roof that is not being used, it will be removed during the roofing project.

Following a discussion, and upon a MOTION duly made by Director Kuhl and seconded by Secretary Gerrity, it was

RESOLVED, To approve the proposal from M. J.
Jurado for concrete work, if needed, at Carport 58,
not to exceed \$25,000.

The MOTION passed.

BUILDING INSPECTOR'S REPORT (continued)

Following a discussion, and upon a MOTION duly made by Director Kuhl and seconded by Secretary Gerrity, it was

To approve Schlick Services to install GFCI electrical outlets in the eight Mutual Four laundry rooms, at a cost of \$136.48 per laundry room.

The MOTION passed.

Inspector Black left the meeting at 10:21 a.m.

OLD BUSINESS

Following a discussion, it was the consensus of the Board to postpone action on Policy 7549.04 – Lockout Procedures until next month.

Following a lengthy discussion on SmartBurners, and upon a MOTION duly made by Director Russell and seconded by Director Kuhl, it was

RESOLVED, That any shareholder that agreed to SmartBurners and had them installed, will not have the option of returning them.

The MOTION passed with two “no” votes (Levitt, Smith).

President Slater discussed Mutual Four's Active Adult Community Physician agreement used by the Stock Transfer Office.

Recording Secretary Day left on break at 11:01 a.m. to 11:16 a.m.

The Board members discussed termites. Upon a MOTION duly made by Director Russell and seconded by Vice President Levitt, it was

RESOLVED, That any termite damage to a structure will be paid by the Mutual. A policy will be drafted on this issue.

The MOTION passed with two abstentions (Gerrity, Smith).

OLD BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Director Russell and seconded by Director Kuhl, it was

RESOLVED, To have the President of Mutual Four sign Mr. C's Towing Agreement, effective 2017-2018.

The MOTION passed.

NEW BUSINESS

The Board discussed amending Policy 7305 – Depreciation – Straight Line Method (attached). Upon a MOTION duly made by CFO Smith and seconded by Secretary Gerrity, it was

RESOLVED, To amend Policy 7305 – Depreciation – Straight Line Method on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

The Board discussed amending Policy 7306.04 – Banking Resolution (attached). Upon a MOTION duly made by CFO Smith and seconded by Secretary Gerrity, it was

RESOLVED, To amend Policy 7306.04 – Banking Resolution on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

CFO Smith discussed the Association Reserves proposal. Upon a MOTION duly made by CFO Smith and seconded by President Slater, it was

RESOLVED, To approve Association Reserves contract for the next year.

The MOTION passed.

NEW BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Secretary Gerrity and seconded by Director Russell, it was

RESOLVED, That the Open Forum at the Regular Monthly Board Meeting start at 9:15 a.m. to 9:30 a.m.

The MOTION passed.

Vice President Levitt discussed smoking. Due to city regulations, there is no ban on smoking so it would be difficult to enforce it in Leisure World.

President Slater discussed patios and using common ground. He appointed the following to serve on a committee concerning this issue: Bob Slater (Chair), Jan Kuhl, and Tom Gerrity.

Following a discussion, and upon a MOTION duly made by Director Kuhl and seconded by Director Russell, it was

RESOLVED, To regretfully accept the resignation of Phil Ladner from the Mutual Four Board and thanked him for his service.

The MOTON passed.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Smith submitted her financial report (attached).

DIRECTOR(S') REPORTS

President Slater discussed various issues.

Director Russell presented his report (attached).

Secretary Gerrity submitted his report (attached).

DIRECTOR(S)' REPORTS (continued)

Vice President Levitt and CFO Smith discussed landscaping issues.

Director Kuhl presented her report (attached).

President Slater discussed items from the Presidents' Council.

DIRECTOR(S)' COMMENTS

One Director made a comment.

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins presented her Mutual Administration activity report (attached).

ADJOURNMENT

There being no further business to conduct, President Slater adjourned the meeting at 12:02 p.m. and announced there would be an Executive Session following the meeting to discuss member issues.



Attest, Tom Gerrity, Secretary
SEAL BEACH MUTUAL FOUR

cd:8/15/17
Attachments

**NEXT MEETING: WEDNESDAY, September 13, 2017, at 9:30 a.m.
Mutual Administration Conference Room A**

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF AUGUST 9, 2017**

- 08/09/17 RESOLVED, To add to New Business, Item g., the resignation of Director Ladner from the Board.
- RESOLVED, To approve the request from Unit 44-A to install a golf cart pad.
- RESOLVED, To approve the proposal from M. J. Jurado for concrete work, if needed, at Carport 58, not to exceed \$25,000.
- To approve Schlick Services to install GFCI electrical outlets in the eight Mutual Four laundry rooms, at a cost of \$136.48 per laundry room.
- RESOLVED, That any shareholder that agreed to SmartBurners and had them installed, will not have the option of returning them.
- RESOLVED, That any termite damage to a structure will be paid by the Mutual. A policy will be drafted on this issue.
- RESOLVED, To have the President of Mutual Four sign Mr. C's Towing Agreement, effective 2017-2018.
- RESOLVED, To amend Policy 7305 – Depreciation – Straight Line Method on a preliminary basis until the 30-day posting period is completed.
- RESOLVED, To amend Policy 7306.04 – Banking Resolution on a preliminary basis until the 30-day posting period is completed.
- RESOLVED, To approve Association Reserves contract for the next year.
- RESOLVED, That the Open Forum at the Regular Monthly Board Meeting start at 9:15 a.m. to 9:30 a.m.
- RESOLVED, To regretfully accept the resignation of Phil Ladner from the Mutual Four Board and thanked him for his service.

August 9, 2017
GRF Report
Mutual 4

“In this life, when you deny someone an apology, you will remember it at the time, when you need to beg for forgiveness” Toba Beta

The GRF Board is in full swing. Committees are meeting and sub committees are still forming this month. I’m always glad to look out and see Shareholders from Mutual 4.

Important Town Hall Meeting

The Los Angeles Department of Water and Power will hold a town hall meeting at 1:30 pm, Monday, Aug. 14, in Clubhouse 4. The meeting will cover the proposed two-and-a-half-year demolition project to remove four steam broiler generation units and two above ground storage tanks from the Hayes Generation Station. The most impact will be on the mutuals closest to the demolition site. All of Leisure may be affected.

FDIC funding is going to be a hot topic over the next few months. This comes to the directors every year that I have been on the GRF Board. With new board members, I’m not sure where it will end up this year. Come to finance find out how your money is being invested and spent. Make your position on funds being FDIC insured heard.

Some things that might be of interest to you.

- Moratorium on any new clubs forming due to re vitalization of Clubhouses 2, 3 and possibility of 1. This is in place for 1 year.
- GRF is forming a full plan for landscape replanting outside of the RV Lot.
- GRF is looking into modifications that will help the blind to be able to cross safely in our crosswalks.

Thank you for allowing me to serve you,
Mutual 4 GRF Director
Corporate Secretary
Joy Reed



July 2017 MONTHLY SUMMARY

Physical Property Committee Meeting • Friday, June 30, 2017 (August 7, 2017)

1. **ELECTION OF VICE CHAIR:** Mrs. Damoci nominated Mr. Lukoff for Vice Chair. There being no further nominations, Mr. Lukoff was declared Vice Chair of the Physical Property Committee, by acclamation.
2. **OLD BUSINESS:**
 - a) Empire Contract. Sewer Drain Cleaning Services: The Committee moved to forward a request to the GRF Board to award a three-year contract to Empire Pipe Cleaning and Equipment Inc. for the Trust Property's Sewer Maintenance in the period of three years in the total amount not to exceed \$90,422.64.
 - b) Mutual Six Traffic Control Evaluation: The Committee concurred to take no action.
3. **NEW BUSINESS:**
 - a) Distribution Center Parking: The Committee took no action.
 - b) 2018 Budget: The Committee amended proposed budget for Cost Center 79 – Increase Trash-Community Facilities to \$109,996
 - c) Clubhouse Six Revitalization Project (Clubhouse Six Reserves): The Committee will review the agenda item at the August meeting; Flooring to be referred to ADRC (Project Coordinator to provide ADRC with flooring sample).
 - d) Utility Trailer Replacement (Reserves): The Committee moved to recommend the Finance Department approve purchase of a trailer, from Big Tax Trailers, at a cost not to exceed \$2,693.74 for transporting Kubota, Capital funding.
4. **POLICIES:**
 - a) Policy 3310.1-70, Special Project Procedure: The Committee concurred to refer policy to the Policy Re-write Sub-committee.
5. **STAFF REPORTS:**
 - a) Facilities Director: The Committee concurred to request bids for the Main Gate landscaping, without lighting.

Recreation Committee Meeting • Wednesday, July 5, 2017 (August 2, 2017)

1. **ELECTION OF VICE CHAIR:** Mrs. Fekjar nominated Mr. Moore for Vice Chair. There being no further nominations, Mr. Moore was declared Vice Chair of the Recreation Committee, by acclamation.



July 2017 MONTHLY SUMMARY

2. APPROVAL OF MINUTES

The minutes were accepted as amended: **TO** change the second paragraph of page three, May 10, 2017, minutes, and the motions recap to read as follows: "The Recreation Committee voted to move St. Theodore Episcopal Church from the lobby to room nine."

3. CORRESPONDENCE:

- a) RV Trailer Club Financial Statements, Manny and Debbie Cinema: Following a review of the letter, Chair Perrotti advised the Executive Director and staff to provide RV Club members with the financial statements on all expenses, and how they were computed. The Executive Director also stated that this issue will be a subject to the Board's review.
- b) RV Lot, Leanna Sharon: Following a discussion, the Committee concurred to send a letter to the shareholder with an option to put her name on a trailer and a towing vehicle, to comply with the Towing Policy.
- c) RV Lot Lease, Edward Dupris, Phyllis Fairchild: The Committee moved to allow the co-occupant, Mr. Dupris, apply the grandfather rule in leasing a space in the RV Lot, and send it to the Board for final approval.
- d) Swimming Pool Attire, Alicia Navajos: The Committee moved to send the Swimming Pool Policy to the Policy Re-write Sub-Committee. The Committee also advised the Recreation Department to send a letter to the shareholder to inform her of the Committee's decision.
- e) Additional Gym Equipment – Double Chest Machine, David Bell: The Committee moved to not proceed with the purchase of the additional gym equipment – double chest machine. The Recreation Director stated that one of the previous Recreation Committees allowed the installation of two pieces of gym equipment in LW Gym that belong to a shareholder.

The Committee moved to have the Recreation Department staff obtain a copy of the minutes and the original motion on the equipment installation, and review it at the next scheduled Committee meeting.
- f) St. Theodore Episcopal Church Services, Clare Zavala Bagnio; St. Theodore Episcopal Church Space, Reese M. Riley: The Committee concurred to revisit St. Theodore Episcopal Church services and use of space at the next scheduled meeting and moved to forward the St. Theodore Episcopal Church services and use of space issue to the full Board for review.
- g) Portable Toilet in the RV Storage Lot, Rick and Linda Oporto: The Executive Director stated that the Recreation Department staff made a tentative decision to leave the portable toilet in place pending the review of this Committee. The Committee moved to leave the portable toilet on the RV Lot and send it to the Finance Committee due to its five-year term lease amount of \$5,200. Chair Perrotti stated that the RV Lot portable toilet will be added to next year's budget, serviced



July 2017 MONTHLY SUMMARY

monthly by So Cal Industries at the rate of \$95.00 per month, and moved back to its original spot.

- h) RV Lot Policy, Don and Brenda Hemery: The Committee moved to decline the shareholders' request to purchase a trailer stored in the RV park, and keep the storage spot for the trailer, based on RV Lease Policy section five, number 21.
- i) RV Lot Trailers, Roy and Kathy Grille: The Committee moved to look into the topic and further discuss the issue of uninsured trailers in the LW RV Park. The Executive Director also advised the Committee to look into DMV requirements on RV trailers insurance to prevent liability issues.
- j) Band Saws for LW Woodshops, Jim Rotter: The Committee moved to immediately shut down current 14" band saws, disconnect, and replace them as soon as possible, and approve the purchase of two new band saws as a non-budgeted operational expense.

4. OLD BUSINESS:

- a) St. Theodore Episcopal Church: Chair Perrotti stated that this issue has already been discussed under correspondence, Items 6A and 6B.
- b) Ice Cream Truck: The Recreation Director informed the Committee of an ongoing negotiation with two companies to provide the community with an ice cream truck service.

5. NEW BUSINESS:

- a) Approve Recreation Activities for 2017-2018: The Committee moved to approve the list of recreation activities for 2017-2018, as presented, with existing staff and budget.
- b) TV Donation: The Committee moved to accept the donation of 32" Samsung TV set from a shareholder. Chair Perrotti advised the Recreation Department to send a letter to the shareholder thanking him for a donation.
- c) LW Golf Course Rules: The Committee moved to amend number nine under Golf Course rules; the motion failed. The Committee moved to keep Golf Course rules as stated.
- d) Portable Toilet in the RV Storage Lot: Chair Perrotti stated that this issue has already been discussed under the correspondence, Item 6C.
- e) New Club Moratorium for 2017-2018 Year (due to revitalization): The Committee moved to approve a moratorium on all new clubs for the time period of July 1, 2017 to June 30, 2018, during the proposed Clubhouse Revitalization project, and send it to the Board for final approval.
- f) 2018 Budget: The Recreation Director and the Library Supervisor discussed 2018 budget reports as presented. The Committee moved to add \$2,000 to Cost Center 35 to expand the LW Library's programming.

- g) Holiday Decorations: The Committee concurred to forward this item to the Architecture Design and Review Committee (ADRC).
- h) Replacement of Rubber Walkway between Green Number One and Tee Number Two: The Committee moved to send a request to the Finance Committee for \$8,900 towards the repair of Golf Course walkways as a non-budgeted expense, pending the Board review.

6. POLICIES (Review):

a) **Policy 5135-50, Committee Functions**

The Committee concurred to take no action at this time, as Policy 5135-50 has been previously reviewed.

b) **Policy 1406.01-50, Use of Community Facilities – Ladies Pool and Billiard Room**

The Committee concurred to take no action at this time, as Policy 1406.01-50 has been previously reviewed.

c) **Policy 1463-50, Use of Community Facilities – Table Tennis Rules**

The Committee moved to lower the age of the Table Tennis area players from eighteen to twelve, and send it to the Board for final approval.

7. SUB-COMMITTEES

a) Appoint Entertainment/Movie Sub-Committee Chairperson:

Chair Perrotti nominated Mrs. Damoci to Chair the Entertainment/Movie Sub-Committee. There being no further nominations, Mrs. Damoci was declared, by acclamation, the Chair, and Ms. Perrotti and Ms. Rapp, the members of the Entertainment/Movie Sub-Committee.

b) Appoint Golf Course Sub-Committee Chairperson:

Chair Perrotti nominated Mr. Moore to Chair the Golf Course Sub-Committee. There being no further nominations, Mr. Moore was declared, by acclamation, the Chair, and Ms. Perrotti a member of the Golf Course Sub-Committee.

The Executive Director suggested reaching out to LW residents to invite them to volunteer as the members of a Golf Course Sub-Committee.

c) Appoint Swimming Pool Sub-Committee Chairperson:

Chair Perrotti nominated Ms. Rapp to Chair the Swimming Pool Sub-Committee. There being no further nominations, Ms. Rapp was declared, by acclamation, the Chair, and Mr. Gould a member of the Swimming Pool Sub-Committee.



July 2017 MONTHLY SUMMARY

8. STAFF REPORT:

- a) Recreation Director: The Recreation Director spoke of his reports, as presented, and was advised by the Committee to put up the signs on ID cards replacement in the Library and the Pool.

Community Access Ad Hoc Committee Meeting • Thursday, July 6, 2017 (*August 1, 2017*)

1. **ELECTION OF VICE CHAIR:** The Committee agreed to address the appointment of the Vice-Chair at the August Committee meeting.

2. NEW BUSINESS:

- a) Call in Service used to other Gates: The Committee requested Staff to provide a demo of Call-in Service at St. Andrews Gate, including cost, at the August Committee meeting.

ADR Committee Meeting • Monday, July 10, 2017 (*August 14, 2017*)

1. **ELECTION OF VICE CHAIR:** Mrs. Reed nominated Ms. Hopewell for Vice Chair. There being no further nominations, Ms. Hopewell was declared Vice Chair of the Architectural, Design & Review Committee, by acclamation.
2. **CORRESPONDENCE:** After review of letter received by Tennis Club President, Susan Dobson, Chair Fekjar asked staff to write a letter advising Ms. Dobson of that the floor will be refinished.

3. OLD BUSINESS:

- a) Main Gate Landscape, Update: Facilities Director reported that a bidders' conference is scheduled for July 27, 2017, and should receive an official bid, thereafter. He also reported that bids were sent out to the following companies: 1) Johns Landscaping; 2) Bright View; and 3) Mission. He will provide a report at a future meeting.
- b) Mission Bell: The Committee concurred that the Committee will bring this item back on next month's agenda.
- c) North Gate Gravel: Chair Fekjar directed Facilities Director to look into the cost of moving the dolphin topiaries and planting sea grass in this area. Facilities Director to provide report and update at a future meeting.
- d) St. Andrews Median: Chair Fekjar assigned Ms. Hopewell to schedule a work-study group for this project. Also, Facilities Director is to report back to the Committee the cost for the removal of the trees and landscaping.
- e) WWI Memorial: The Committee concurred to table this item until next month and for Mr. Lukoff to schedule a work study with the Historical Society.
- f) Clubhouse 4 Mural: The Committee concurred to invite Publications Manager, Kelly Roberts, to the next scheduled meeting to discuss photographs for the Clubhouse 4 Mural.



July 2017 MONTHLY SUMMARY

- g) Donor Wall: Lynn Baidak of GAF made a presentation pertaining to the Donor Wall. The Committee concurred to allow Ms. Baidak to lay the tiles randomly, three feet (3') from the top and bottom of the wall. Also, she will advise the Committee members when grout samples are ready to be reviewed. Ms. Baidak also mentioned that there will be a celebration for the Donor Wall on August 11, 2017 and a ribbon cutting ceremony August 12, 2017.

4. NEW BUSINESS:

- a) Clubhouse Six, Paint Color and Floor Selection: The Committee moved to approve the following paint colors for Clubhouse 6: Exterior Paint Colors – Wild Stallion, Swiss Coffee and Khaki. Interior Paint Colors – same color scheme as interior paint in Clubhouse 4. FLOOR SELECTION – the Committee concurred to move the meeting to Clubhouse 6 to view flooring. Motion for this item to be noted by Facilities Director.
- b) Post Office Painting: The Committee concurred to paint the exterior of the Post Office the same color scheme that was decided on for Clubhouse 6, Wild Stallion, Swiss Coffee and Khaki.
- c) Electric Cart Color: The Committee concurred to allow staff to paint the fenders of the Physical Property Electric Cart blue, as used in the GRF logo.

5. STAFF REPORTS:

- a) Finance Director: Facilities Director reported that she will return at the next Committee meeting to review the ADRC budget in further detail.
- b) Executive Director: The Executive Director reported that it has been brought to his attention on many occasions that the mural in Clubhouse 6 does not represent the LW Community. The Committee concurred to direct staff to remove the mural on the second floor of Clubhouse 6.

Mutual Administration Committee Meeting • Tuesday, July 11, 2016 (August 8, 2017)

1. **ELECTION OF VICE CHAIR**: Mr. Moore nominated Ms. Winkler for Vice Chair. There being no further nominations, Ms. Winkler was declared Vice Chair of the Mutual Administration Committee, by acclamation.

2. NEW BUSINESS:

- a) Re-establish Policy Reorganization Sub-committee: Moved to re-establish the Policy Reorganization Sub-committee appoint members; Paula Snowden, Susan Hopewell, Kathleen Rapp, committee members, and Margaret Gillon, Peggy Keller and Sue Rotter as resident specialist, and to have the Resident Specialist sent to the Executive Committee for review.

Security, Bus & Traffic Committee Meeting • Wednesday, July 12, 2017 (August 9, 2017)

1. **ELECTION OF VICE CHAIR**: Ms. Winkler nominated Mrs. Perrotti for Vice Chair. There being no further nominations, Mrs. Perrotti was declared Vice Chair of the Security, Bus & Traffic Committee, by acclamation.



July 2017 MONTHLY SUMMARY

2. NEW BUSINESS:

- a) Security Parking in Mutual 17: The Committee moved to accept the offer of eight parking spaces within Mutual 17 for the exclusive use by Security staff when working their regular shifts.
- b) Purchase of a New Coin Counter: The Committee moved to recommend to the Finance Committee to include a new coin counter in the Reserve schedule and recommended purchase of a new coin counter to the GRF BOD, at a cost not to exceed \$7,100.00.

Communications Committee Meeting • Thursday, July 13, 2017 (August 10, 2017)

1. **ELECTION OF VICE CHAIR**: Mr. Gould nominated Ms. Snowden for Vice Chair. There being no further nominations, Ms. Snowden was declared Vice Chair of the Communications Committee, by acclamation.

2. CORRESPONDENCE:

- a) Member Column Submissions: Publications Manager provided the following member column submissions for the Committee's review.

Nick Massetti: After a discussion regarding Mr. Massetti's column, Vice Chair Snowden MOTIONED, seconded by Ms. Heinrichs and carried with one "No" vote from Mr. R. Stone to accept Mr. Massetti's submission for the Community Column, with modifications, as recommended by the Committee. Mr. Massetti is to resubmit his column to the Publications Manager.

Donna Gambol: After a brief discussion regarding Ms. Gambol's column, Chair Gould MOTIONED, seconded by Vice Chair Snowden and carried with one "No" vote from Mr. R. Stone to send a "thank you" letter to Ms. Gambol and advise her that some of the information she submitted in her column will be used for a future article about wildlife in Leisure World.

Chair Gould also requested to place on next month's agenda, the replacement of Policy 2810-36, "Community Submissions."

3. OLD BUSINESS:

- a) Website Updates: The Publications Manager and IT Analyst reviewed the updates to the LWSB website. Chair Gould requested for staff to forward the link of the proposed updated website for review and bring back to next month's meeting.

4. NEW BUSINESS:

- a) Items 8A.i (VMware/vShpere), 8Aii (Storage Expansion) and 8A.vi (Windows Server 2016): Paul Lazear, CEO of FFT discussed the needed purchases and upgrades for the IT Department. The Committee moved to approve and forward to the Finance Committee for financial review/approval and then to the Board for final approval, the purchase of the following items: 1) one VMware vShpere 6.5 license and labor (\$3,550); 2) Twelve (12) high-capacity hard-drives



July 2017 MONTHLY SUMMARY

and labor (\$7,200); and 3) Seven (7) Windows Server 2016 Standard licenses, one Exchange license, 150 CAL licenses, 15 RDS licenses and labor (\$25,300). The total for this request is \$36,050, which will be charged to the IT Operating Budget, 6481000-34.

- b) Surveillance Cameras – RV Lot: The Committee moved to approve the non-budgeted Capital request for the purchase of a replacement surveillance system for the RV Lot, at a cost not to exceed \$6,100, and forward to the Finance Committee for financial approval, then to the Board for final approval.
- c) PUBLICATIONS – Calendar Proposal: Publications Manager presented the concept of a 12-month calendar with photos and opportunities to sell ads. The Committee moved to approve the concept of the 12-month calendar and direct staff to move forward with its development.

Executive Committee Meeting • Friday, July 14, 2017 (August 11, 2017)

1. OLD BUSINESS

- a) By-laws: The Committee moved to request Corporate Counsel provide an initial review of the by-laws and to recommend non-fundamental changes, at a cost not to exceed \$1,200.

2. NEW BUSINESS

- a) 2018 Budgets – Cost Centers 20, 22, 29, 30, 55: The Committee reviewed the proposed 2018 budgets.
- b) Additional Staffing, Physical Property Department: The Committee moved to include in the proposed 2018 Cost Center 70 budget the addition of one FTE Building Inspector.
- c) Staffing Reorganization, Library: The Committee moved to include in the proposed 2018 Cost Center 35 budget the addition of one FTE Lead Clerk, at an annual expense of \$7,777.00, per year, including benefits and taxes.
- d) Additional Staffing, Recreation Department: The Committee moved to tentatively include in the proposed 2018 Cost Center 40 budget, pending review of the position description, the addition of one FTE Clerical position, at an annual cost of \$45,600 per year, including benefits and taxes.
- e) Administrative “Floater”: The Committee moved to approve the concept of one FTE Administrative Secretary position to Cost Center 30.
- f) Key Life Insurance: The Committee concurred to pursue Key Life Insurance quotes, to recommend the Preferred Best Rate be used for purposes of the proposed 2018 budget, and to invite a representative from American National to make a presentation to the Committee.



July 2017 MONTHLY SUMMARY

- g) Proposal to add MLK Jr. as an Observed Holiday: The Committee discussed proposal to add the Martin Luther King, Jr. holiday as an observed holiday by GRF and reviewed the cost.
- h) Staffing Reorganization, Security Department: The Committee moved to convert 400 hours of part time staff to 10 full time staff, at 40 hours per week.
- i) Security Training: The Committee moved to include in the proposed 2018 Cost Center 37 budget the addition of \$13,884 for two hours of training, bi-monthly, per Security officer and watch commanders.
- j) Uniforms: TO request the ADRC research and make a recommendation for Security shirts for staff at gates, in the office, and directors of traffic, to include pricing.
- k) Referred to Special July 20 Committee meeting:
Position Description Amendments:
 - Recreation Director
 - Media Administrative Assistant
 - Assistant to the Executive CoordinatorElections Specialist position description
Amend Policy 5041-30, Real Property Acreage
- l) Referred to August 11 Committee meeting:
 - Review of Recreation Clerical job description
 - Review amended Administrative Secretary job description & salary

Finance Committee Meeting • Monday, July 17, 2017 (August 21, 2017)

1. **ELECTION OF VICE CHAIR**: Ms. Hopewell nominated Mrs. Damoci for Vice Chair. There being no further nominations, Mrs. Damoci was declared Vice Chair of the Finance Committee, by acclamation.
2. **FINANCIALS**

Finance Director reviewed the Financials with the Committee for months May and June 2017. The Committee moved to approve and forward to the Board the Financial Statements for May and June 2017, as presented by the Director of Finance.
3. **OLD BUSINESS**
 - a) Reserve Study Update: The Director of Finance provided a brief and status of the Reserve Study. No action taken.



July 2017 MONTHLY SUMMARY

4. NEW BUSINESS

- a) Server Upgrades and Enhancements: After a brief discussion by staff, the Committee moved to approve updating VMware, expand server storage, and update to Windows Server 2016, at a total of \$36,050, which will be charged to the IT operating budget 6481000-34 (Computer Maintenance & Software) as a non-budgeted expense.
- b) Budget Assumptions – Property & Liability Insurance: The Committee concurred to accept the 2018 budget assumptions as presented by the Director of Finance for the Property & Liability Insurance premiums.
- c) Non-Budgeted Operating Funds request: Lease of New Color Konica Copier/ Printer: The Committee moved to approve and recommend to the Board to approve the lease of a new AccurioPress (BizHub) C2060 with square-back attachment from Konica, having monthly payments of \$1,261 or an annual expense of \$15,132.
- d) Coin Counter Replacement: The Committee moved to approve and forward to the Board the non-budgeted Reserves purchase request for a new Coin Counter, at a cost not to exceed \$7,000, from Glory Global Solutions.
- e) Trailer for Kubota: The Committee moved to approve and forward to the Board the Capital Funding request for the purchase of a trailer to use with the Kubota from Big Tex Trailers for a cost not to exceed \$2,693.74.
- f) Legal Opinion: The Committee concurred for Chair Lukoff to put into writing his question to the Foundation Attorney as it relates to Investments and to bring the item of Legal Opinion and Chair Lukoff's written question back to the Committee for review at its scheduled meeting in August 2017.
- g) Woodshop Equipment Replacement: The Committee moved to approve and recommend to the Board, the allocation of non-budgeted Reserve funds in the amount of \$4,000 for the replacement of band saws located in the Woodshops in Clubhouse 1 and 2.
- h) NuVision Credit Union Lease Agreement: The Committee concurred to schedule a Work Study session to review the current Lease Agreement for NuVision Credit Union. Chair Lukoff, Vice Chair Damoci and Committee member, Ms. Snowden, volunteered to participate in the Work Study session.
- i) SPAH Clubhouse Revitalization Project: The Committee moved to recommend to the Board the allocation of Reserve Funds in the amount of \$1,000,000 for the sole purpose of revitalization of Trust Property amenities, as presented in the Clubhouse Revitalization Project.



July 2017 MONTHLY SUMMARY

6. STAFF REPORTS:

- a) Purchasing Manager: Purchasing Manager presented her monthly reports to the Committee. No action taken.
- b) Finance Director: The Committee moved to approve adding \$500,000 to the investment ladder and authorize the Director of Finance to purchase a 52-week CDAR for the month of July.

Special Executive Committee Meeting • Thursday, July 20, 2017

1. SUBCOMMITTEE:

- a) Policy Re-write Sub-Committee: The Chair appointed members to the Policy Re-write Sub-Committee: Carole Damoci, Barry Lukoff, Kathy Rapp, Joy Reed and Paula Snowden.

2. REFERRED TO AUGUST 11TH COMMITTEE:

- a) Position Description Amendments:
Recreation Director
Media Administrative Assistant
Assistant to the Executive Coordinator
Amend Policy 5041-30, Real Property Acreage

Recap of Golden Rain Foundation Board Activity of July 25, 2017

Approved Minutes

MOVED and duly approved to accept the minutes of the June 13, 2017 Golden Rain Foundation (GRF) Board of Directors (BOD) Special meeting and the minutes of the June 27, 2017 GRF BOD meeting, as presented.

Reserve Funding Request – HVAC Replacement, Building Five

MOVED and duly approved to ratify the emergency actions taken by the Executive Director, in accordance with Policy 5520-30, Reserves, for the replacement of the HVAC unit, supplying the Administration Building Conference Room, funding from Reserves.

Clubhouse Revitalization Project

MOVED and duly approved allocation of Reserve funds, in the amount of \$1,000,000, for the sole purpose of revitalization of Trust Property amenities as outlined in the Clubhouse Revitalization Project (attached in agenda packet). All listed projects will require due committee review and recommendation, with each final action submitted to the GRF BOD for final review and approval.

Appeal to Recreation Committee Decision – St. Theodore of Canterbury Episcopal Church

MOVED and duly denied the appeal; moved and duly approved to forward to the Recreation Committee to establish a location to relocate St. Theodore of Canterbury Episcopal Church along with a timeline.



July 2017 MONTHLY SUMMARY

Operations Funding Request – Service Upgrade and Enhancements

MOVED and duly approved updates to VMware, expand server storage, and update to Windows Server 2016, in an amount not to exceed \$36,050, non-budgeted operational funding, and authorize the Executive Director to initiate the purchases and the President to sign all applicable contracts.

Executive Committee- Martin Luther King, Jr. Day as a Paid Holiday

MOVED and duly approved the addition of Martin Luther King, Jr. Day, on the third Monday in January, as a paid employee holiday subject to the terms and conditions of employment with GRF as provided within the employee handbook July 5, 2017.

Finance Committee – Accept May and June 2017 Financial Statements

MOVED and duly approved that the GRF Board of Directors accept the May/June 2017 Financial Statements for audit.

Finance Committee – Conceptual Approval of NuVision Lease Extension

MOVED and duly approved to conceptually approve a 5-year lease with NuVision for \$1,500, under the following conditions:

1. Terms and conditions of the lease agreement shall be reviewed for possible amendment by the Finance Committee, as well as GRF Corporate Counsel.
2. Amended lease agreement shall be presented to the Board at its August meeting for final review and consideration.

Finance Committee – Non-budgeted Operating Funds Request – Lease of New Color Konica Copier/Printer

MOVED and duly approved the lease of a new AccurioPress (BizHub) C2060 with square back attachment from Konica having monthly payments of \$1,261 or an annual expense of \$15,132 and to authorize the President to sign the lease agreement.

Finance Committee – 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.

Mutual Administration Committee – Tentative Vote

Informational item only. The Policy, amended by the GRF BOD on April 25, will be posted in compliance with Civil Code §4360. A final vote on the proposed operating policy change will take place on September 26, 2017.



July 2017 MONTHLY SUMMARY

Physical Property Committee – Budgeted Operating Funds Request – Sewer Cleaning Services Contract

MOVED and duly approved to award a contract to Empire Pipe Cleaning and Equipment, for a cost not to exceed \$90,422.16, for the three-year period, Budgeted Operational Funding, and authorize the President to sign the contract.

Physical Property Committee – Capital Funds Request – Utility Trailer

MOVED and duly approved to authorize the Executive Director to initiate the purchase of a trailer, per the quotation provided by Big Text Trailers, for a cost no to exceed \$2,693. 74, from Capital funds.

Recreation Committee – New Club Moratorium

MOVED and duly approved a Moratorium on all new Clubs/Organizations, for the period of August 1, 2017 to June 30, 2018.

Recreation Committee – Reserve Funds Request – Band Saw Replacement

MOVED and duly approved the replacement of the Wood Shop band saws with a Jet JWSB-15, as recommended by the Wood Shop Supervisor's email of June 26, 2017, in an amount not to exceed \$4,000, Reserve funds, and authorize the Executive Director to initiate the required steps to remove and dispose the existing band saws, then purchase and install the new band saws.

Recreation Committee – RV Lot – Grandfathering in Co-occupants

MOVED and duly approved a policy variance for use of the RV Lot by Co – Occupants who has been previously leasing space in the RV Lot.

Recreation Committee – Amend Policy 1463-50. Table Tennis Rules

MOVED and duly approved to refer Policy 1463-50, Table Tennis Rules, back to the Recreation Committee.

Security, Bus & Traffic Committee – Reserve Funds Request – Replacement of Security Department Coin Counter

MOVED and duly approved the replacement of the Trust Asset identified as the coin counter, in an amount not to exceed \$6,891.92, and authorize the Executive Director to initiate the purchase.

FINAL VOTE: Amend Policy 1927.01-37, Fees (Fines) for Parking Rules Violations on Trust Property

MOVED and duly approved to ratify Policy 1927.01-37, Fees (Fines) for Parking Rules Violations on Trust Property, to include proposed fee (fines) changes.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **AUGUST 9TH 2017**

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
4-73B	patio tile	grf	01/27/17	02/27/17	no		Lw Décor
4-42I	add bath lighting	both	04/04/17	07/31/17	no	nder ground 7/28/17	los al
4-49H	heat pump ductless	both	03/24/17	07/01/17	no		greenwood
4-80I	remodel/repipe/risers in D/	both	05/01/17	07/31/17	no	big four-6/1/17	Hadi 562.225.5235
4-84J	washer/dryer/retro window	both	04/03/17	07/03/17	no		Kress
04-042	re-roof	both	05/22/17	09/30/17		nailing 7/28/17	Roofing Standards
04-083	re-roof	both	05/22/17	09/30/17			Roofing Standards
04-084	re-roof	both	05/22/17	09/30/17	no		Roofing Standards
4-44G	kitchen remodel	both	06/18/17	09/29/17	no	rough 7/10/17	los al
4-37G	flooring	GRF	07/05/17	08/05/17	no		Karys carpet 7/5/17
4-80G	3 zone ductless heat pump	both	07/05/17	08/05/17	no		alpine
4-83F	kitchen/bath remodel	both	08/15/17	11/15/17	no		los al 7/7/17
4-37E	sola tube	Both	07/24/17	08/24/17	no		Brighter Concepts 7/17/17 john campbell 760.477.2665
4-44C	washer/dryer/panel	both	08/08/17	10/08/17	no		pena- ruben 562.430.4216-7/19/17
4-43E	/bath counters/smoke ala	both	07/28/17	08/28/17	no		swenman 562.544.4262 7/25/17
4-86H	two sliding doors	both	08/04/17	09/04/17	no		Rydan const. stacy714.313.0011 7/25/17
4-87J	shower cut down	both	07/31/17	08/31/17	no		nukote 562.833.3911 7/25/17
4-40K	repl. Ductless heatpump	both	08/16/17	11/16/17	no		greenwood. Dannel. 714.821.7070. 7/25/17

ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
4-86F		10/28/16					
4-83G		12/22/16		01/12/17			
4-39D		03/21/17	07/21/17	07/21/17	08/02/17		
4-83F			05/31/17		06/12/17		
4-46I		06/08/17	06/22/17	06/26/17	07/07/17		
4-87A		06/22/17					
4-48B			06/29/17	07/03/17	07/14/17		95
4-51D							
4-77K					07/19/17		
4-48E		07/19/17					
4-50E		07/19/17					

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: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **AUGUST 9TH 2017**

CONTRACTS and PROJECTS		
CONTRACTOR		PROJECT
Total Landscape Maintenance-		on going now
Tree Pruning:		complete
Fenn Pest Control -		service days are Monday and Wednesday
Copper Re-piping John Nelson Plumbing:		complete with re-pipe at 85 and 86
Abatement:		complete both buildings
Roofing Roofing Standards:		42 is complete 83 is half complete
stove hoods & Piping Kress Concs:		complete with 83
painting touch ups Advance Painting:		work orders made for 83 for fascia and downspouts
Concrete		have list from directors, contract is made up, MJ will include 10 corners for sidewalks with cp. 58
Shareholder Visits and Mutual Requests		

MUTUAL OPERATIONS

AMEND – MUTUAL FOUR

ACCOUNTING AND FISCAL

Depreciation - Straight Line Method

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 **1/2 convention** 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.

MUTUAL ADOPTION:

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

(Draft created 08-02-17 cd)

MUTUAL OPERATIONS

AMEND POLICY

ACCOUNTING AND FISCAL

Banking Resolution – Mutual Four

WHEREAS, the following Restricted and Non-Restricted accounts are maintained by Seal Beach Mutual No. Four: General Operating Reserves, Restricted Reserve, ~~Non-Restricted Reserves~~, General Checking Account, **Repair & Tax Deposit Money Market Account**; and

WHEREAS, it is desirable to maintain these accounts in approved interest-bearing instruments providing maximum earnings;

WHEREAS, Seal Beach Mutual No. Four recognizes that the current maximum FDIC insurance is \$250,000; **US Bank provides additional private insurance coverage above this limit**; and

WHEREAS, Withdrawals and other transactions of funds from the approved depositors must be authorized by two signatures;

THEREFORE, BE IT RESOLVED that all funds will be deposited with banks and savings and loans that are insured by the FDIC, and that all funds deposited into interest-bearing accounts are restricted to the maximum FDIC insurance amount. Furthermore, the Board may invest in such instruments that are backed by the full faith and credit of the United States government such as:

United States Treasury Bonds, United States Treasury Notes, or United States Treasury Bills

BE IT FURTHER RESOLVED that any two of the following officers are authorized as signatory on the banks, savings & loan associations and other institutions for the Mutual Corporations:

PRESIDENT, VICE PRESIDENT, SECRETARY, OR CHIEF FINANCIAL OFFICER

FURTHERMORE, It is stipulated that at \$1,000 or above, two officer's signatures will be required, otherwise only one officer's signature will be required.

MUTUAL ADOPTION

AMENDMENTS

FOUR: 11-02-92

02-09-11, 05-13-15

(Draft create 08-02-17 cd)

Mutual 4 Board of Directors Meeting – August 9, 2017

Recap of Financials for the month ended July, 2017 (See below). I have prepared a complete profit and loss statements Report A showing actual and budget expenses for the month of July, 2017 and year to date. I also inserting a line adding back the depreciation so you can see how we are really doing:

FINANCIAL RECAP - JULY 2017

	Monthly Actual	Monthly Budget	Variance		YTD Actual	YTD Budget	Variance
Income	142,370	141,769	601		999,047	992,383	6,664
Reserves	45,077	45,077	0		315,539	315,534	5
Expenses	105,170	96,899	8,271		713,300	678,296	35,004
Total Expenses	150,247	141,976	8,271		1,028,839	993,830	35,009
Income/Expense	-7,877	-207	-7,670		-29,792	-1,447	-28,345
Add Back Depreciation					31,906		
Adjusted YTD					2,114		

Our unrestricted cash for month end is \$396353; restricted reserve accounts total \$1,972,947

Reserves:

Appliance	\$7,001
Painting	\$27,331
Operating	\$25,000
Roofing	\$1,370,053
Emergency	\$128,202
Infrastructure	\$415,360
Total Reserves	\$1,972,947

The CFO Council was treated to a presentation on Reserve Studies from Mutual 12 resident Sharon Woodruff. Share is an ex CFO and mathematician who explained the workings of a reserve study, how to allow for inflation, and the need for a 50 year reserve plan. Very educational.

Working on budget for 2018. Realize it is only August but that is the challenge - get it right so far ahead of time!

BUILDINGS/LANDSCAPE

Buildings have been pretty noisy the last two weeks as a new roof was installed on building 42. I will not miss being awakened at 8:00 am each morning to clanking and rumblings; all part of the process. A few weeks of quiet and then the concrete work on Knollwood begins. Yes it's a pain, but a necessity and we ask for everyone's patience.

Just a reminder: if you put an out of order sign on a washer or dryer please be sure to call me so we can assess the problem and fix it. Also, we ask that laundry room doors be closed if no one in the room - leaving them open allows critters to get in there and often die, then we have to pay to have them removed. Waste of money.

Feel free to call me with any questions. I may not be home but if you leave a message I WILL return the call. 562-296-8518.

Susan A. Smith

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
 January through July 2017

	Jan - Jul 17	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	239,131.00	240,415.00	-1,284.00
Reserves Assessment	315,539.00	315,539.00	0.00
GRF Assessment	400,865.00	399,581.00	1,284.00
Total ASSESSMENT	955,535.00	955,535.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	344.00	455.00	-111.00
Interest Income - Taxable	13,644.00	11,550.00	2,094.00
Late Charges	444.00	308.00	136.00
Total FINANCIAL INCOME	14,432.00	12,313.00	2,119.00
SERVICES INCOME			
Inspection Fees	18,500.00	14,581.00	3,919.00
Laundry Machines	10,544.00	9,926.00	618.00
Merchandise Sales	0.00	28.00	-28.00
Miscellaneous	36.00	0.00	36.00
Total SERVICES INCOME	29,080.00	24,535.00	4,545.00
Total Income	999,047.00	992,383.00	6,664.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	401,079.00	401,079.00	0.00
Total COGS	401,079.00	401,079.00	0.00
Gross Profit	597,968.00	591,304.00	6,664.00
Expense			
PROFESSIONAL FEES			
Legal Fees	4,284.00	2,910.81	1,373.19
Management Fee	1,554.00	1,552.25	1.75
Total PROFESSIONAL FEES	5,838.00	4,463.06	1,374.94
SERVICES			
Landscape - Contract	87,220.00	92,918.00	-5,698.00
Landscape - Extras	4,259.00	4,961.81	-702.81
Miscellaneous Services	390.00	305.06	84.94
Painting	2,240.00	582.19	1,657.81
Pest Control	1,395.00	4,545.94	-3,150.94
Standard Service	40,835.00	34,760.81	6,074.19
Structural Repairs	6,645.00	4,655.00	1,990.00
Total SERVICES	142,984.00	142,728.81	255.19
TAXES & INSURANCE			
Hazard/Liability Insurance	65,331.00	55,853.00	9,478.00
State & Federal taxes	3,184.00	1,995.56	1,188.44
Total TAXES & INSURANCE	68,515.00	57,848.56	10,666.44
UTILITIES			
Electricity	10,441.00	13,998.81	-3,557.81
Trash	22,091.00	22,286.81	-195.81
Water	30,446.00	34,428.31	-3,982.31
Total UTILITIES	62,978.00	70,713.93	-7,735.93
RESERVE FUNDING			
Emergency Reserve	2,919.00	2,916.69	2.31
Roof	90,419.00	90,416.69	2.31
Paint	6,671.00	6,671.00	0.00
Infrastructure	200,130.00	200,130.00	0.00
Appliances	15,400.00	15,400.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through July 2017

	Jan - Jul 17	Budget	\$ Over Budget
Total RESERVE FUNDING	315,539.00	315,534.38	4.62
DEPRECIATION	31,906.00	1,463.00	30,443.00
Total Expense	627,760.00	592,751.74	35,008.26
Net Ordinary Income	-29,792.00	-1,447.74	-28,344.26
Net Income	<u>-29,792.00</u>	<u>-1,447.74</u>	<u>-28,344.26</u>

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
July 2017

	Jul 17	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	34,131.00	34,345.00	-214.00
Reserves Assessment	45,077.00	45,077.00	0.00
GRF Assessment	57,297.00	57,083.00	214.00
Total ASSESSMENT	136,505.00	136,505.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	45.00	65.00	-20.00
Interest Income - Taxable	1,934.00	1,650.00	284.00
Late Charges	92.00	44.00	48.00
Total FINANCIAL INCOME	2,071.00	1,759.00	312.00
SERVICES INCOME			
Inspection Fees	2,000.00	2,083.00	-83.00
Laundry Machines	1,789.00	1,418.00	371.00
Merchandise Sales	0.00	4.00	-4.00
Miscellaneous	5.00	0.00	5.00
Total SERVICES INCOME	3,794.00	3,505.00	289.00
Total Income	142,370.00	141,769.00	601.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	57,297.00	57,297.00	0.00
Total COGS	57,297.00	57,297.00	0.00
Gross Profit	85,073.00	84,472.00	601.00
Expense			
PROFESSIONAL FEES			
Legal Fees	1,850.00	415.83	1,434.17
Management Fee	222.00	221.75	0.25
Total PROFESSIONAL FEES	2,072.00	637.58	1,434.42
SERVICES			
Landscape - Contract	12,460.00	13,274.00	-814.00
Landscape - Extras	0.00	708.83	-708.83
Miscellaneous Services	119.00	43.58	75.42
Painting	0.00	83.17	-83.17
Pest Control	235.00	649.42	-414.42
Standard Service	3,981.34	4,965.83	-984.49
Structural Repairs	1,700.00	665.00	1,035.00
Total SERVICES	18,495.34	20,389.83	-1,894.49
TAXES & INSURANCE			
Hazard/Liability Insurance	9,333.00	7,979.00	1,354.00
State & Federal taxes	614.00	285.08	328.92
Total TAXES & INSURANCE	9,947.00	8,264.08	1,682.92
UTILITIES			
Electricity	1,526.00	1,999.83	-473.83
Trash	3,156.00	3,183.83	-27.83
Water	8,319.00	4,918.33	3,400.67
Total UTILITIES	13,001.00	10,101.99	2,899.01
RESERVE FUNDING			
Emergency Reserve	417.00	416.67	0.33
Roof	12,917.00	12,916.67	0.33
Paint	953.00	953.00	0.00
Infrastructure	28,590.00	28,590.00	0.00
Appliances	2,200.00	2,200.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
July 2017

	Jul 17	Budget	\$ Over Budget
Total RESERVE FUNDING	45,077.00	45,076.34	0.66
DEPRECIATION	4,358.00	209.00	4,149.00
Total Expense	92,950.34	84,678.82	8,271.52
Net Ordinary Income	-7,877.34	-206.82	-7,670.52
Net Income	-7,877.34	-206.82	-7,670.52

MUTUAL 4 BOARD OF DIRECTORS MEETING

President's Report - Wednesday, August 9, 2017

If you want to use the library, the pool, the bus, the golf course, the exercise room, etc., you'd better have your **NEW** membership card ready to show, or . . . well, you know the rest. You can pick up your new card at the Stock Transfer Office.

We are still short one director. If you would like to share in the leadership of Mutual 4, call me: Bob Slater, (562) 493-2680.

As you read this, we will have 2 asphalt streets replaced with concrete on Knollwood and Weeburn Rds. For those shareholders affected, you may use Clubhouse 2 for parking or you may leave your car in the carport. Know that could be as long as 5 days. Your choice.

If you have landscape problems or questions, call your co-chair:

Suzi Smith, Buildings 37-52: (562) 296-8518

Mike Levitt, Buildings 73-89: (562) 596-1346

Overall it's been a somewhat quiet month for the Mutual.

All for now,

Bob Slater

The Prez

Mutual 4 Monthly Report for July 2017 Buildings 78, 79, 80, 82, 83 and 84

Things have settled down in the third month. I had some requests from the residents which needed my attention.

We have finished installing the smart burners in our buildings. I want to thank everyone who replaced their old burners with the new smart burners. I know that they are not the same as the old ones, but they are protecting our mutual. I am sure that given a little time you will adjust to the new type of cooking. Again I wish to thank you very much.

Just a reminder, if you are using your BBQ you need to be 10 feet from the building. You are not supposed to be grilling in your patio.

In August we are re-roofing buildings 83 & 84. GRF is also re-paving Weeburn and Knollwood.

I hope everyone has obtained their new ID card.

Jon Russell 741

(562)794-9334

August 7, 2017

Tom Gerrity
Mutual 4 Director - (secretary)
Buildings 49, 50, 51, and 52

Thanks to all the shareholders in buildings 37, 38, and 39. I wasn't your director long but a new washer and dryer were replaced. Your patience on the dryer replacement was noticed and appreciated. Completed a new buyer orientation in building 39. Give the new shareholder a welcoming "Hello". Thanks for all your kindness and delicious zucchini bread. I loved it, so did my waistline.

Buildings 49, 50, 51, and 52 - good to be close to home.

The laundry room looks neat and clean. Completed a pre-listing inspection at 50 E. I've met all the building captains. There are many (Leisure World) years of life experiences with our building captains. I look forward to working with them and all shareholders. Carports are looking good and garden areas looking lovely.

Enjoy the beautiful SOCAL weather,

Tom

Mutual 4 Monthly Report, Dir. Mike Levitt
Covering July, 2017, Delivered August 9, 2017

Assisted several times, along with other Board members, in
The GRF Great and Glorious New ID Card Snafu.

Met, along with co-chair Suzie Smith, our landscaper in the first of monthly
meetings to discuss issues and problems and progress with our new turf,
new tree-planting procedures and other issues.

Interviewed/oriented a new Co-occupant in Building 88.

Alerted Service Maintenance to a potentially hazardous walkway defect.

Walked my buildings for locations needing "corners" for next paving project.

Assisted Building 89 resident in getting Smart Burners installed. Listened to
complaints from three residents regarding their Smart Burners.

Approved an Official Letter to Building 88 resident requiring installation of
smoke detector. Resident refuses to allow such installation. Letter is
necessary as phone is disconnected and there is no alternative method to
pursue this necessary and legally required installation.

Requested pest extermination services for 'roaches.

Alerted SvcMaint to possible broken underground water pipe at Building 86

Oversaw (possibly correct spelling of past tense of 'oversee?) first planting
of trees under new Tree Procedures in which resident requesting planting
of a tree gets to choose the tree and is advised of the cost of the tree that
the resident will pay.

In June Report, relayed my attempt to mediate on-going dispute between
neighbors regarding patio smoking; advised you readers to tune in on
July's report for outcome of attempted peace-keeping efforts. Results:
utterly failed. Both sides have their "rights" and neither side sees any room
for compromise. All I can do is try.

Here's a "Save the Date" for you, folks, if you receive these meeting minutes in time: *August 16*, a major road repaving project is scheduled to get underway. Affected will be Weeburn and Knollwood Roads. A tentative completion date is set for August 24. During that time, residents affected by the torn-up concrete or newly poured surface materials in the carport areas will be allowed to park, without penalty, on either GRF or M-4 streets. Sorry for the inconvenience that I'm sure you will experience, but I'm sure you will agree that these roads are in a horrible condition and would only, and quickly, get worse if this paving project does not take place.

Mutual 4 Director's Report

August 9, 2017

Emergency Preparedness Information and Bldgs. 44,45,46,47,48

This morning the Mutual 4 Board decided to longer use the "Building Captains' Survey Forms." The reason is because these forms ask for your medical information. We have been informed that in California, by law, only authorized medical personnel and governmental emergency personnel may possess or ask for this information. Therefore, please keep your own "File of Life" posted on your refrigerator or inside the door of your medical cabinet in your bathroom. These forms will again become available at the Medical Center in September.

This year's Great California Shake Out will occur on October 19, 2017, at 10:19 AM. Our mutual's plans will change this year. After the building captains meet at building 75, we will learn or review how to turn off the water to our buildings and the sprinklers in the lawns. This would, of course, only be accomplished when we have an extreme disaster, and we see our buildings and units flooding due to broken pipes.

Too many of our neighbors are falling in their units. Please attempt as you are able to pick up objects that may trip you or look at those pesky throw rugs.

Keep safe and have a wonderful remainder of this wonderful California summer.

Respectfully submitted,

Jan Kuhl, Director

46E, 562-446-0082

Mutual Administration Director's Report

AUGUST 2017

Copy & Supply Center

The Leisure World Copy & Supply Center is now open in Building 5, adjacent to the Security Satellite Office.

It is centrally located with expanded duplicating services and easy access for residents who want to make photocopies, and purchase other popular items.

Open Monday through Friday from 8:00 a.m. to 4:30 p.m.

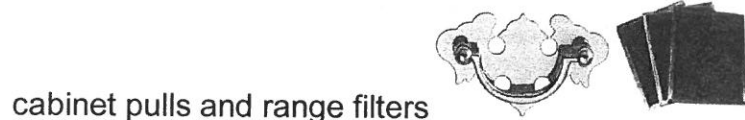
Telephone number is 562-431-6586 extension 345.

The Golden Rain Foundation (GRF) is acquiring the new color copier to complement its industry strength black-and-white copier for expanded service.

At the Copy & Supply Center you will be able to purchase:



~Small common replacement parts used in the bathrooms and kitchens, such as



You may also drop off old batteries and light bulbs for proper disposal.

This is great news as these and other merchandise were previously available only at the Golden Rain Foundation (GRF) Purchasing Department.