

**MINUTES OF THE REGULAR MONTHLY MEETING OF
THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR
September 14, 2016**

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, September 14, 2016, at 9:35 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 Kuhl, Chief Financial Officer Smith, and Directors Gerber, Wade, and Harris

GRF
Representative: Mrs. Reed

Guests: Eight shareholders of Mutual Four
Mr. Jacobs, Landscaping (9:43 a.m.)

Staff: Ms. Hopkins, Mutual Administration Director
Mrs. Miller, Director of Finance (10:15 a.m.)
Mr. Black, Building Inspector
Ms. Aquino, 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 August 10, 2016 Board Meeting minutes. Upon a MOTION duly made by Vice President Levitt and seconded by Secretary Kuhl, it was

RESOLVED, To approve the Regular Board
Meeting minutes of August 10, 2016, as printed.

The MOTION passed.

MINUTES (continued)

President Slater asked if there were any corrections to the September 7, 2016, Special Agenda Meeting minutes. There being no corrections, the minutes were approved as written.

CORRESPONDENCE

Secretary Kuhl went over correspondence.

GRF REPRESENTATIVE

Mrs. Reed updated activity on the GRF Board.

BUILDING INSPECTOR'S REPORT

Inspector Black updated the Board on activity in the Mutual.

Following a discussion, and upon a MOTION duly made by CFO Smith and Secretary Kuhl it was,

RESOLVED, To approve Total Landscaping Maintenance contract for the next three years with the removal of page 4.3.

The MOTION passed.

Mr. Jacobs left at 10:20 a.m.

Inspector Black left the meeting at 10:26 a.m.

GUEST SPEAKER Ms. Miller

Following a discussion, and upon a MOTION duly made by CFO Smith and seconded by Secretary Kuhl, it was

RESOLED, To accept the NSBN management letter from the 2015 audit.

The MOTION passed.

GUEST SPEAKER Ms. Miller (continued)

Following a discussion, and upon a MOTION duly made by CFO Smith and seconded by Director Gerber

RESOLVED, To open up a new money market account with US Bank for the Restricted Reserve Fund for Mutual Four.

The MOTION passed.

Ms. Miller presented the proposed 2017 Operating Budget (see attached).

Upon a MOTION duly made by CFO Smith and seconded by Director Harris, it was

RESOLVED, To accept the 2017 Operating Budget for Mutual Four of \$950,494, resulting in a regular monthly assessment of \$200.02 per apartment per month, for an increase of \$6.46 per month over the total Mutual operating costs of 2016, as presented and to adopt this budget forthwith.

The MOTION passed.

Staff took a break from 11:05 a.m. to 11:20 a.m.

Ms. Miller left at a.m. 11:10 a.m.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Smith presented her financial report (attached).

OLD BUSINESS

Following a discussion, and upon a MOTION duly made by Secretary Kuhl and seconded by CFO Smith, it was

RESOLVED, To adopt the Mutual Four flooring permit with corrections.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Secretary Kuhl and seconded by CFO Smith, it was

RESOLVED, To reimburse three shareholders the expense of the SmartBurners that they have purchased.

The MOTION passed.

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

RESOLVED, To ratify Policy 7525 – Withdrawal Inspection Process Fee.

The MOTION passed.

NEW BUSINESS

Following a discussion it was the Consensus of the Board to discuss SmartBurners at next month's meeting.

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

RESOLVED, To approve the Roof Integrity resolution.

The MOTION passed.

**BOARD OF DIRECTORS
MUTUAL FOUR
NEW BUSINESS (continued)**

September 14, 2016

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

RESOLVED, To approve the shareholders request in Unit 46-L, to have a golf cart pad installed.

The MOTION passed.

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

RESOLVED, That all smoke detectors be replace with the 10 year batteries, and if the batteries cannot be used as a replacement for the current unit in place then the entire unit must be replaced. All smoke detectors must be placed in each living room and each bedroom.

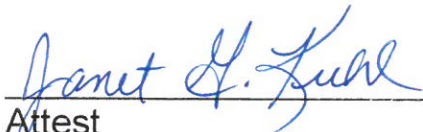
The MOTION passed.

DIRECTOR(S') CONCERNS

Several comments were made by Directors.

ADJOURNMENT

There being no further business to conduct, President Slater adjourned the meeting at 12:09 p.m. and announced there would be an Executive Session following the meeting to discuss member issues.



Attest

Janet G. Kuhl, Secretary
SEAL BEACH MUTUAL FOUR

ka:09/14/16

Attachments

NEXT MEETING: WEDNESDAY, OCTOBER 12, at 9:30 a.m.

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF SEPTEMBER 14, 2016**

09/14/16 RESOLVED, To approve the Regular Board Meeting minutes of August 10, 2016, as printed.

RESOLVED, To approve Total Landscaping Maintenance contract for the next three years with the removal of page 4.3.

RESOLVED, To accept the NSBN management letter from the 2015 audit.

RESOLVED, To open up a new money market account with US Bank for the Restricted Reserve Fund for Mutual Four.

RESOLVED, To accept the 2017 Operating Budget for Mutual Four of \$950,494, resulting in a regular monthly assessment of \$200.02 per apartment per month, for an increase of \$6.46 per month over the total Mutual operating costs of 2016, as presented and to adopt this budget forthwith.

RESOLVED, To adopt the Mutual Four flooring permit with corrections.

RESOLVED, To reimburse three shareholders the expense of the SmartBurners that they have purchased.

RESOLVED, To ratify Policy 7525 – Withdrawal Inspection Process Fee.

RESOLVED, To approve the Roof Integrity resolution.

RESOLVED, To approve the shareholders request in Unit 46-L, to have a golf cart pad installed.

RESOLVED, That all smoke detectors be replaced with the 10 year batteries, and if the batteries cannot be used as a replacement for the current unit in place then the entire unit must be replaced. All smoke detectors must be placed in each living room and each bedroom.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **September 14th, 2016**

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
4-75F	repl.ducted unit	yes	06/16/16	09/07/16	NOT YET		yes
4-75C	ducted hvac	YES	05/16/16	08/16/16	no	rough/6/22/16	yes const.
4-48B	kitchen remodel					final cancel'd	
4-43H	patio tile	no	06/01/16	07/30/16	no	resch.	ogan kary's carpet
4-75F	full remodel / full rpipe, risers in 75E and 75G, mutual has contract for repipe	yes	08/01/16	11/05/16	yes		Alpha Master Builders
4-84J	bath wall heater	both	08/04/16	08/14/16	no		ogan
4-42F	patio gate	GRF	08/04/16	09/09/16	no		Berkqvist
4-89D	heat pump ducted	both	08/12/16	12/31/16	no		Greenwood
4-46L	cart pad	grf	08/29/16	09/05/16	no		JLS

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **September 14th, 2016**

ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
4-86K					03/21/16		
4-87L		03/23/16	04/11/16	04/11/16	04/21/16		
4-37D		03/24/16	04/05/16	04/08/16	04/20/16		
4-79A		06/20/16	08/23/16	08/23/16	09/01/16		
4-46A		06/25/16					
4-52I	7/14/2016						
4-50D		07/22/16					
4-85A		07/25/16					
4-37C		08/15/16					
4-50I							
4-89H		08/18/16					
4-80H			08/25/16	08/26/16	09/08/16		
4-52L		08/15/15	09/01/16				
4-40F	9/7/2016						

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

CONTRACTS and PROJECTS	
CONTRACTOR	PROJECT
Total Landscape Maintenance- on going	landscape maintenance of grounds - contract for sprinklers,de-thatch made 9/7/16. draft contract landscape being discussed 8/2016 through 8/2019
Fenn Pest Control - on going	see handout, contract for pest/termites and bait stations, termite report
Roofing Standards- trying to lock down 6 build. For 2017	Roofing Standards will honor 435.00 per square for 2017 roofing, if material increases will pass on
MJ Jurado Construction	concrete area south side of carport 53, he is going to provide a start date for contract. Possible to September 19th, contract not complete yet
Alpha Master Builders - unit re-pipes at 75C and soon at 51F	permit and contract still in process for 51F
Whole Building Re-piping - send out for RFP or direct hire John	Nelson Plumbing? See Draft specifications

Shareholder Visits and Mutual Requests	
4-83G Termites	
4-81L-animal at phone box	
4-51H- animal on patio	
4-48J- fire stove top, clean up complete, put back on going	
4-49B- skylight issue	

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
 January through July 2016

	Jan - Jul 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	243,551.00	243,551.00	0.00
Reserves Assessment	292,999.00	292,999.00	0.00
GRF Assessment	399,581.00	399,581.00	0.00
Total ASSESSMENT	936,131.00	936,131.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	371.00		
Interest Income - Taxable	13,640.00	9,786.00	3,854.00
Late Charges	569.00	308.00	261.00
Total FINANCIAL INCOME	14,580.00	10,094.00	4,486.00
SERVICES INCOME			
Inspection Fees	7,000.00	8,757.00	-1,757.00
Laundry Machines	10,214.00	9,926.00	288.00
Merchandise Sales	35.00		
Miscellaneous	45.00		
Total SERVICES INCOME	17,294.00	18,683.00	-1,389.00
Total Income	968,005.00	964,908.00	3,097.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	399,584.00	399,581.00	3.00
Total COGS	399,584.00	399,581.00	3.00
Gross Profit	568,421.00	565,327.00	3,094.00
Expense			
PROFESSIONAL FEES			
Legal Fees	1,670.00	1,162.00	508.00
Management Fee	1,554.00	1,554.00	0.00
Total PROFESSIONAL FEES	3,224.00	2,716.00	508.00
SERVICES			
Landscape - Contract	83,300.00	83,524.00	-224.00
Landscape - Extras	580.00	7,315.00	-6,735.00
Miscellaneous Services	662.00	889.00	-227.00
Painting	3,987.00	308.00	3,679.00
Pest Control	6,470.00	4,543.00	1,927.00
Standard Service	30,226.82	34,097.00	-3,870.18
Structural Repairs	11,618.00	3,689.00	7,929.00
Total SERVICES	136,843.82	134,365.00	2,478.82
TAXES & INSURANCE			
Hazard/Liability Insurance	69,664.00	58,044.00	11,620.00
State & Federal taxes	755.00	469.00	286.00
Total TAXES & INSURANCE	70,419.00	58,513.00	11,906.00
UTILITIES			
Electricity	12,094.00	15,743.00	-3,649.00
Trash	21,708.00	22,008.00	-300.00
Water	29,846.00	38,976.00	-9,130.00
Total UTILITIES	63,648.00	76,727.00	-13,079.00
RESERVE FUNDING			
Emergency Reserve	2,919.00	2,919.00	0.00
Roof	90,419.00	90,419.00	0.00
Paint	14,294.00	14,294.00	0.00
Infrastructure	157,374.00	157,374.00	0.00
Appliances	28,000.00	28,000.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
July 2016

	Jul 16	Budget	\$ Over Budget
Total RESERVE FUNDING	41,858.00	41,858.00	0.00
DEPRECIATION	209.00	0.00	209.00
Total Expense	83,369.00	80,761.00	2,608.00
Net Ordinary Income	-2,741.00	0.00	-2,741.00
Net Income	<u>-2,741.00</u>	<u>0.00</u>	<u>-2,741.00</u>

Mutual 4 Board of Directors Meeting – September 14, 2016
 CFO, Suzi Smith

FINANCIAL RECAP - JULY, 2016

	Monthly Actual	Monthly Budget	Variance		YTD Actual	YTD Budget	Variance
Income	137,711	137,844	-133		968,005	964,908	3,097
Reserves	41,857	41,858	-1		293,006	293,006	0
Expenses	98,594	95,986	2,608		675,182	671,902	3,280
Total Expenses	140,451	137,844	2,607		968,188	964,908	3,280
Income/Expense	-2,740	0	-2,740		-183	0	-183

Our unrestricted cash for month end is \$369,145; restricted reserve accounts total \$2,146,589

Reserves:

Appliance	\$14,603.00
Painting	\$13,150.00
Operating	\$25,000.00
Roofing	\$1,615,718.00
Emergency	\$124,545.00
Infrastructure	\$353,573.00
 Total Reserves	 \$2,146,589

FINANCIAL RECAP - AUGUST, 2016

	Monthly Actual	Monthly Budget	Variance		YTD Actual	YTD Budget	Variance
Income	138,918	137,844	1,074		1,106,923	1,102,752	4,171
Reserves	41,858	41,858	0		334,864	334,864	0
Expenses	96,166	95,986	180		771,348	767,888	3,460
Total Expenses	138,024	137,844	180		1,106,212	1,102,752	3,460
Income/Expense	894	0	894		711	0	711

Our unrestricted cash for month end is \$365,757; restricted reserve accounts total \$1,956,395

Reserves:

Appliance	\$15,242.00
Painting	\$14,942.00
Operating	\$25,000.00
Roofing	\$1,400,194.00
Emergency	\$124,962.00
Infrastructure	\$376,055.00

Total Reserves \$1,956,395

Recap of Financials for the month ended July 31, 2016 and August 31, 2016 (See above). I have prepared two complete profit and loss statements: Report A showing actual and budget expenses for the month of July, 2016 and Report B showing actual and budget expenses Year to Date. Year to date through August we have excess income of \$711 over budget for our operating expenses. If only we could end the year now!

Dawn Januszka from the On Site Sales Office and Courtney Knapp from Stock Transfer gave a great presentation to the CFO Council in September. They ran through a mock purchase from start to finish, including information given to perspective buyers and what it takes to qualify to purchase in Leisure World. Very informative.

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
July 2016

	Jul 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	34,793.00	34,793.00	0.00
Reserves Assessment	41,857.00	41,857.00	0.00
GRF Assessment	57,083.00	57,083.00	0.00
Total ASSESSMENT	133,733.00	133,733.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	58.00		
Interest Income - Taxable	2,455.00	1,398.00	1,057.00
Late Charges	-49.00	44.00	-93.00
Total FINANCIAL INCOME	2,464.00	1,442.00	1,022.00
SERVICES INCOME			
Inspection Fees	250.00	1,251.00	-1,001.00
Laundry Machines	1,254.00	1,418.00	-164.00
Miscellaneous	10.00		
Total SERVICES INCOME	1,514.00	2,669.00	-1,155.00
Total Income	137,711.00	137,844.00	-133.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	57,083.00	57,083.00	0.00
Total COGS	57,083.00	57,083.00	0.00
Gross Profit	80,628.00	80,761.00	-133.00
Expense			
PROFESSIONAL FEES			
Legal Fees	148.00	166.00	-18.00
Management Fee	222.00	222.00	0.00
Total PROFESSIONAL FEES	370.00	388.00	-18.00
SERVICES			
Landscape - Contract	11,900.00	11,932.00	-32.00
Landscape - Extras	0.00	1,045.00	-1,045.00
Miscellaneous Services	310.00	127.00	183.00
Painting	0.00	44.00	-44.00
Pest Control	5,237.00	649.00	4,588.00
Standard Service	3,500.00	4,871.00	-1,371.00
Structural Repairs	0.00	527.00	-527.00
Total SERVICES	20,947.00	19,195.00	1,752.00
TAXES & INSURANCE			
Hazard/Liability Insurance	9,952.00	8,292.00	1,660.00
State & Federal taxes	353.00	67.00	286.00
Total TAXES & INSURANCE	10,305.00	8,359.00	1,946.00
UTILITIES			
Electricity	1,766.00	2,249.00	-483.00
Trash	3,117.00	3,144.00	-27.00
Water	4,797.00	5,568.00	-771.00
Total UTILITIES	9,680.00	10,961.00	-1,281.00
RESERVE FUNDING			
Emergency Reserve	417.00	417.00	0.00
Roof	12,917.00	12,917.00	0.00
Paint	2,042.00	2,042.00	0.00
Infrastructure	22,482.00	22,482.00	0.00
Appliances	4,000.00	4,000.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through July 2016

	Jan - Jul 16	Budget	\$ Over Budget
Total RESERVE FUNDING	293,006.00	293,006.00	0.00
DEPRECIATION	1,463.00	0.00	1,463.00
Total Expense	568,603.82	565,327.00	3,276.82
Net Ordinary Income	-182.82	0.00	-182.82
Net Income	<u>-182.82</u>	<u>0.00</u>	<u>-182.82</u>

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
August 2016

	Aug 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	34,793.00	34,793.00	0.00
Reserves Assessment	41,857.00	41,857.00	0.00
GRF Assessment	57,083.00	57,083.00	0.00
Total ASSESSMENT	133,733.00	133,733.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	76.00		
Interest Income - Taxable	2,766.00	1,398.00	1,368.00
Late Charges	66.00	44.00	22.00
Total FINANCIAL INCOME	2,908.00	1,442.00	1,466.00
SERVICES INCOME			
Inspection Fees	500.00	1,251.00	-751.00
Laundry Machines	1,767.00	1,418.00	349.00
Miscellaneous	10.00		
Total SERVICES INCOME	2,277.00	2,669.00	-392.00
Total Income	138,918.00	137,844.00	1,074.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	57,083.00	57,083.00	0.00
Total COGS	57,083.00	57,083.00	0.00
Gross Profit	81,835.00	80,761.00	1,074.00
Expense			
PROFESSIONAL FEES			
Legal Fees	333.00	166.00	167.00
Management Fee	222.00	222.00	0.00
Total PROFESSIONAL FEES	555.00	388.00	167.00
SERVICES			
Landscape - Contract	11,900.00	11,932.00	-32.00
Landscape - Extras	0.00	1,045.00	-1,045.00
Miscellaneous Services	87.00	127.00	-40.00
Painting	595.00	44.00	551.00
Pest Control	102.00	649.00	-547.00
Standard Service	2,674.00	4,871.00	-2,197.00
Structural Repairs	1,200.00	527.00	673.00
Total SERVICES	16,558.00	19,195.00	-2,637.00
TAXES & INSURANCE			
Hazard/Liability Insurance	9,952.00	8,292.00	1,660.00
State & Federal taxes	353.00	67.00	286.00
Total TAXES & INSURANCE	10,305.00	8,359.00	1,946.00
UTILITIES			
Electricity	1,621.00	2,249.00	-628.00
Trash	3,156.00	3,144.00	12.00
Water	6,679.00	5,568.00	1,111.00
Total UTILITIES	11,456.00	10,961.00	495.00
RESERVE FUNDING			
Emergency Reserve	417.00	417.00	0.00
Roof	12,917.00	12,917.00	0.00
Paint	2,042.00	2,042.00	0.00
Infrastructure	22,482.00	22,482.00	0.00
Appliances	4,000.00	4,000.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
August 2016

	Aug 16	Budget	\$ Over Budget
Total RESERVE FUNDING	41,858.00	41,858.00	0.00
DEPRECIATION	209.00	0.00	209.00
Total Expense	80,941.00	80,761.00	180.00
Net Ordinary Income	894.00	0.00	894.00
Net Income	<u>894.00</u>	<u>0.00</u>	<u>894.00</u>

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
 January through August 2016

	Jan - Aug 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	278,344.00	278,344.00	0.00
Reserves Assessment	334,856.00	334,856.00	0.00
GRF Assessment	456,664.00	456,664.00	0.00
Total ASSESSMENT	1,069,864.00	1,069,864.00	0.00
FINANCIAL INCOME			
Interest Income - Tax Exempt	447.00		
Interest Income - Taxable	16,406.00	11,184.00	5,222.00
Late Charges	635.00	352.00	283.00
Total FINANCIAL INCOME	17,488.00	11,536.00	5,952.00
SERVICES INCOME			
Inspection Fees	7,500.00	10,008.00	-2,508.00
Laundry Machines	11,981.00	11,344.00	637.00
Merchandise Sales	35.00		
Miscellaneous	55.00		
Total SERVICES INCOME	19,571.00	21,352.00	-1,781.00
Total Income	1,106,923.00	1,102,752.00	4,171.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	456,667.00	456,664.00	3.00
Total COGS	456,667.00	456,664.00	3.00
Gross Profit	650,256.00	646,088.00	4,168.00
Expense			
PROFESSIONAL FEES			
Legal Fees	2,003.00	1,328.00	675.00
Management Fee	1,776.00	1,776.00	0.00
Total PROFESSIONAL FEES	3,779.00	3,104.00	675.00
SERVICES			
Landscape - Contract	95,200.00	95,456.00	-256.00
Landscape - Extras	580.00	8,360.00	-7,780.00
Miscellaneous Services	749.00	1,016.00	-267.00
Painting	4,582.00	352.00	4,230.00
Pest Control	6,572.00	5,192.00	1,380.00
Standard Service	32,900.82	38,968.00	-6,067.18
Structural Repairs	12,818.00	4,216.00	8,602.00
Total SERVICES	153,401.82	153,560.00	-158.18
TAXES & INSURANCE			
Hazard/Liability Insurance	79,616.00	66,336.00	13,280.00
State & Federal taxes	1,108.00	536.00	572.00
Total TAXES & INSURANCE	80,724.00	66,872.00	13,852.00
UTILITIES			
Electricity	13,715.00	17,992.00	-4,277.00
Trash	24,864.00	25,152.00	-288.00
Water	36,525.00	44,544.00	-8,019.00
Total UTILITIES	75,104.00	87,688.00	-12,584.00
RESERVE FUNDING			
Emergency Reserve	3,336.00	3,336.00	0.00
Roof	103,336.00	103,336.00	0.00
Paint	16,336.00	16,336.00	0.00
Infrastructure	179,856.00	179,856.00	0.00
Appliances	32,000.00	32,000.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through August 2016

	Jan - Aug 16	Budget	\$ Over Budget
Total RESERVE FUNDING	334,864.00	334,864.00	0.00
DEPRECIATION	1,672.00	0.00	1,672.00
Total Expense	649,544.82	646,088.00	3,456.82
Net Ordinary Income	711.18	0.00	711.18
Net Income	<u>711.18</u>	<u>0.00</u>	<u>711.18</u>

MUTUAL OPERATIONS**DRAFT – MUTUAL 4****RESIDENT REGULATIONS**Withdrawal Inspection Process Fee

RESOLUTION:

That Mutual No. _____ will charge a \$500 (or see below) fee for the inspection process when a share of stock is listed for sale, effective _____ (see below).

<u>MUTUAL AND ADOPTION</u>	<u>AMENDED/AMT</u>	<u>EFFECTIVE DATE</u>
ONE: 01 Aug 89		
TWO: 01 Aug 89		
THREE: 01 Aug 89	04-12-13/\$1,000	05-01-13
FOUR: 01 Aug 89	<u>/\$1,000</u>	
FIVE: 01 Aug 89	08-19-15/\$1,000	08-19-15
SIX: 01 Aug 89		
SEVEN: 01 Aug 89		
EIGHT: 01 Aug 89	07-22-13/\$1,000	07-23-13
NINE: 01 Aug 89	03-13-13/\$1,000	04-01-13
TEN: 01 Aug 89	08-27-14/\$1,000	08-27-14
ELEVEN: 01 Aug 89	09-17-15/\$1,000	09-17-15
TWELVE: 01 Aug 89	11-12-15/\$1,000	11-12-15
FOURTEEN: 01 Aug 89	09-18-15/.5% of selling price	09-18-15
	11-17-15/\$1,200	11-17-15
FIFTEEN: 01 Aug 89	04-15-13/\$1,000	05-01-13
SIXTEEN: 01 Aug 89	03-18-13/\$1,000	04-01-13
SEVENTEEN: Not Applicable		

8/9/2016

Building Permit – to include all floor coverings

Effective immediately, Mutual Four requires a GRF Building Permit for all floor covering, including carpet installed at shareholder expense. Both interior and patio/porch floor covering will require a GRF Building Permit, if original flooring is disturbed this will require all abatement procedures for asbestos. All testing reports and EPA/AQMD permits will be required as needed. Copies of permits and testing reports shall be filed with GRF flooring permit.

Reason for this requirement include:

1. Assurance that no asbestos contained material is remove or compromised.
2. No Mutual property is damaged
3. Patio flooring is appropriate (for example- if tile on patio - nonskid, C.O.F. min. 6.0)
4. Shareholder understands what is and what is not allowed
5. Shareholder understands that Mutual Four is not responsible for any damage to, or failure of, flooring purchased and installed at any time by shareholders or their successor shareholders regardless of date of installation or cause of damage or failure.

FURTHER, That this resolution dated August 9th, 2016 be attached to the permit and signed by the shareholder and installer or contractor.

Shareholder Unit # _____ Shareholder Signature: _____

Date: _____

Contractor / Installer Signature: _____ Date: _____

Mutual Inspector Signature: _____ Date: _____

Roof Integrity Resolution

RESOLVED, That the following be adhered to for all Mutual Four roofs. The reason for this resolution is to keep the 25-30 year warranty protected by protecting the integrity of the roofs.

1. Only access to the roof is made by Service Maintenance personnel, Physical Property Inspectors and the approved roofing contractors. Shareholders, handymen, and other contractors must be pre-approved by the Physical Property Department or the approved roofing contractor.
2. Skylight cleaning must be pre-approved by the Physical Property Department.
3. No ladders will be allowed to rest on or against the gutters attached to the building. This includes Service Maintenance personnel, Physical Property Inspectors, gardeners/landscapers or the approved roofing contractors. The ladder must be used at either end of the building where there are no gutters.
4. No satellite dishes, TV antennas, or any other device will be installed on any surface of a roof or fascia without a permit. The Physical Property department must approve the installation of anything on the roofs.
5. No contractor or handyman shall be allowed to create roof penetrations without prior written approval from the Physical Property department. Only the approved roofing contractors will be allowed to flash roof and waterproof any work on the roofing surface.

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

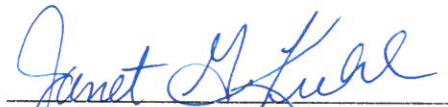
September 7, 2016

A Special Meeting of the Board of Directors of Seal Beach Mutual Four was called to order by President Slater at 9:00 a.m. on Wednesday, September 3, 2016, in Clubhouse Three Room Three

Those members present were: President Slater, Secretary Kuhl, CFO Smith, Directors Harris, Gerber and Wade. Vice President Levitt was absent.

The purpose of the meeting was to set and write the agenda for the September 14, 2016, Mutual Four Board of Directors Meeting.

President Slater adjourned the meeting at 9:25 a.m.



Attest
Jan Kuhl, Secretary
SEAL BEACH MUTUAL FOUR

ka:09/07/16