

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

**June 14, 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, June 14, 2017, at 9:30 a.m. in Conference Room A of the Administration Building, followed by the *Pledge of Allegiance*.

**ROLL CALL**

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

GRF

Representative: Mrs. Reed

Guests: Six shareholders of Mutual Four

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

**INTRODUCTIONS**

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

**MINUTES**

President Slater asked if there were any corrections to the April 12, 2017, Regular Board minutes. There being no corrections, and upon a MOTION duly made by President Slater and seconded by CFO Smith, the minutes were approved as printed.

President Slater asked if there were any corrections to the May 24, 2017, Organizational Meeting minutes. There being no corrections, and upon a MOTION duly made by President Slater and seconded by Director Russell, the minutes were approved as written.

**MINUTES (continued)**

President Slater asked if there were any corrections to the Special Meeting minutes of June 7, 2017. A correction was noted that Director Gerber was not present, and a comma needs to be after "Kuhl, Ladner ...." Upon a MOTION duly made by President Slater and seconded by Director Kuhl, the minutes were approved as corrected.

**CORRESPONDENCE**

Secretary Gerrity reviewed several pieces 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).

Inspector Black left the meeting at 10:02 a.m.

**OLD BUSINESS**

President Slater stated that the installation of SmartBurners is scheduled to start on June 19.

President Slater stated that the building captains will be asked to check their buildings for any old pink toilets that will need to be removed due to the new State law regarding water conservation.

The Board members discussed the GRF parking policy. It was the consensus of the Board to continue following the current Mutual Four parking policy. Director Kuhl and President Slater will review the GRF parking policy to see if Mutual Four would be interested in adopting their policy.

The Tree Book listing authorized trees that can be planted in the Mutual is now available. Those who would like to donate a tree, and obtain Board approval, can choose from the list of trees from that book.

**OLD BUSINESS (continued)**

President Slater asked for a motion to ratify amended/posted Policy 7502.04 – Carport Regulations. Upon a MOTION duly made by Director Russell and seconded by CFO Smith, it was

RESOLVED, To ratify amended/posted Policy 7502.04 – Carport Regulations.

The MOTION passed.

President Slater asked for a motion to ratify amended/posted Policy 7415.04 – Inside Patio Regulations. Upon a MOTION duly made by Vice President Levitt and seconded by Director Russell, it was

RESOLVED, To ratify amended/posted Policy 7415.04 – Inside Patio Regulations.

The MOTION passed.

President Slater asked for a motion to ratify amended/posted Policy 7525.04 – Garden Areas and Shrubs. Upon a MOTION duly made by CFO Smith and seconded by Director Kuhl, it was

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RESOLVED, To ratify amended/posted Policy – 7525.04 – Garden Areas and Shrubs.

The MOTION passed.

President Slater asked for a motion to ratify rescinded/posted Policy 7301 – Audit Expenses; Policy 7302 – Capital Accounts; Policy 7304 – Financing Capital Projects; Policy 7305 – Depreciation Straight Line Method; Policy 7307 – Signature Requirement on Checks; Policy 7310 – Mutual Budgets; Policy 7320 – Patronage Refunds; Policy 7331 – Impounds; Policy 7332 – Billings to Mutuals; Policy 7333 – Income Items and Their Distribution; Policy 7334 – Investment Records; Policy 7337 – Financial Reports; Policy 7340 – Accounts Receivable; and Policy 7341 – Cashier Service. Upon a MOTION duly made by CFO Smith and seconded by Director Kuhl, it was

**OLD BUSINESS (continued)**

RESOLVED, To ratify rescinded/posted Policy 7301 – Audit Expenses; Policy 7302 – Capital Accounts; Policy 7304 – Financing Capital Projects; Policy 7305 – Depreciation Straight Line Method; Policy 7307 – Signature Requirement on Checks; Policy 7310 – Mutual Budgets; Policy 7320 – Patronage Refunds; Policy 7331 – Impounds; Policy 7332 – Billings to Mutuals; Policy 7333 – Income Items and Their Distribution; Policy 7334 – Investment Records; Policy 7337 – Financial Reports; Policy 7340 – Accounts Receivable; and Policy 7341 – Cashier Service.

The MOTION passed.

**NEW BUSINESS**

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

RESOLVED, That Mutual Four authorizes the Board President or any Officer of the Board, to act on behalf of the Board, to execute the Notice of Intent to Withdraw.

The MOTION passed.

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

RESOLVED, To approve a three-year (2017-2019) contract with Fenn Termite & Pest Control.

The MOTION passed.

The Board discussed adopting Policy 7549 – Lockout Procedures. Upon a MOTION duly made by Secretary Gerrity and seconded by Director Kuhl, it was

**NEW BUSINESS (continued)**

RESOLVED, To postpone action on Policy 7549 –  
Lockout Procedures to obtain more information.

The MOTION passed.

Following a discussion on signs, it was the consensus of the Board to postpone action to obtain further information.

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

RESOLVED, To accept the new procedure on  
Active Adult Community Disclosures.

The MOTION passed with four “yes” votes (Smith, Russell, and Ladner) and two “no” votes (Levitt and Gerrity).

Following a discussion, CFO Smith will make a list of upcoming Mutual projects for 2018 and present it to the Board and GRF.

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

RESOLVED, That according to Policy 7510, if there is a question of financial eligibility, Mutual Four SHALL be contacted by the Stock Transfer Office in the event of a non-qualifying financial issue.

The MOTION passed.

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

RESOLVED, To appoint Marsha Gerber as an Advisory Director to the Board of Directors of Mutual Four for the 2017-2018 term of office.

The MOTION passed.

(Recording Secretary Day left on break at 11:24 a.m. to 11:39 a.m.)

**CHIEF FINANCIAL OFFICER'S REPORT**

CFO Smith submitted her financial report (attached).

**DIRECTOR(S)' REPORTS**

Secretary Kuhl submitted the emergency preparedness report (attached).

President Slater submitted his report (attached).

**DIRECTOR(S)' COMMENTS**

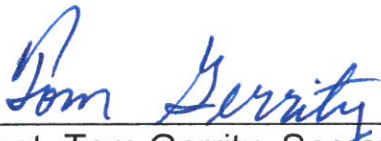
Several Directors made comments.

**MUTUAL ADMINISTRATION DIRECTOR**

In Ms. Hopkins absence, Ms. Fernandez submitted her Mutual Administration activity report (attached).

**ADJOURNMENT**

There being no further business to conduct, President Slater adjourned the meeting at 11:38 a.m. and announced there would be an Executive Session following the meeting to discuss member issues.



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Attest, Tom Gerrity, Secretary  
SEAL BEACH MUTUAL FOUR

cd:6/15/17

Attachments

**NEXT MEETING: WEDNESDAY, JULY 12, 2017, at 9:30 a.m.  
Mutual Administration Conference Room A**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF JUNE 14, 2017**

06-04-17 RESOLVED, To ratify amended/posted Policy 7502.04 – Carport Regulations.

RESOLVED, To ratify amended/posted Policy 7415.04 – Inside Patio Regulations.

RESOLVED, To ratify amended/posted Policy – 7525.04 – Garden Areas and Shrubs.

RESOLVED, To ratify rescinded/posted Policy 7301 – Audit Expenses; Policy 7302 – Capital Accounts; Policy 7304 – Financing Capital Projects; Policy 7305 – Depreciation Straight Line Method; Policy 7307 – Signature Requirement on Checks; Policy 7310 – Mutual Budgets; Policy 7320 – Patronage Refunds; Policy 7331 – Impounds; Policy 7332 – Billings to Mutuals; Policy 7333 – Income Items and Their Distribution; Policy 7334 – Investment Records; Policy 7337 – Financial Reports; Policy 7340 – Accounts Receivable; and Policy 7341 – Cashier Service.

RESOLVED, That Mutual Four authorizes the Board President or any Officer of the Board, to act on behalf of the Board, to execute the Notice of Intent to Withdraw.

RESOLVED, To approve a three-year (2017-2019) contract with Fenn Termite & Pest Control.

RESOLVED, To postpone action on Policy 7549 – Lockout Procedures to obtain more information.

RESOLVED, To accept the new procedure on Active Adult Community Disclosures.

RESOLVED, That according to Policy 7510, if there is a question of financial eligibility, Mutual Four SHALL be contacted by the Stock Transfer Office in the event of a non-qualifying financial issue.

RESOLVED, To appoint Marsha Gerber as an Advisory Director to the Board of Directors of Mutual Four for the 2017-2018 term of office.

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **May 10, 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              |
| 4-86L           | full remodel and repipe    | both            | 02/27/17     | 08/27/17   | no           | footing/undergro und plumb. 3/17/16- rough/repipe 4/4/17- drywall 4/12/17 | Alpha master builders |
| 4-42I           | add bath liting            | both            | 04/04/17     | 07/31/17   | no           |   | los al                |
| 4-46L           | central FAU                | both            | 03/10/17     | 06/10/17   | no           | fail 4/4/17   | Greenwood             |
| 4-49H           | heat pump ductless         | both            | 03/24/17     | 07/01/17   | no           |   | greenwood             |
| 4-80I           | emodel/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                 |
| 4-76G           | remodel shower             | both            | 04/20/17     | 07/01/17   | no           | rough 6/6/17  | cal bath and kitchen  |
| 4-84J           | flooring                   | grf             | 04/02/17     | 04/22/17   | no           |   | colonial carpets      |
| 4-37C           | cut down shw/grab bar      | both            | 05/18/17     | 06/18/17   | no           |   | nukote 5/9/17         |
| 04-037          | re-roof                    | both            | 05/22/17     | 09/30/17   | no           | hg 5/26/17 - final 6  | Roofing Standards     |
| 04-040          | re-roof                    | both            | 05/22/17     | 09/30/17   | no           |   | Roofing Standards     |
| 04-042          | re-roof                    | both            | 05/22/17     | 09/30/17   |              |   | 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     |
| 4-80H           | 3 zone ductless heat pump  | both            | 05/24/17     | 08/24/17   | no           |   | greenwood 5/12/17     |
| 4-84I           | flooring                   | GRF             | 05/30/17     | 07/10/17   | no           |   | colonial carpets      |
| 4-44G           | kitchen remodel            | both            | 06/18/17     | 09/29/17   | no           |   | los al                |

| ESCROW ACTIVITY |     |          |          |          |          |     |                    |
|-----------------|-----|----------|----------|----------|----------|-----|--------------------|
| UNIT #          | NMI | PLI      | NBO      | FI       | FCOEI    | ROF | DOCUMENTS/COMMENTS |
| 4-86K           |     |          |          |          | 03/21/16 |     |                    |
| 4-37D           |     | 03/24/16 | 04/05/16 | 04/08/16 | 04/20/16 |     |                    |
| 4-86F           |     | 10/28/16 |          |          |          |     |                    |
| 4-51K           |     | 10/31/16 | 12/27/16 | 12/29/16 | 01/11/17 |     |                    |
| 4-47L           |     |          |          | 12/20/16 | 12/30/16 |     |                    |
| 4-83G           |     | 12/22/16 |          | 01/12/17 |          |     |                    |
| 4-39D           |     | 03/21/17 |          |          |          |     |                    |
| 4-38A           |     | 03/29/17 | 04/03/17 | 05/12/17 | 05/24/17 |     |                    |
| 4-41F           |     |          |          | 05/12/17 | 05/24/17 |     |                    |
| 4-51F           |     | 05/18/17 | 06/12/17 |          |          |     |                    |
| 4-74F           |     | 05/18/17 | 06/12/17 |          |          |     |                    |
| 4-40A           |     |          | 05/26/17 | 06/02/17 | 06/14/17 |     |                    |
| 4-83F           |     |          | 05/31/17 |          | 06/12/17 |     |                    |
| 4-46I           |     | 06/08/17 |          |          |          |     |                    |

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: **May 10, 2017**

| CONTRACTS and PROJECTS                          |   |
|---|---|
| CONTRACTOR                                      | PROJECT   |
| Total Landscape Maintenance-<br>Tree Pruning:   | on going now<br>complete  |
| Fenn Pest Control -                             | on going - month to month till RFP's are back, mid April  |
| Copper Re-piping      John Nelson Plumbing:     | job walk with Nelson on 6/2/17 bldgs. 85 & 86. start date for re-pipe 7/17/17, start date for 86 on 7/31/17 |
| Abatement:                                      | set for 7/13/17 and 7/14/17 for bldg. 85 - for bldg. 86 set for 7/27/17 and 7/28/17                         |
| Roofing                      Roofing Standards: | started building 37 on 5/22/17 - completed on 6/6/17 - started bldg. 40 6/5/17                              |
| stove hoods & Piping      Kress Concs:          | completed with bldg. 37 and 40  |
|   |   |

| Shareholder Visits and Mutual Requests   |  |
|--|--|
| 41B- check out stove top                 |  |
| 4-37- pass out stove hood flyers/roofing |  |
| 4-40- orders for skylights               |  |
| 4-41F- escrow questions                  |  |
| 4-47A- check on awing                    |  |
| 4-38A- escrow questions                  |  |
| 4-76G- contractor water shut off         |  |
| 4-38A- washer machine issues             |  |
|  |  |
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|  |  |
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June 14, 2017  
GRF Report  
Mutual 4

“You cannot control what happens to you, but you can control your attitude toward what happens to you, and in that, you will be mastering change rather than allowing it to master you.” Brian Tracy

GRF had their Annual Meeting yesterday. Thank you Mutual 4 Shareholders for attending. Following the Annual Meeting the Organizational Meeting took place.

The following are the results:

- President - Linda Stone, Mutual 3
- Vice President - Carole Damoci, Mutual 12
- Corporate Secretary - Joy Reed, Mutual 4
- Treasurer - Barry Lukoff, Mutual 14

Committees and the Directors selected to be a chair of a committee have not been announced or ratified. That will be done at the GRF Board meeting on June 16 in Clubhouse 4 at 2:00 pm. Because of the board turn over there were no committee meetings. So, nothing to report until July.

With Respect,  
GRF Corporate Secretary  
Joy Reed



## APRIL 2017 MONTHLY SUMMARY

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### Community Access Ad Hoc Committee Meeting • Wednesday, April 27, 2017 (May 25, 2017)

#### 1. OLD BUSINESS:

- a) Renewable Leisure World ID Cards: The Committee concurred to reschedule ID Cards renewal event for July 10<sup>th</sup> through July 15<sup>th</sup>, in Clubhouse Six, from 8:00 a.m. to 1:00 p.m., and as originally scheduled by the Mutuels.

#### 2. NEW BUSINESS:

- a) Passes for Express Transportation: The Committee concurred to issue ten passes to "Express Transportation", to continue to provide the community with its services on a daily basis.
- b) Passes for Former Members still using the Health Care Center: The Committee concurred to issue a single entry one-day passes to former residents who are still using the Health Care Center.

### ITS Committee Meeting • Monday, May 1, 2017 (to be determined)

#### 1. POLICIES:

- a) Amend Policy 5051-34, Website Management: The Committee moved to recommend the GRF BOD amend Policy 5051-34, Website Management.

### Publications Committee Meeting • Wednesday, May 1, 2017 (to be determined)

#### 1. NEW BUSINESS:

- a) Spotlight Cover: The Committee concurred to selection option 4, Year of the Tribute-Neil Diamond, for the Spotlight Magazine cover.

### Strategic Planning Ad Hoc Committee • Tuesday, May 2, 2017 (to be determined)

#### 1. OLD BUSINESS:

- a) Ten Year Plan – Project Plan for 2017: The Committee agreed to forward Policy 5167-SPAH to the Policy Re-write Sub-committee for amendment.

The Committee agreed to discuss revisions to the 2018 project plan and 2019 at its special meeting on May 11, 2017.

### Security, Bus & Traffic Committee Meeting • Monday, May 3, 2017 (to be determined)

#### 1. POLICIES:

- a) Amend Policy: The Committee moved to recommend the GRF BOD amend Policy 5415-37, Security, Bus & Traffic Charter.



## APRIL 2017 MONTHLY SUMMARY

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- b) Policy 1927-37, Parking Rules for Trust Property and 1927.01, Fees for Parking Rules violation on Trust Property: The Committee moved to recommend the elimination all of the warnings from Policies 1927-37, Parking Rules for Trust Property and 1927.01-37, Fees for Parking Rules Violation on Trust Property. Also, recommended the GRF BOD eliminate first Column of Warnings/Fees from Policy 1927.01-37 and keep second and Subsequent Fees as primary fine amounts for violations, with the exception of Violation No. 4, "Flat Tires."

### 2. STAFF REPORTS:

- a) Security Chief: The Committee concurred to accept the Security Chief's recommendation to waive a \$20 parking violation fine that the citation recipient was unable to contest due to a scheduling error; to be forwarded to the Finance Committee for approval.

### Physical Property Committee Meeting • Monday, May 8, 2017 *(to be determined)*

#### 1. OLD BUSINESS:

- a) Installation of Three Traffic Poles: The Committee moved to approve the replacement of four traffic poles, at the intersection of Golden Rain Rd. and St. Andrews Dr., in the amount of \$31,895.00, including labor, equipment, and material.
- b) Mutual Six Traffic Control Evaluation: The Committee concurred to have the Project Coordinator address presented data analysis with Urban Crossroads, per Committee's request, and provide more information at the next scheduled Committee meeting.

#### 2. NEW BUSINESS:

- a) ADA Approved Ramp in Back of Amphitheater: The Committee moved to postpone the installation of the ADA approved ramp, in the back of Amphitheater, to the next scheduled Committee meeting.
- b) CalMet Services, Inc. Contract Extension: The Committee moved to deny CalMet Services contract extension request, and forward it to the Board for final approval.
- c) Relocation of Stock Transfer, Distribution and Administration Services Office: The Committee moved to approve the relocation of Distribution Office to Building Five (downstairs), accept the Stock Transfer additional cost, and install the sound suppression between Conference Rooms B and C in the total amount not to exceed \$23,000 with in-house labor, estimated at approximately 220 hours, and forward it to the Finance Committee, and the Board for final approval as a Capital expense.

The Committee concurred to address the costs for relocation of the Recreation Department, and Administration Services at the next scheduled meeting.

- d) Tree Removal, Sewer Repair at the Library: The Committee moved to approve the trees removal, and sewer repair at the Library in the amount not to exceed \$8,909 and the additional \$5,000 for



## APRIL 2017 MONTHLY SUMMARY

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landscaping; send the sewer repair project to the Finance Committee for approval as a non-budgeted expense, and proceed with the removal of the trees and landscape replacement as the Reserves project.

### 3. POLICIES:

- a) Rescind Policies: The Committee moved to recommend the GRF BOD rescind Policies 1350-70, Community Grounds and Maintenance Service; 5042-70, Foundation Equipment; 5506.1-70, Bidding Exceptions; 5506.2-70, Bidding Exceptions; 5506.3-70, Bidding Exceptions; and 5506.5-70, Bidding Exceptions.
- b) Amend Policies: The Committee moved to recommend the GRF BOD amend Policies 5130-70, Physical Property Committee; 5350-70, Construction Project; 5504-70, Insurance Requirements for Independent Contractors; and 5504.1-70, Insurance Requirements for Vendors.
- c) Review Policy 3310.1-70, Special Project Procedure: The Committee moved to review at the next Committee meeting to accept this policy, as reviewed, with no amendment.
- d) Review Policy 3330-70, Health Care Center Maintenance: The Committee moved to accept this policy, as reviewed, with no amendment.

### ADR Committee Meeting • Monday, May 9, 2017 (to be determined)

1. **CORRESPONDENCE**: The Committee concurred to request the Facilities Director to further research samples of blinds and colors available for St. Theodore's Episcopal Church, Clubhouse Three and report at the next scheduled meeting.
2. **OLD BUSINESS**:
  - a) Main Gate Landscape, Update: TO request approval of the Finance Committee to transfer \$20,000 from the excess Globe budget to the ADR Committee for the lighting and landscaping project at the Main Gate.
  - b) Signage in front of Clubhouse: The Committee concurred to use the signage, as proposed by the Publications Manager; however, the door sign should be made with the logo colors and not white.
  - c) Naming of the Garden Area: The Committee concurred to include this topic on next month's agenda.
3. **NEW BUSINESS**:
  - a) Clubhouse Four: The Committee concurred to further discuss the wall behind dais, landscaping, lobby areas proposed murals and other pending Committee items at the upcoming Work Study meeting.



## APRIL 2017 MONTHLY SUMMARY

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- b) Topiary Garden: The Committee concurred to further discuss at the upcoming Work Study meeting. The Chair will confirm the new location and requested Committee members L. Stone and J. Reed to shop for pots for the topiary plants.

### 4. POLICIES:

- a) Amend Policy: The Committee moved to accept proposed amendments to the ADR Committee Charter, Policy 5160-ADR and forward to the Board for final approval.

### Mutual Administration Committee Meeting • Tuesday, May 9, 2016 (to be determined)

### 1. POLICIES:

- a) Amend Policies: The Committee moved to recommend the GRF BOD amend Policy 1201-33, Photo Identification Cards and 7501, Mutual Pet Ownership Policy
- b) Refer Policy: The Committee moved to refer Policy 1610-33, Membership Eligibility Criteria to the Policy Re-write Sub-committee.

### Recreation Committee Meeting • Wednesday, May 10 2017 (to be determined)

### 1. CORRESPONDENCE:

- a) Correspondence re: Clubhouse Three Gas Grill: The Committee moved to approve the purchase of a gas grill for Clubhouse Three, as an operating expense, in an amount not to exceed \$600, or two gas grills, if needed, for a total amount of not to exceed \$1,200.
- b) St. Theodore Episcopal Church, Anne Walshe and the Bishop's Committee of St. Theodore Episcopal Church: The Recreation Manager stated that St. Theodore Episcopal Church has been offered to use Room Nine, Clubhouse Three to hold its services, and utilize the unused cabinet space next to Clubhouse Three.
- c) Sa-Rang Church, KAC Activities, Yoon Soo Park: The Recreation Manager stated that Sa-Rang Church and KAC could use the lobby space of Clubhouse Three to hold its services, and advised the theater style seating to accommodate growing attendance.
- d) Clubhouse Flags, Sharon Kohn: the Committee concurred to leave this decision to the Recreation Manager's discretion.
- e) Tables for LW Theater Club, Taylor White: Upon the Committee's approval, the Recreation Manager stated that LW Theater Club will be provided with three new card tables.

### 2. OLD BUSINESS:

- a) Multipurpose Court, Clubhouse Two: Upon reviewing the revised Multipurpose Court, Clubhouse Two drawing, the Committee agreed on making minor revisions including basketball post, drinking fountain, shading, and seating area.



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The Committee moved to make final alterations to the presented Multipurpose Court, Clubhouse Two drawing, and submit it to the Physical Property Committee for final pricing, and to the Architectural Design and Review Committee for color selection, as follows.

### 3. NEW BUSINESS:

- a) Ice Cream Truck: With the Committee's approval, the Recreation Manager will also look into providing the community with an ice cream truck on set days, time, and location.

### 4. POLICIES:

- a) Amend Policies: The Committee moved to recommend the GRF BOD amend Policies 5135-50, Recreation Committee Charter and 5562-50, Amphitheater Program
- b) Policies reviewed by the Committee: The Committee reviewed the following Policies: 1409-50, Amphitheater Dancing; 1412.02-50, Smoking Prohibition; 1429.02-50, Golf Course Rules; and 1485-50, Prohibition of Drones.

### Special Strategic Planning Ad Hoc Committee • Thursday, May 11, 2017 (to be determined)

#### 1. OLD BUSINESS:

- a) Ten Year Plan-Project Plan for 2017: The Committee concurred to color code the projects to identify needs vs. wants.
- b) Ten Year Plan-Project Plan for 2018 and 2019: The Committee agreed to review 2019, 2020 and 2021 project plans at the next scheduled meeting.

### Executive Committee Meeting • Friday, May 12, 2017 (to be determined)

#### 1. NEW BUSINESS

- a) 5.5 Acre Lot Attendant: The Committee moved to approve the Recreational Vehicle Lot Services Attendant position, as amended and to be reviewed by the Committee Chair.

The Committee moved to approve the Recreational Vehicle Lot Services Attendant position at salary grade 6.

- b) Additional Staffing-Building Inspector: The Committee concurred to address the topic at the July Committee meeting.

#### 2. POLICIES

- a) Rescind Policy: The Committee moved to recommend the BOD rescind Policy 5611-30, Calling a Special Meeting.



## APRIL 2017 MONTHLY SUMMARY

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- b) Refer Policies to the Policy Re-write Sub-committee: The Committee moved to refer Policies 5026-30, Election of Officers; 5518-30, Contract Procedures; 5604-30, Publication of Minutes and 5610-30, Participation by Foundation Shareholder/members.
- c) Amend Policies: The Committee moved to recommend the BOD amend Policies 5110-30, Executive Committee; 5231-30, Donations; and 5508-30, Renewal of Service and Maintenance Contracts
- d) Policies Reviewed by the Committee: The Committee moved to post notice of review, with no action taken, to the GRF Website, Policies 1022-30, Petitions; 5024-30, Committee Structure; 5025-30, Election Procedure; 5092-30, Board of Directors' Code of Ethics and Conduct; 5092.01-30, Board of Directors' Censure Procedure; and 5092.02-30, Motion to Censure.
- e) Sub-committee Reports: The Committee moved to recall all outstanding Redbooks, which have been deemed outdated, to be returned to the Library book drop.

### Finance Committee Meeting • Tuesday, May 16, 2017 (to be determined)

#### 1. FINANCIALS

- a) Accept April 2017 Financial Statements for Audit: The Committee moved to recommend the GRF BOD accept the April 2017 Financial Statements for audit.
- b) Approve Closure of BNY Mellon Accounts: The Committee moved to recommend the GRF BOD authorize the Finance Department to instruct BNY Mellon to close the GRF investment account by selling the two GNMA bonds and transferring the proceeds plus the balance of the money market account to US Bank.
- c) Approve CDAR Purchase: The Committee moved to recommend the GRF BOD use \$490,000 from First Foundation Bank Money Market Reserves and \$510,000 from US Bank Money Market Reserves to purchase two \$500,000 52-week CDARs @ .45% to continue the investment ladder.

#### 2. OLD BUSINESS

- a) Approve Revised SRO Rate: The Committee moved to approve an increase to the labor recovery billing rate, effective May 1, 2017, from \$40.00 per hour (0.65 per minute) to \$42.00 per hour (0.70 per minute) for straight time, and from \$60.00 per hour (\$1.00 per minute) to \$63.00 per hour (\$1.05 per minute) for overtime, with the pending approval by the Board.

#### 3. NEW BUSINESS

- a) Reserve Funding Request/Traffic Signal Pole: The Committee moved to approve and forward to the Board, non-scheduled Reserve funding to replace four traffic light standards (if available) at the intersection of Golden Rain Rd. and St. Andrews Dr. for a cost not to exceed \$36,000





## APRIL 2017 MONTHLY SUMMARY

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- b) Globe Lighting Design: The motion failed to approve Reserve funds of \$32,287 from the refurbishment of the Globe, to design and install lighting for the Globe.

The Committee moved to approve \$2,000 for Architecture Design and Review Committee (ADRC) to begin the engineering process for the lighting of the Globe with the remaining money from the Reserve funding, and recommend for final approval from the Board.

- c) Supplemental Capital Funding Request/Axxerion Project: The Committee moved to approve and forward to the Board a recommendation to authorize an additional \$50,000 of Capital funds to be used to complete the software conversion of work orders, purchase orders, and inventory management from the Adapt and Great Plains systems to Axxerion.
- d) Display Cabinets for Clubhouse Four, Review: The Committee concurred to remove this item from the agenda and discuss at a later time.
- e) Reserve Funding Request/Swimming Pool Furniture Replacement: The Committee moved to approve Reserve funding request in the amount not to exceed \$8,000 for the purchase, and replacement of reconditioned deck furniture from Seabreeze Patio Furniture Inc.
- f) Non-budgeted Salary Expense, Security, Cost Center 37: Upon the approval of Mr. Hood and Mrs. Perrotti, the President advised that this request will be forward to the Board for final approval.

### 4. POLICIES:

- a) Review Policies: The Committee moved to amend Policies 2230-21, Authorized Signatories; 3321.01-31, Basic Purchasing Procedures and Responsibility; 3323-31, Disposition of Surplus Equipment; 5516-31, Committee Non-Budgeted Expenses, and 5520-31, Reserves.
- b) Amend Policies: The Committee moved to recommend the GRF BOD amend Policies 5523-31, Accounts Receivable Collection and Policy 5330-31, Capital Improvements.

### 5. STAFF REPORTS:

- a) Purchasing Manager: The Committee moved to authorize the Purchasing Department to dispose of the swimming pool furniture at its discretion.

### Recap of Golden Rain Foundation Board Activity of May 23, 2017

#### Approved Minutes

MOVED and duly approved to accept the minutes of the April 25, 2017 Golden Rain Foundation (GRF) Board of Directors (BOD) meeting, as presented.

#### Amended Policy 5160-ADRC, Architectural Design and Review Committee

MOVED and duly approved to amend Policy 5160-ADR to update the scope of the Committee's responsibilities.



## APRIL 2017 MONTHLY SUMMARY

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### Conceptual Approval, Main Entrance Landscape

MOVED and duly approved the conceptual design of the Globe and the Main Gate entrance area, as provided by Mission Landscape.

### Rescinded Policy 5611-30, Calling a Special Meeting

MOVED and duly approved to rescind Policy 5611-30, Calling a Special Meeting, which is addressed in the Davis-Stirling Act and is, therefore, redundant.

### Amended Policies under the Purview of the Executive Committee

MOVED and duly approved to amend Policy 5110-30, Executive Committee, to update the scope of the Committee's responsibilities, Policies 5231-30, Donations; and 5508-30, Renewal of Service and Maintenance Contracts to update work flow processes and title changes.

### Accepted April 2017 Financial Statements for Audit

MOVED and duly accepted the April 2017 Financial Statements for audit.

### FINAL VOTE: Amend Policy 5061-31, Fees

MOVED and duly approved to amend Policy 5061-31, Finance – Fees, to change Item 1.3 to read as follows: The membership fee is calculated as twenty (20) times the monthly GRF assessment and rounded up the nearest dollar. The new membership fee is implemented on January 1 of each year.

### Proposed Cost Center for 5.5 Acres

MOVED and duly approved to establish Cost Center 47 to manage an estimated annual operating expense budget of approximately \$30,000 (Exhibit A) for the area commonly referred to as "5.5 Acre Storage Area".

MOVED and duly approved to add insurance coverage to the Trust Property's master insurance policy, effective immediately, for the coverage of the 5.5 Acre Storage Area.

### Amended Policy 5051-34, Website Management

MOVED and duly approved to amend Policy 5051-34, Website Management, to update the scope of the responsibilities pertaining to website management.

### Amended Policy 1023-MAC

MOVED and duly approved to amend Policy 1023-MAC, Pet Ownership Rules-Golden Rain Foundation, to update the applicable Civil Code, and to remove reference to the Mutual corporations.



## APRIL 2017 MONTHLY SUMMARY

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### Amended Policy 7501, Mutual Pet Policy

MOVED and failed to amend Pet Policy 7501, Mutual Pet Ownership Policy, by removing all participation in the policy by the Golden Rain Foundation.

MOVED and duly approved to amend the motion, and add to the bottom of the first page stating that GRF is no longer participant in Policy 7501, Mutual Pet Policy.

### Capital Funding Request, Amendment of Relocation of Distribution, Stock Transfer Project and Building Five Conference Room C Sound Proofing

MOVED and duly approved to approve Capital Funding for the relocation of the Distribution Department to Building 5; modification of the Stock Transfer area and installation of sound-suppression for Conference Rooms B and C, also located in Building 5 (exhibit A in agenda packet). The total cost for this project is not to exceed \$21,000, which includes a 10% contingency, with in-house labor estimated at approximately 220 hours and authorize the GRF President to sign all applicable contracts.

### Non-budgeted Operations and Capital Funding Request, Library – Tree Removals, Sewer Line Repairs, and Landscape Replacement

MOVED and duly approved to approve Operations funds for the repair of the damaged sewer line at the Library, in an amount not to exceed of \$4,609 and to approve Reserve Funding for the removal of the two mature Coral and Eucalyptus trees at the Library, and the re-landscaping of the area affected, in an amount not to exceed \$8,800, and authorize the GRF President sign the contract and the Physical Property Chair to approve any contingencies.

### Approved Rescission of Policies under the Purview of the Physical Property Committee

MOVED and duly approved to rescind Policies 1350-70, Community Grounds and Maintenance Service; 5042-70, Foundation Equipment; 5506.1-70, Bidding Exceptions; 5506.2-70, Bidding Exceptions; 5506.3-70, Bidding Exceptions; and 5506.5-70, Bidding Exceptions.

### Approved Amendment of Policies under the Purview of the Physical Property Committee

MOVED and duly approved to amend Policies 5130-70, Physical Property Charter; 5350-70, Project Construction; 5504-70, Insurance for Contractors and 5504.01-70, Insurance for Vendors.

### Approved Amendment of Policies under the Purview of the Recreation Committee

MOVED and duly approved to amend Policies 5135-50, Recreation Committee Charter and 5562-50, Amphitheater Programs.

### Approve Amendment of Policy 5145-37, Security, Bus and Traffic Committee

MOVED and duly approved to recommend Policy 5145-37, Security, Bus and Traffic Committee Charter, to update the scope of the Committee's responsibilities.



## APRIL 2017 MONTHLY SUMMARY

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**TENTATIVE VOTE:** Approve Amendment of Policy 1927.01-37, Fees (Fines) for Parking Rules Violations on Trust Property

MOVED and duly approved to amend Policy 1927.01-37, Fees (Fines) for Parking Rules Violations on Trust Property, to provide updated information for clarity and compliance.

**Approve Amendment of Policy 1927.02-37, Parking Rules Violation Panel**

MOVED and duly approved to amend Policy 1927.02-37, Parking Rules Violation Panel.

Mutual 4 Board of Directors Meeting – June 14, 2017

CFO, Suzi Smith

**FINANCIAL RECAP - APRIL 2017**

|                | Monthly Actual | Monthly Budget | Variance |  | YTD Actual | YTD Budget | Variance |
|----------------|----------------|----------------|----------|--|------------|------------|----------|
| Income         | 140,518        | 141,769        | -1,251   |  | 568,718    | 567,076    | 1,642    |
| Reserves       | 45,077         | 45,077         | 0        |  | 180,308    | 180,305    | 3        |
| Expenses       | 102,878        | 96,899         | 5,979    |  | 402,113    | 387,598    | 14,515   |
| Total Expenses | 147,955        | 141,976        | 5,979    |  | 582,421    | 567,903    | 14,518   |
| Income/Expense | -7,437         | -207           | -7,230   |  | -13,703    | -827       | -12,876  |

Our unrestricted cash for month end is \$380,565; restricted reserve accounts total \$2,047,873

**Reserves:**

|                |                |
|----------------|----------------|
| Appliance      | \$13,735.00    |
| Painting       | \$24,472.00    |
| Operating      | \$25,000.00    |
| Roofing        | \$1,464,942.00 |
| Emergency      | \$127,584.00   |
| Infrastructure | \$392,140.00   |

Total Reserves \$2,047,873

Recap of Financials for the month ended April, 2017 (See above). I have prepared a complete profit and loss statements Report A showing actual and budget expenses for the month of April, 2017 and year to date. We are showing a YTD loss of \$13,703; GRF depreciation adjustment is \$4350 over budget and structural repairs of \$5125 will be re-classed to reserves and will be reflected on the May financial statement. (May financials below - hot off the press 06.09.17)

**FINANCIAL RECAP - MAY 2017**

|                | Monthly Actual | Monthly Budget | Variance |  | YTD Actual | YTD Budget | Variance |
|----------------|----------------|----------------|----------|--|------------|------------|----------|
| Income         | 144,019        | 141,769        | 2,250    |  | 712,737    | 708,845    | 3,892    |
| Reserves       | 45,077         | 45,077         | 0        |  | 225,385    | 225,382    | 3        |
| Expenses       | 102,265        | 96,899         | 5,366    |  | 504,378    | 484,497    | 19,881   |
| Total Expenses | 147,342        | 141,976        | 5,366    |  | 729,763    | 709,879    | 19,884   |
| Income/Expense | -3,323         | -207           | -3,116   |  | -17,026    | -1,034     | -15,992  |

Our unrestricted cash for month end is \$396,086; restricted reserve accounts total \$2,071,657

**Reserves:**

|                |                |
|----------------|----------------|
| Appliance      | \$11,446.00    |
| Painting       | \$25,425.00    |
| Operating      | \$25,000.00    |
| Roofing        | \$1,477,859.00 |
| Emergency      | \$127,368.00   |
| Infrastructure | \$404,559.00   |
| <br>           |                |
| Total Reserves | \$2,071,657    |

A CD for \$150,000 came up for renewal on 05/08/17. It was transferred to savings in anticipation of funds needed for the roofing project.

There was no June CFO Council meeting due to elections.

**BUILDINGS/LANDSCAPE**

The large pine tree near the corner of El Dorado and Oakwood was finally removed. It was disease infested. We tried to save it over the last year but it was not salvageable. Couple of shareholders were able to get new trees on their dime. Please note that the tree you want planted may not always be appropriate where you want it planted. Bill Jacob, owner of Total Landscape, is an certified arborist and we always give him that last word. Bow to expertise.

Are you seeing brown grass? Patience please. This is the winter grass dying off. Total is addressing areas as quickly as they can and before you know it that wonderful green carpet will return everywhere.

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 Report A**  
**April 2017**

| Ordinary Income/Expense            | Apr 17     | Budget     | \$ Over Budget |
|------------------------------------|------------|------------|----------------|
| <b>Income</b>                      |            |            |                |
| <b>ASSESSMENT</b>                  |            |            |                |
| 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         |
| <b>Total ASSESSMENT</b>            | 136,505.00 | 136,505.00 | 0.00           |
| <b>FINANCIAL INCOME</b>            |            |            |                |
| Interest Income - Tax Exempt       | 79.00      | 65.00      | 14.00          |
| Interest Income - Taxable          | 2,041.00   | 1,650.00   | 391.00         |
| Late Charges                       | 104.00     | 44.00      | 60.00          |
| <b>Total FINANCIAL INCOME</b>      | 2,224.00   | 1,759.00   | 465.00         |
| <b>SERVICES INCOME</b>             |            |            |                |
| Inspection Fees                    | 0.00       | 2,083.00   | -2,083.00      |
| Laundry Machines                   | 1,779.00   | 1,418.00   | 361.00         |
| Merchandise Sales                  | 0.00       | 4.00       | -4.00          |
| Miscellaneous                      | 10.00      | 0.00       | 10.00          |
| <b>Total SERVICES INCOME</b>       | 1,789.00   | 3,505.00   | -1,716.00      |
| <b>Total Income</b>                | 140,518.00 | 141,769.00 | -1,251.00      |
| <b>Cost of Goods Sold</b>          |            |            |                |
| GRF MAINTENANCE FEE                | 57,297.00  | 57,297.00  | 0.00           |
| <b>Total COGS</b>                  | 57,297.00  | 57,297.00  | 0.00           |
| <b>Gross Profit</b>                | 83,221.00  | 84,472.00  | -1,251.00      |
| <b>Expense</b>                     |            |            |                |
| <b>PROFESSIONAL FEES</b>           |            |            |                |
| Legal Fees                         | 0.00       | 415.83     | -415.83        |
| Management Fee                     | 222.00     | 221.75     | 0.25           |
| <b>Total PROFESSIONAL FEES</b>     | 222.00     | 637.58     | -415.58        |
| <b>SERVICES</b>                    |            |            |                |
| Landscape - Contract               | 12,460.00  | 13,274.00  | -814.00        |
| Landscape - Extras                 | 3,105.00   | 708.83     | 2,396.17       |
| Miscellaneous Services             | 36.00      | 43.58      | -7.58          |
| Painting                           | 167.00     | 83.17      | 83.83          |
| Pest Control                       | 207.00     | 649.42     | -442.42        |
| Standard Service                   | 5,021.00   | 4,965.83   | 55.17          |
| Structural Repairs                 | 3,400.00   | 665.00     | 2,735.00       |
| <b>Total SERVICES</b>              | 24,396.00  | 20,389.83  | 4,006.17       |
| <b>TAXES &amp; INSURANCE</b>       |            |            |                |
| Hazard/Liability Insurance         | 9,333.00   | 7,979.00   | 1,354.00       |
| State & Federal taxes              | 487.00     | 285.08     | 201.92         |
| <b>Total TAXES &amp; INSURANCE</b> | 9,820.00   | 8,264.08   | 1,555.92       |
| <b>UTILITIES</b>                   |            |            |                |
| Electricity                        | 1,630.00   | 1,999.83   | -369.83        |
| Trash                              | 3,156.00   | 3,183.83   | -27.83         |
| Water                              | 1,798.00   | 4,918.33   | -3,120.33      |
| <b>Total UTILITIES</b>             | 6,584.00   | 10,101.99  | -3,517.99      |
| <b>RESERVE FUNDING</b>             |            |            |                |
| 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**  
**April 2017**

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|                       | <u>Apr 17</u>    | <u>Budget</u>  | <u>\$ Over Budget</u> |
|-----------------------|------------------|----------------|-----------------------|
| Total RESERVE FUNDING | 45,077.00        | 45,076.34      | 0.66                  |
| DEPRECIATION          | 4,559.00         | 209.00         | 4,350.00              |
| Total Expense         | 90,658.00        | 84,678.82      | 5,979.18              |
| Net Ordinary Income   | -7,437.00        | -206.82        | -7,230.18             |
| Net Income            | <u>-7,437.00</u> | <u>-206.82</u> | <u>-7,230.18</u>      |



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

|                                    | Jan - Apr 17 | Budget     | \$ Over Budget |
|------------------------------------|--------------|------------|----------------|
| <b>Ordinary Income/Expense</b>     |              |            |                |
| <b>Income</b>                      |              |            |                |
| <b>ASSESSMENT</b>                  |              |            |                |
| Regular Assessment - Mutual 4      | 136,738.00   | 137,380.00 | -642.00        |
| Reserves Assessment                | 180,308.00   | 180,308.00 | 0.00           |
| GRF Assessment                     | 228,974.00   | 228,332.00 | 642.00         |
| <b>Total ASSESSMENT</b>            | 546,020.00   | 546,020.00 | 0.00           |
| <b>FINANCIAL INCOME</b>            |              |            |                |
| Interest Income - Tax Exempt       | 179.00       | 260.00     | -81.00         |
| Interest Income - Taxable          | 7,854.00     | 6,600.00   | 1,254.00       |
| Late Charges                       | 222.00       | 176.00     | 46.00          |
| <b>Total FINANCIAL INCOME</b>      | 8,255.00     | 7,036.00   | 1,219.00       |
| <b>SERVICES INCOME</b>             |              |            |                |
| Inspection Fees                    | 8,500.00     | 8,332.00   | 168.00         |
| Laundry Machines                   | 5,922.00     | 5,672.00   | 250.00         |
| Merchandise Sales                  | 0.00         | 16.00      | -16.00         |
| Miscellaneous                      | 21.00        | 0.00       | 21.00          |
| <b>Total SERVICES INCOME</b>       | 14,443.00    | 14,020.00  | 423.00         |
| <b>Total Income</b>                | 568,718.00   | 567,076.00 | 1,642.00       |
| <b>Cost of Goods Sold</b>          |              |            |                |
| GRF MAINTENANCE FEE                | 229,188.00   | 229,188.00 | 0.00           |
| <b>Total COGS</b>                  | 229,188.00   | 229,188.00 | 0.00           |
| <b>Gross Profit</b>                | 339,530.00   | 337,888.00 | 1,642.00       |
| <b>Expense</b>                     |              |            |                |
| <b>PROFESSIONAL FEES</b>           |              |            |                |
| Legal Fees                         | 805.00       | 1,663.32   | -858.32        |
| Management Fee                     | 888.00       | 887.00     | 1.00           |
| <b>Total PROFESSIONAL FEES</b>     | 1,693.00     | 2,550.32   | -857.32        |
| <b>SERVICES</b>                    |              |            |                |
| Landscape - Contract               | 49,840.00    | 53,096.00  | -3,256.00      |
| Landscape - Extras                 | 3,113.00     | 2,835.32   | 277.68         |
| Miscellaneous Services             | 109.00       | 174.32     | -65.32         |
| Painting                           | 2,240.00     | 332.68     | 1,907.32       |
| Pest Control                       | 750.00       | 2,597.68   | -1,847.68      |
| Standard Service                   | 22,731.00    | 19,863.32  | 2,867.68       |
| Structural Repairs                 | 9,060.00     | 2,660.00   | 6,400.00       |
| <b>Total SERVICES</b>              | 87,843.00    | 81,559.32  | 6,283.68       |
| <b>TAXES &amp; INSURANCE</b>       |              |            |                |
| Hazard/Liability Insurance         | 37,332.00    | 31,916.00  | 5,416.00       |
| State & Federal taxes              | 1,342.00     | 1,140.32   | 201.68         |
| <b>Total TAXES &amp; INSURANCE</b> | 38,674.00    | 33,056.32  | 5,617.68       |
| <b>UTILITIES</b>                   |              |            |                |
| Electricity                        | 5,764.00     | 7,999.32   | -2,235.32      |
| Trash                              | 12,623.00    | 12,735.32  | -112.32        |
| Water                              | 8,114.00     | 19,673.32  | -11,559.32     |
| <b>Total UTILITIES</b>             | 26,501.00    | 40,407.96  | -13,906.96     |
| <b>RESERVE FUNDING</b>             |              |            |                |
| Emergency Reserve                  | 1,668.00     | 1,666.68   | 1.32           |
| Roof                               | 51,668.00    | 51,666.68  | 1.32           |
| Paint                              | 3,812.00     | 3,812.00   | 0.00           |
| Infrastructure                     | 114,360.00   | 114,360.00 | 0.00           |
| Appliances                         | 8,800.00     | 8,800.00   | 0.00           |

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

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|                       | Jan - Apr 17      | Budget         | \$ Over Budget    |
|-----------------------|-------------------|----------------|-------------------|
| Total RESERVE FUNDING | 180,308.00        | 180,305.36     | 2.64              |
| DEPRECIATION          | 18,214.00         | 836.00         | 17,378.00         |
| Total Expense         | 353,233.00        | 338,715.28     | 14,517.72         |
| Net Ordinary Income   | -13,703.00        | -827.28        | -12,875.72        |
| Net Income            | <u>-13,703.00</u> | <u>-827.28</u> | <u>-12,875.72</u> |

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

|                                    | Jan - May 17 | Budget     | \$ Over Budget |
|------------------------------------|--------------|------------|----------------|
| Ordinary Income/Expense            |              |            |                |
| Income                             |              |            |                |
| <b>ASSESSMENT</b>                  |              |            |                |
| Regular Assessment - Mutual 4      | 170,869.00   | 171,725.00 | -856.00        |
| Reserves Assessment                | 225,385.00   | 225,385.00 | 0.00           |
| GRF Assessment                     | 286,271.00   | 285,415.00 | 856.00         |
| <b>Total ASSESSMENT</b>            | 682,525.00   | 682,525.00 | 0.00           |
| <b>FINANCIAL INCOME</b>            |              |            |                |
| Interest Income - Tax Exempt       | 236.00       | 325.00     | -89.00         |
| Interest Income - Taxable          | 9,782.00     | 8,250.00   | 1,532.00       |
| Late Charges                       | 294.00       | 220.00     | 74.00          |
| <b>Total FINANCIAL INCOME</b>      | 10,312.00    | 8,795.00   | 1,517.00       |
| <b>SERVICES INCOME</b>             |              |            |                |
| Inspection Fees                    | 12,500.00    | 10,415.00  | 2,085.00       |
| Laundry Machines                   | 7,369.00     | 7,090.00   | 279.00         |
| Merchandise Sales                  | 0.00         | 20.00      | -20.00         |
| Miscellaneous                      | 31.00        | 0.00       | 31.00          |
| <b>Total SERVICES INCOME</b>       | 19,900.00    | 17,525.00  | 2,375.00       |
| <b>Total Income</b>                | 712,737.00   | 708,845.00 | 3,892.00       |
| Cost of Goods Sold                 |              |            |                |
| GRF MAINTENANCE FEE                | 286,485.00   | 286,485.00 | 0.00           |
| <b>Total COGS</b>                  | 286,485.00   | 286,485.00 | 0.00           |
| <b>Gross Profit</b>                | 426,252.00   | 422,360.00 | 3,892.00       |
| Expense                            |              |            |                |
| <b>PROFESSIONAL FEES</b>           |              |            |                |
| Legal Fees                         | 2,202.00     | 2,079.15   | 122.85         |
| Management Fee                     | 1,110.00     | 1,108.75   | 1.25           |
| <b>Total PROFESSIONAL FEES</b>     | 3,312.00     | 3,187.90   | 124.10         |
| <b>SERVICES</b>                    |              |            |                |
| Landscape - Contract               | 62,300.00    | 66,370.00  | -4,070.00      |
| Landscape - Extras                 | 4,009.00     | 3,544.15   | 464.85         |
| Miscellaneous Services             | 233.00       | 217.90     | 15.10          |
| Painting                           | 2,240.00     | 415.85     | 1,824.15       |
| Pest Control                       | 992.00       | 3,247.10   | -2,255.10      |
| Standard Service                   | 29,649.00    | 24,829.15  | 4,819.85       |
| Structural Repairs                 | 4,945.00     | 3,325.00   | 1,620.00       |
| <b>Total SERVICES</b>              | 104,368.00   | 101,949.15 | 2,418.85       |
| <b>TAXES &amp; INSURANCE</b>       |              |            |                |
| Hazard/Liability Insurance         | 46,665.00    | 39,895.00  | 6,770.00       |
| State & Federal taxes              | 1,956.00     | 1,425.40   | 530.60         |
| <b>Total TAXES &amp; INSURANCE</b> | 48,621.00    | 41,320.40  | 7,300.60       |
| <b>UTILITIES</b>                   |              |            |                |
| Electricity                        | 7,315.00     | 9,999.15   | -2,684.15      |
| Trash                              | 15,779.00    | 15,919.15  | -140.15        |
| Water                              | 15,617.00    | 24,591.65  | -8,974.65      |
| <b>Total UTILITIES</b>             | 38,711.00    | 50,509.95  | -11,798.95     |
| <b>RESERVE FUNDING</b>             |              |            |                |
| Emergency Reserve                  | 2,085.00     | 2,083.35   | 1.65           |
| Roof                               | 64,585.00    | 64,583.35  | 1.65           |
| Paint                              | 4,765.00     | 4,765.00   | 0.00           |
| Infrastructure                     | 142,950.00   | 142,950.00 | 0.00           |
| Appliances                         | 11,000.00    | 11,000.00  | 0.00           |

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

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|                       | <u>Jan - May 17</u> | <u>Budget</u>    | <u>\$ Over Budget</u> |
|-----------------------|---------------------|------------------|-----------------------|
| Total RESERVE FUNDING | 225,385.00          | 225,381.70       | 3.30                  |
| DEPRECIATION          | 22,881.00           | 1,045.00         | 21,836.00             |
| Total Expense         | 443,278.00          | 423,394.10       | 19,883.90             |
| Net Ordinary Income   | -17,026.00          | -1,034.10        | -15,991.90            |
| Net Income            | <u>-17,026.00</u>   | <u>-1,034.10</u> | <u>-15,991.90</u>     |

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

|                                    | May 17     | Budget     | \$ Over Budget |
|------------------------------------|------------|------------|----------------|
| Ordinary Income/Expense            |            |            |                |
| Income                             |            |            |                |
| <b>ASSESSMENT</b>                  |            |            |                |
| 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         |
| <b>Total ASSESSMENT</b>            | 136,505.00 | 136,505.00 | 0.00           |
| <b>FINANCIAL INCOME</b>            |            |            |                |
| Interest Income - Tax Exempt       | 57.00      | 65.00      | -8.00          |
| Interest Income - Taxable          | 1,928.00   | 1,650.00   | 278.00         |
| Late Charges                       | 72.00      | 44.00      | 28.00          |
| <b>Total FINANCIAL INCOME</b>      | 2,057.00   | 1,759.00   | 298.00         |
| <b>SERVICES INCOME</b>             |            |            |                |
| Inspection Fees                    | 4,000.00   | 2,083.00   | 1,917.00       |
| Laundry Machines                   | 1,447.00   | 1,418.00   | 29.00          |
| Merchandise Sales                  | 0.00       | 4.00       | -4.00          |
| Miscellaneous                      | 10.00      | 0.00       | 10.00          |
| <b>Total SERVICES INCOME</b>       | 5,457.00   | 3,505.00   | 1,952.00       |
| <b>Total Income</b>                | 144,019.00 | 141,769.00 | 2,250.00       |
| Cost of Goods Sold                 |            |            |                |
| <b>GRF MAINTENANCE FEE</b>         | 57,297.00  | 57,297.00  | 0.00           |
| <b>Total COGS</b>                  | 57,297.00  | 57,297.00  | 0.00           |
| <b>Gross Profit</b>                | 86,722.00  | 84,472.00  | 2,250.00       |
| Expense                            |            |            |                |
| <b>PROFESSIONAL FEES</b>           |            |            |                |
| Legal Fees                         | 1,397.00   | 415.83     | 981.17         |
| Management Fee                     | 222.00     | 221.75     | 0.25           |
| <b>Total PROFESSIONAL FEES</b>     | 1,619.00   | 637.58     | 981.42         |
| <b>SERVICES</b>                    |            |            |                |
| Landscape - Contract               | 12,460.00  | 13,274.00  | -814.00        |
| Landscape - Extras                 | 896.00     | 708.83     | 187.17         |
| Miscellaneous Services             | 124.00     | 43.58      | 80.42          |
| Painting                           | 0.00       | 83.17      | -83.17         |
| Pest Control                       | 242.00     | 649.42     | -407.42        |
| Standard Service                   | 6,918.00   | 4,965.83   | 1,952.17       |
| Structural Repairs                 | -4,115.00  | 665.00     | -4,780.00      |
| <b>Total SERVICES</b>              | 16,525.00  | 20,389.83  | -3,864.83      |
| <b>TAXES &amp; INSURANCE</b>       |            |            |                |
| Hazard/Liability Insurance         | 9,333.00   | 7,979.00   | 1,354.00       |
| State & Federal taxes              | 614.00     | 285.08     | 328.92         |
| <b>Total TAXES &amp; INSURANCE</b> | 9,947.00   | 8,264.08   | 1,682.92       |
| <b>UTILITIES</b>                   |            |            |                |
| Electricity                        | 1,551.00   | 1,999.83   | -448.83        |
| Trash                              | 3,156.00   | 3,183.83   | -27.83         |
| Water                              | 7,503.00   | 4,918.33   | 2,584.67       |
| <b>Total UTILITIES</b>             | 12,210.00  | 10,101.99  | 2,108.01       |
| <b>RESERVE FUNDING</b>             |            |            |                |
| 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**  
**May 2017**

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|                       | <u>May 17</u>    | <u>Budget</u>  | <u>\$ Over Budget</u> |
|-----------------------|------------------|----------------|-----------------------|
| Total RESERVE FUNDING | 45,077.00        | 45,076.34      | 0.66                  |
| DEPRECIATION          | 4,667.00         | 209.00         | 4,458.00              |
| Total Expense         | 90,045.00        | 84,678.82      | 5,366.18              |
| Net Ordinary Income   | -3,323.00        | -206.82        | -3,116.18             |
| Net Income            | <u>-3,323.00</u> | <u>-206.82</u> | <u>-3,116.18</u>      |

Mutual 4 Monthly Report for May, 2017  
Delivered June 14, 2017  
Mike Levitt, Director

Thanks to all of our Mutual residents who took the time, made the effort, to vote in last month's Director election. We directors represent you, the Mutual shareholders. Your vote helps us to gauge if we are doing a good job.

As I mentioned in my annual report, delivered at the May meeting, I've had to call Service Maintenance several times to remove electronic waste, such as TVs, tuners, etc. from the our dumpsters. Our trash collection company is not permitted to pick up and dispose of this type of trash, so it will not empty a dumpster containing it. Every time Service Maintenance moves electronic waste to a special disposal area, it costs each resident. Please, don't put old radios, photographs, TVs in a dumpster, and don't let your family or anyone else do it for you.

I've had many complaints regarding dead or dying grass on our lawns and turf. Much of that brown grass is really rye grass planted to cover the bare ground after our dethatching project. Rye is a winter grass; it dies off just as the new, regular grass starts to recover.

During last winter's rains, certain areas proved prone to flooding. In some cases, the water seemed to accumulate due to the scallops that border our garden areas. Over the next few months I am going to take a close look at whether different border materials would be a better choice. If it appeared that the scallops were preventing runoff at *your* apartment, let me know. Ironically, at one apartment where the front lawn was too high, flooding was stopped by adding taller scallops.

I want to say 'thanks' and 'bye for now' to our departing Board members. Janet, Marsha and Marsha -- you gals did a great job. I will miss working with you.

Tom Gerrity — Mutual 4 Director (Secretary) Buildings 37, 38, 39 & 49

I would like to thank those shareholders who voted for me. I'm thankful for the opportunity to serve as a director for the next two years. Also, I want to thank the building captains. You have been so kind and helpful these first weeks. I especially want to acknowledge Martha Harris. She continued assisting shareholders with the roofing on building 37 during my transition as director -Thank you!

I'm looking forward to meeting more shareholders. I know I'm fortunate to live in such a loving community with great people.

Tom Gerrity



**This has been a hectic first month as a new director. I have been trying to learn a lot about the job and there has been a lot to learn.**

**I met my building captains and found them to be a hard working group. I really appreciate all the work they do.**

**I had a prospective buyer orientation. I was helped in this by Bob Slater and Kevin Black. I was really grateful for their help.**

**Since I am Physical Properties Chairman for the Mutual, I went with Kevin and a plumber for a pre-inspection to two units that are going to undergo repiping. This was very interesting.**

**I am looking forward to facing many new challenges and overcoming them.**

**Jon Russell**

Mutual 4 Leisure World Director's Report April 12, 2017

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

Thank you for supporting the mutual by casting your votes this past month. The mutual board has reorganized its buildings and which buildings each of the directors watches over. I now include building 48 as Tom Gerrity has building 49.

During the past two months, several changes have occurred that affect my area of concern, emergency information. GRF will no longer publish an emergency manual that includes a mutual section. Their manual will address the needs of the GRF employees and the trust property. I have asked several times for information about the water supply that goes through GRF property and then connects to the mutual lines. "Just how will that be watched or repaired at 2:00 AM on a January weekend evening when it's raining?" has been a continual question. And, "Who will turn off the main gas lines that run to the pool and a few club houses with gas stoves and cook tops?" I have received no answers.

I encourage you all to have a completed File of Life on your refrigerator door or taped inside your medicine cabinet. This will allow you to have control of your own emergency information but the information will be available to emergency personnel should the need arise. At the Emergency Information meeting held on June 7 the Mutual 4 Directors decided to ask the mutual's attorney whether we should continue the use of the old Building Captains' Emergency Information form. More information on that will come to you in the next few months.

In the meantime, as always, be prepared with water, food, medications, personal generators for medical devices, and flash lights for a possible power outage and natural or human created emergency. Your mutual and GRF will provide you with these needs. This is an active senior community so during an emergency we are treated exactly the same as any neighborhood outside the Leisure World gates.

Please have a safe summer season.

Jan Kuhl, 46E

Ph. 562-446-0082

# Mutual Administration Director's Report June 2017

## SPOTLIGHT ON ENTERTAINMENT Year of the Tribute

The **2017** Amphitheater Season, Leisure World's free summer music series, kicks off on June 29. Shows are held on the stage of the 2,500-seat Amphitheater at the Administration complex and starts at 8 p.m. until September, when they start at 7:30 p.m.

Amphitheater, Thursday Night Show schedule:

1. June 29 Desperado: The Premier Eagles Tribute Band
2. July 6 Garratt Wilkin and the Parrotheads: A Celebration of Jimmy Buffett's Music
3. July 13 Kenny Metcalf as Elton John
4. July 20 The Bird Dogs present The Everly Brothers Experience
5. July 27 Rumours: The Ultimate Fleetwood Mac Tribute
6. August 3 The Garth Guy featuring Dean Simmons The Ultimate Garth Brooks Tribute Show
7. August 10 Stayin' Alive: Tribute to the Bee Gees
8. August 17 The Temptations Revue
9. August 24 Gregory Wolfe as Rod Stewart
10. August 31 December '63: Tribute to Frankie Valli & the Four Seasons
11. September 7 America's Diamond Live featuring Jay White
12. September 14 The Highwaymen Live: A Tribute to Johnny Cash, Willie Nelson & Waylon Jennings

Free Summer Service ~ GRF Minibus service is available for the summer Amphitheater season. A bus will run from 6:30 p.m.-7:55 p.m., making five stops at the Amphitheater.

Flag down the bus from any curb ~ Passengers can flag down the blue-and -white busses from any curbside location along the path of the route. Pick up a copy of the Spotlight and see pages 26 and 27 for the route.

Home Delivery ~ minibuses will be available for boarding about 15 minutes before the show ends. Following the concert, minibus drivers will transport passengers to any safely accessible location near their LW homes. If buses become full, the driver will return to pick up remaining passengers.

Amphitheater Movies ~ All movies start at 8:30 p.m.

1. July 7 The Magnificent Seven
2. July 21 Sully-Miracle on the Hudson
3. August 1 Miss Peregrine's Home for Peculiar Children
4. August 11 Jack Reacher
5. August 18 Queen of Katwe
6. August 25 Deepwater Horizon

Come out and enjoy the summer nights in your community

**MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FOUR**

**May 24, 2017**

The Organizational Meeting of the newly-elected Board of Directors of Seal Beach Mutual Four was held following the Annual Shareholders' Meeting at Clubhouse 4. Ms. Fernandez, acting as Chairperson, called the meeting to order at 11:13 a.m. She stated the purpose of the meeting was to elect the officers for the 2017-2018 term of office and to ascertain the Regular Monthly Board Meeting location, day, and time.

Those Directors present were: Jan Kuhl, Bob Slater, Mike Levitt, Suzi Smith, Tom Gerrity, Phil Ladner, and Jon Russell. Also present was Mutual Administration Manager Fernandez, and Mutual Administration Office Secretary Dailey.

Ms. Fernandez opened the nominations for the office of President. Ms. Kuhl nominated Mr. Levitt for President. Ms. Smith nominated Mr. Slater. Following a secret ballot, it was determined that Mr. Slater was elected to the office of President for the 2017-2018 term of office.

The Chair was turned over to newly-elected President Slater, who then called for nominations for Vice President. Ms. Kuhl nominated Mr. Levitt for the office of Vice President. There being no further nominations, Mr. Levitt was elected to the office of Vice President for the 2017-2018 term of office.

President Slater called for nominations for the office of Secretary. Mr. Gerrity nominated Ms. Kuhl for the office of Secretary, which she declined. Mr. Gerrity nominated Mr. Russell, which he declined. Mr. Russell nominated Mr. Gerrity. There being no further nominations, Mr. Gerrity was elected to the office of Secretary for the 2017-2018 term of office.

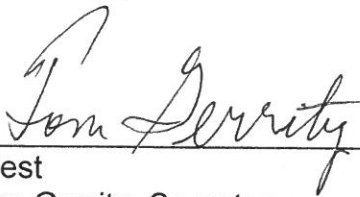
President Slater called for nominations for Chief Financial Officer. Mr. Slater nominated Mrs. Smith for the office of Chief Financial Officer. There being no further nominations, Mrs. Smith was elected to the office of Chief Financial Officer for the 2017-2018 term of office.

The Board discussed the monthly meeting location, day, and time. Upon a MOTION duly made by Mr. Levitt and seconded by Ms. Kuhl it was

RESOLVED, That the Mutual Four Regular Monthly Board Meetings will be held in the Administration Building Conference Room A on the second Wednesday of each month at 9:00 a.m. for open forum and 9:30 a.m. the meeting will begin.

The MOTION passed.

There being no further business, the meeting was adjourned at 11:30 a.m.



Attest  
Tom Gerrity, Secretary  
SEAL BEACH MUTUAL FOUR

cad:5/24/17

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FOUR**

**June 7, 2017**

A Special Meeting of the Board of Directors of Seal Beach Mutual Four was called to order by President Slater at 9:05 p.m. on Wednesday, June 7, 2017, in Building 5, Conference Room C.

Those members present were: President Slater, Vice President Levitt, CFO Smith, Secretary Gerrity, and Directors Gerber, Kuhl Ladner and Russell.

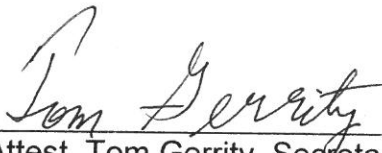
The purpose of this meeting was to discuss emergency information.

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

RESOLVED, To purchase new sets of padlocks for 3 emergency sheds.

The MOTION passed.

President Slater adjourned the meeting at 2:42 p.m.



Attest, Tom Gerrity, Secretary  
SEAL BEACH MUTUAL FOUR

ka: 6/8/17