

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

January 9, 2019

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 at 9:32 a.m. on Wednesday, January 9, 2019 in Building Five Conference Room B.

ROLL CALL

Present: President Slater, Vice President Levitt, Secretary Russell,
CFO Smith, Directors Kuhl, and Lessin

Absent: Director Goecke

GRF Representative: Ms. Gerber

Guests: Mr. Rocha, Security Services Director
Mr. Rudge, Physical Property Manager
Seven shareholders of Mutual Four

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

MINUTES

The December 12, 2018, Regular Minutes were approved by general consent of the Board as printed.

SECRETARY'S REPORT / CORRESPONDENCE

Secretary Russell received one piece of correspondence.

GRF REPRESENTATIVE

Ms. Gerber presented the GRF report (attached).

BUILDING INSPECTOR'S REPORT

Inspector Black presented his report (attached).

Following questions, Inspector Black left the meeting at 10:04 a.m.

GUEST SPEAKER

Security Services Director Rocha addressed the Board of Directors, following questions, Mr. Rocha left the meeting at 9:38 a.m.

GUEST SPEAKER

Mr. Rudge arrived at 10:12 a.m. addressed the Board of Directors regarding 2019 Mutual Projects. Mutual Four will focus on Roofing and Re-piping and asphalt repairs in various areas if needed. Following questions, Mr. Rudge left the meeting at 10:23 a.m.

UNFINISHED BUSINESS

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

RESOLVED, To ratify adopted/posted Policy 7549.04
– Lockout Procedures.

The MOTION passed.

Following a discussion and upon a MOTION duly made by President Slater and seconded by Director Lessin, it was

RESOLVED, To approve the Garden Landscape Proposal for Unit 04-39-L, allowing the extension to be two (2) feet from the patio and nothing else.

The MOTION passed with five “yes” votes and one abstention (CFO Smith).

NEW BUSINESS

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

RESOLVED, To rescind Policy 7415.04B – Outside Patio Regulations and amend Policy 7415.04 – Inside Patio Regulation on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

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

RESOLVED, To amend Policy 7502.04 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

NEW BUSINESS (continued)

Following a discussion, it was the consensus of the Board to ask the Mutual Attorney for his opinion regarding Second Hand Smoke/Nuisance Policy for Mutual Four. The Board reviewed Policy 7532.08 – Second Hand Smoke/Nuisance.

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

RESOLVED, To approve that in the event of failure of a lighting ballast, Mutual Four upgrades the original lighting ballasts to standard LED light fixtures installed at Mutual's costs. Cost of replacement bulbs are the responsibility of the Shareholder.

The MOTION passed

Following a discussion, and upon a MOTION duly made by President Slater and seconded by Secretary Russell, it was

RESOLVED, To approve the installation of a Halo3 water filtration system in Unit 04-84-G, with the understanding that the shareholder is responsible for any and all issues arising from this installation.

The MOTION passed.

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

RESOLVED, To approve, with corrections, the Buying and Selling Process Handout, prepared and submitted by GRF, to be placed on Seal Beach Leisure World Website, to be submitted to all Real Estate and Escrow Agents, and to be included in the new buyer packet.

The MOTION passed.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Smith presented her financial report (attached).

MUTUAL ADMINISTRATION DIRECTOR'S COMMENTS

Ms. Hopkins presented the Mutual Administration report (attached) and left at 10:55 a.m.

COMMITTEE REPORTS

Emergency Information

Director Kuhl provided an update.

Landscape Committee

Vice President Levitt and CFO Smith provided an update, report attached.

Physical Property

Secretary Russell presented his report.

Presidents Council

President Slater provided information.

DIRECTORS' COMMENTS

No Directors' comments were made.

SHAREHOLDER COMMENTS

No Shareholder comments were made.

ADJOURNMENT

There being no further business to conduct, President Slater adjourned the meeting at 11:28 a.m. and announced there would be an Executive Session following the meeting to discuss member issues.



Attest, Jon Russell, Secretary
SEAL BEACH MUTUAL FOUR

cv: 1-09-2019
Attachments

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF January 9, 2019**

1-09-19 RESOLVED, To ratify amended/posted Policy 7549.04- Lockout Procedures.

RESOLVED, To approve the Garden Landscape Proposal for Unit 39-L, allowing the extension to be two (2) feet from the patio and nothing else.

RESOLVED, To rescind Policy 7415.04B – Outside Patio Area Regulations and amend Policy 7415.04 – Inside Patio Regulations on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To amend Policy 7502.04 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To approve that in the event of failure of a lighting ballast, Mutual Four upgrades the original lighting ballasts to standard LED light fixtures installed at Mutual's costs. Cost of replacement bulbs are the responsibility of the Shareholder.

RESOLVED, To approve the installation of a Halo3 water filtration system in Unit 04-84-G, with the understanding that the shareholder is responsible for any and all issues arising from this installation.

RESOLVED, To approve, with corrections, the Buying and Selling Process Handout, prepared and submitted by GRF, to be placed on Seal Beach Leisure World Website, to be submitted to all Real Estate and Escrow Agents, and to be included in the new buyer packet.

GRF Director for Mutual Four
January 9, 2019

Here are some of the highlights in the past month:

The trust street compliance with CAMUTCD is 95% complete. The traffic engineer is reviewing for certification. This will allow us to have a Seal Beach Police Officer here 40 hours per week. This does not happen, however, until the money from Prop. BB is funded—probably June.

Club House 6 revitalization is also 95% complete. The rooms in the back part of the building (ceramics, lapidary, art) are next to be updated.

The Adm. Building elevator is being upgraded starting today. No meetings will be held in the upstairs conference room for at least a month. The Adm. Secretary will be temporarily located in the Stock Transfer Office if you need to contact GRF Administration.

The landscaping of the medians along St. Andrews will be completed in the next month.

Upcoming projects include:

Pool renovation studies will begin shortly. It was decided after reviewing the Pool Questionnaires that the community wanted the existing pool brought up-to-date and not replaced.

And really exciting news is that a new Restaurant/Bar Sub Committee has been formed to gather information about having are own restaurant/bar in Leisure World!

Maisha Garber

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(04) FOUR**

INSPECTOR: **Kevin Black**

MUTUAL BOARD MEETING DATE: **DECEMBER 12TH 2018**

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
4-84G	remodel	both	10/18/18	01/30/19	no	footing 10/15/18	action patio appr. BOD meeting 11/14/18
roofing	bldg. 77,79,85,86,88	both	11/05/18	02/04/18	no	8/18- 79 nailing 11/15/18-insulation11	Roofing Standards
4-47H	remodel	both	11/15/18	08/15/19	no		alpha master builders
4-43K	counters/microwave	both	12/05/18	01/31/19	no		mp const.
4-78L	ducted fau	both	12/21/18	01/21/19	no		alpine
4-48G	ductless heat pump	both	12/26/18	03/30/19	no		greenwood

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
4-37A		04/03/18	12/17/18	12/19/18	01/02/19		
4-51G		05/22/18	12/12/18	12/12/18	12/24/18		
4-84G		06/20/18					
4-38A		06/21/18	10/18/18	10/22/18	11/01/18		
4-50G		07/18/18	10/11/18	10/18/18	10/30/18		
4-87K		08/30/18	12/19/18	12/19/18	01/02/19		
4-81D		08/30/18					
4-37I		08/29/18	10/09/18	10/12/18	10/24/18		
4-82H		09/14/18	12/17/18	12/17/18	12/28/18		
4-78B		09/26/18					
4-76E		09/28/18					
4-49F		10/18/18					

CONTRACTOR

PROJECT

Total Landscape Maintenance- Tree Pruning:	on going now
Fenn Pest Control -	service days are Monday and Wednesday
Roofing Roofing Standards:	complete with buildings 77,79, 86, starting 88 on 1/2/19 then on to bldg. 85
stove hoods & Piping Kress Const:	complete with buildings 77,79, 86, starting 88 on 1/2/19 then on to bldg. 85
dry rot / termite / attic repair B.A. Const:	complete with buildings 77,79, 86, starting 88 on 1/2/19 then on to bldg. 85
	major termites at 86L and skylight curbs as well as plywood around them
Roofing for next bldg. 88	set for start date of 1/2/19

Shareholder Visits and Mutual Requests

82E all dried out, looking for contractor for repairs	
pass out flyers for 88 on 1/26/18	
89L roof leak sent for repair	
12/18 deliver skylights to reroof	
12/20/18 walk for touch up paint and reroof insp.	
37A escrow questions from seller12/24/18	
47I check on possible water hitting door	
86L check ceiling paint, need to paint whole lid in dinning,livrm	

FINANCIAL RECAP -DECEMBER 2018

	Monthly Actual	Monthly Budget	Variance	YTD Actual	YTD Budget	Variance
Income	147,057	147,965	-908	1,767,943	1,775,580	-7,637
Reserves	47,085	47,085	0	565,020	565,020	0
Expenses	109,061	100,882	8,179	1,284,265	1,210,584	73,681
Total Expenses	156,146	147,967	8,179	1,849,285	1,775,604	73,681
Income/Expense	-9,089	-2	-9,087	-81,342	-24	-81,318
Add Back Depreciation	10,837			86,002		
Adjusted	1,748			4,660		

Our unrestricted cash for month end is \$348,901 restricted reserve accounts total \$1,812,450

Reserves:

Appliance	\$5,389
Painting	\$43,537
Operating	\$25,000
Roofing	\$1,185,491
Emergency	\$122,333
Infrastructure	\$430,700

Total Reserves \$1,812,450

Hooray!! We did it. Excess income for the year, before depreciation, \$4,660. Congratulations to the board for watching the expenses so closely.

The CFO Council meeting was cancelled in January.

LANDSCAPE

January is tree trimming month, rose pruning and cleaning any gutters missed so far.



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

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
December 2018

	Dec 18	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	34,111.00	34,111.00	0.00
Reserves Assessment	47,085.00	47,085.00	0.00
GRF Assessment	60,469.00	60,469.00	0.00
Total ASSESSMENT	141,665.00	141,665.00	0.00
FINANCIAL INCOME			
Interest Income - Other Taxable	169.00	49.00	120.00
Interest Income - Taxable	2,821.00	2,085.00	736.00
Late Charges	50.00	0.00	50.00
Total FINANCIAL INCOME	3,040.00	2,134.00	906.00
SERVICES INCOME			
Inspection Fees	1,250.00	2,748.00	-1,498.00
Laundry Machines	1,096.00	1,418.00	-322.00
Miscellaneous	6.00	0.00	6.00
Total SERVICES INCOME	2,352.00	4,166.00	-1,814.00
Total Income	147,057.00	147,965.00	-908.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	60,471.00	60,469.00	2.00
Total COGS	60,471.00	60,469.00	2.00
Gross Profit	86,586.00	87,496.00	-910.00
Expense			
PROFESSIONAL FEES			
Legal Fees	0.00	277.00	-277.00
Management Fee	219.00	222.00	-3.00
Total PROFESSIONAL FEES	219.00	499.00	-280.00
SERVICES			
Landscape - Contract	13,850.00	13,159.00	691.00
Landscape - Extras	5,125.00	832.00	4,293.00
Miscellaneous Services	89.00	182.00	-93.00
Painting	0.00	127.00	-127.00
Pest Control	285.00	899.00	-614.00
Standard Service	5,284.00	4,966.00	318.00
Structural Repairs	0.00	748.00	-748.00
Total SERVICES	24,633.00	20,913.00	3,720.00
TAXES & INSURANCE			
Hazard/Liability Insurance	2,451.00	8,811.00	-6,360.00
State & Federal taxes	564.00	349.00	215.00
Total TAXES & INSURANCE	3,015.00	9,160.00	-6,145.00
UTILITIES			
Electricity	1,664.00	1,501.00	163.00
Trash	3,342.00	3,243.00	99.00
Water	4,880.00	5,097.00	-217.00
Total UTILITIES	9,886.00	9,841.00	45.00
RESERVE FUNDING			
Emergency Reserve	208.00	208.00	0.00
Roof	13,167.00	13,167.00	0.00
Paint	953.00	953.00	0.00
Infrastructure	28,590.00	28,590.00	0.00
Appliances	4,167.00	4,167.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
December 2018

	Dec 18	Budget	\$ Over Budget
Total RESERVE FUNDING	47,085.00	47,085.00	0.00
DEPRECIATION	10,837.00	0.00	10,837.00
Total Expense	95,675.00	87,498.00	8,177.00
Net Ordinary Income	-9,089.00	-2.00	-9,087.00
Net Income	<u>-9,089.00</u>	<u>-2.00</u>	<u>-9,087.00</u>

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
 January through December 2018

	Jan - Dec 18	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	409,332.00	409,332.00	0.00
Reserves Assessment	565,020.00	565,020.00	0.00
GRF Assessment	725,628.00	725,628.00	0.00
Total ASSESSMENT	1,699,980.00	1,699,980.00	0.00
FINANCIAL INCOME			
Interest Income - Other Taxable	933.00	588.00	345.00
Interest Income - Taxable	27,761.00	25,020.00	2,741.00
Late Charges	423.00	0.00	423.00
Total FINANCIAL INCOME	29,117.00	25,608.00	3,509.00
SERVICES INCOME			
Inspection Fees	19,250.00	32,976.00	-13,726.00
Laundry Machines	15,105.00	17,016.00	-1,911.00
Miscellaneous	4,491.00	0.00	4,491.00
Total SERVICES INCOME	38,846.00	49,992.00	-11,146.00
Total Income	1,767,943.00	1,775,580.00	-7,637.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	717,952.00	725,628.00	-7,676.00
Total COGS	717,952.00	725,628.00	-7,676.00
Gross Profit	1,049,991.00	1,049,952.00	39.00
Expense			
PROFESSIONAL FEES			
Legal Fees	512.00	3,324.00	-2,812.00
Management Fee	2,661.00	2,664.00	-3.00
Total PROFESSIONAL FEES	3,173.00	5,988.00	-2,815.00
SERVICES			
Landscape - Contract	160,266.00	157,908.00	2,358.00
Landscape - Extras	8,840.00	9,984.00	-1,144.00
Miscellaneous Services	3,657.00	2,184.00	1,473.00
Painting	1,972.00	1,524.00	448.00
Pest Control	10,877.00	10,788.00	89.00
Standard Service	58,601.00	59,592.00	-991.00
Structural Repairs	8,850.00	8,976.00	-126.00
Total SERVICES	253,063.00	250,956.00	2,107.00
TAXES & INSURANCE			
Hazard/Liability Insurance	87,813.00	105,732.00	-17,919.00
State & Federal taxes	5,908.00	4,188.00	1,720.00
Total TAXES & INSURANCE	93,721.00	109,920.00	-16,199.00
UTILITIES			
Electricity	19,195.00	18,012.00	1,183.00
Trash	39,096.00	38,916.00	180.00
Water	72,063.00	61,164.00	10,899.00
Total UTILITIES	130,354.00	118,092.00	12,262.00
RESERVE FUNDING			
Emergency Reserve	2,496.00	2,496.00	0.00
Roof	158,004.00	158,004.00	0.00
Paint	11,436.00	11,436.00	0.00
Infrastructure	343,080.00	343,080.00	0.00
Appliances	50,004.00	50,004.00	0.00
Total RESERVE FUNDING	565,020.00	565,020.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through December 2018

	Jan - Dec 18	Budget	\$ Over Budget
DEPRECIATION	86,002.00	0.00	86,002.00
Total Expense	1,131,333.00	1,049,976.00	81,357.00
Net Ordinary Income	-81,342.00	-24.00	-81,318.00
Net Income	<u>-81,342.00</u>	<u>-24.00</u>	<u>-81,318.00</u>

Mutual Administration Director's Report

January 2019

Copy & Supply Center

The Copy & Supply Center is open in Building 5, adjacent to the Security Satellite Office. It is centrally located with expanded duplicating services and easy access for residents who want to make photocopies and purchase other popular items.

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

Telephone number is 562-431-6586, extension 345.




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

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


~Batteries 

~Fluorescent Light Bulbs 

~Safety and Emergency Supplies  ~Stove Drip Pans 

~Shower Heads  ~Flashlights  ~Ice Cube Trays 

~Fire Extinguishers  ~Toilet Seats  ~Smoke Detectors 

~Small common replacement parts used in the bathrooms and kitchens, such as cabinet pulls and range filters 

Notary Services Available at the Copy & Supply Center

Announcing Notary Services available by appointment in the Copy & Supply Center.

For an appointment, please call 562-431-6585, extension 345.

MUTUAL 4 BOARD OF DIRECTORS MEETING

January 9, 2019

HAPPY NEW YEAR!!!

Some of you already know this, now you ALL know . . . your President, your Vice President and one of your directors will not seek re-election.

The good news is that the remaining four will be seeking re-election. With the openings, this would give you the opportunity to be part of a very successful Mutual Board. You will help set the 2019-2020 Mutual direction and goals.

I thank all residents for making Mutual Four the best . . . and yes, we can prove it.

Final decisions must still be made on how we spend your money. Be part of those decisions. Check out the Laundry Room for further information.

Once again, thanks.

Bob Slater, The Prez

M-4 December Monthly Report
Dir. Mike Levitt
For January 9, 2019

Hope all of you have enjoyed a healthy and happy Holiday season.

December is typically a 'slow' month for complaints and repairs. Not sure just why. Could be folks are off visiting with family. Or they are wandering 'round lost in a shopping mall, or staggering around in an egg-nog haze, and have failed to notice any small problems.

But I was here, at your service, waiting breathlessly for that phone to ring. And performed a new-buyer orientation in Building 87, had Service Maintenance check on, and replace some smoke detectors and locate and repair some leaking pipes, had our landscaper adjust some sprinklers, and assisted your mutual in developing a policy to regulate development and use of patios and porches. (Yes, after decades and decades of calling them patios, those enclosing structures are now 'porches;' 'patios' are a different animal altogether. Confused? Don't worry. Just stay tuned in and in a month or two you'll be an expert.)

November's invading ants and swarming termites failed to make an appearance in December. However, by the time you read this in January, no longer filled with good cheer, they may have returned to inflict even greater damage.

With all of this unused space here at the bottom of the page, I'll offer up some helpful reminders for you. If your four-legged home companion is in the habit of prowling the grounds alone at night, it's time to break that habit. Coyotes need an extra supply of food to maintain their body heat in those cold dens, just like you and I do. If Fluffy is out at night doing her thing, she may not make it back home. And, sad to say, coyotes have taken to strolling our grounds in the afternoons. Any loose pet any time of the day, is a potential blue-plate special.

Our much-delayed tree-trimming program is finally set to get underway this month. If 'your' trees haven't been groomed yet, get out there and relocate those potted plants under the trees to a safer area. Having to move your plants out of their way will slow down the workers and delay this procedure even more. And potted plants have been known to break when they have to be moved quickly.

And a final reminder: our trash dumpsters are for putting garbage in, not for pulling out someone else's stuff. Privacy is important to each one of us. That extends to the receipts and records we (perhaps foolishly) toss into the trash. Besides, we sell the recyclables, with proceeds going to the mutual. If Security catches you digging thru the bin, you could be charged with theft.

**Mutual 4 Monthly Report for December 2018 -
Buildings 78, 79, 80, 82, 83 and 84**

There was not a lot happening in our buildings the last month. We have completed roofing Building 79. I want to thank the residents for their patience.

This is the start of the rainy season. I want to remind all residents to be sure all skylights are closed.

We will be having our annual inspections later this month or early next month. Please have your home owners insurance papers available, your pet registration available and care giver registration available, if necessary.

There was a flood in our laundry room recently. This is just a reminder – do not start 3 washing machines at the same time. I know we have new machines but we still have the same OLD drainage system. This system can NOT handle this much water at one time. Thank you for your responsible actions.

Jon Russell 741

(562) 794-9334

RESCIND

PHYSICAL PROPERTY

Outside Patio Area Regulations– Mutual Four

The purpose of this policy is to provide guidelines for the building and maintenance of patios that are user friendly, increase the value to the Mutual, and improve the aesthetics of the shareholders' units and of Mutual Four.

Definition of Terms

- a. A patio will be considered a **temporary** addition to the shareholder's unit.
- b. A patio is any surface other than garden material that is attached or adjacent to the outside wall structure of the unit's structure.
- c. A porch is the space under the roof of the structure open to the outside or enclosed from the weather.
- d. A porch is included in the exclusive use permit of occupancy and is not included or managed by this patio policy.
- e. A porch and patio can be built as a continuous structure, but only the portion outside the roof line will be considered and maintained as a patio with this policy.

Stipulations for Existing Patios

- a. As of the date of the ratification of this policy all currently installed patios will be considered as allowed. At the time of transfer of title or sale of a unit with a patio, the buyer must agree to manage, maintain, and insure the cost of the patio or it shall be removed at the seller's cost. The new buyer/transferee must sign the *License and Indemnity Agreement* provided by the Mutual Four Board. Remodels of existing patios must comply with this patio policy in its entirety.

Patio Approval Process

- a. All requests for patios must be submitted to the Golden Rain Foundation (GRF) Physical Property Department at least three (3) weeks prior to a regularly scheduled Mutual Board Meeting. The GRF Physical Property Inspector must submit the plans for approval to the Board of Directors at least two (2) weeks prior to a regularly scheduled Board Meeting.
- b. Patio plans must be drawn to be easily understood with dimensions and must include the walls, wall caps, fences, and gates.
- c. All patio requests will be considered by the Board of Directors on a site-specific basis, taking into consideration, but not limited to the following:

RESCIND

PHYSICAL PROPERTY

Outside Patio Area Regulations– Mutual Four

1. Aesthetic/financial value to the Mutual
2. Functionality for the shareholder
3. Utility boxes
4. Electrical enclosures/panels
5. Sprinkler systems
6. Sprinkler valves/plumbing
7. Telephone pull boxes/equipment
8. Sidewalks
9. Laundry rooms
10. Landscaping
11. All underground utility infrastructure

- d. Patios must slope away from the building with adequate weep holes in walls for draining.
- e. All patios must include a 4" mow strip beyond the exterior of the patio wall.
- f. Patio top surface material must be non-skid when wet i.e. concrete, pavers, flagstone, brick or other like materials.
- g. In the garden areas of units of A, B, C, D, E, F and G, H, I, J, K, L a patio may be built, not to exceed the existing garden line. Example: if the existing garden line is at 48 inches the new patio may be built to that 48 inches from the porch wall.
Shareholder in units A,F,G and L, after Board approval, may be allowed a patio at the end of their unit.
- h. Patios may be enclosed by a wall or a fence. Patio wall with cap/fence must be between 26" and 35" high.
- i. Any changes or deviations from the approved plans must be submitted to the Board of Directors and approved prior to implementation.
- j. A majority vote of a quorum of the Board of Directors is necessary for approval and the plans must be approved before the start of construction.

Patio Use: Rules and Maintenance Requirements

- a. Patio items appropriate for patio and outdoor use such as chairs and lounges with cushions are allowed. Storage boxes designed for patio use may not exceed 2 feet in width by 6 feet in length and must not exceed the height of the wall/fence.
- b. Patios and areas around patios must be kept free of clutter. If there is a question whether clutter exists, the question will be decided by a vote of the Board.

RESCIND

PHYSICAL PROPERTY

Outside Patio Area Regulations– Mutual Four

- c. Barbeques may be kept on patios and must be used according to the barbeque policy. Charcoal barbeques, fire pits, and tiki torches are not permitted, per Policy 7427.G – Barbeque – Usage and General Safety Precautions.
- d. Pets must not be left unattended on patios.
- e. Pet doors giving pets free access to and from patios are not allowed.
- f. Items not permitted on patios overnight are: newspapers, magazines, paper, plastic bags, and cardboard. This list will be subject to amendment by the Board as needed.
- g. Patio related items must not block walkways or remain on lawns overnight.
- h. No plumbed appliance or fixtures allowed e.g.: bar sinks, refrigerators/freezers.
- i. Clutter and non-patio items are prohibited and must be removed per decision of the Board of Directors of Mutual Four. Violators will be notified in writing when out of compliance.
- j. Any item in, on, built into or onto a patio in conflict with this policy must be removed by the shareholder after 10 days written notification. If the item is not removed after the 10- day period, the Mutual will have the right to remove the item at the shareholder's expense.
- k. Shareholder must maintain at least \$300,000 of liability insurance on unit.

MUTUAL OPERATIONS**AMEND**

PHYSICAL PROPERTY

Inside-Patio and Porch Regulations – Mutual Four

This mutual distinguishes between patios and porches in its regulations, and describes the two thusly: ~~policy has been developed in an effort to improve the appearance of the community and enhance property values and to improve the enjoyment of the Mutual Four living style and enforcing standards for inside patios in Mutual Four. Also addressed is the need to meet applicable Fire Codes and the safety of each shareholder. It is also the responsibility of the Mutual and its shareholders to manage the appearance and safety of patios, by respecting approved Mutual's standards.~~

I. PORCH.

That area of the total structure built and intended for out-door activities. It is under roof, it has a wall no higher than 36 inches that may be topped with tempered glass or plexiglass windows or, upon approval of the Mutual Board of Directors, window screens, all set in permanent frames attached to the wall. It can have outdoor electric receptacles. It can have television and musical equipment, a portable electrical heater or fan, use of which shall not prove annoying to neighboring residents. It can have a free-standing supply cabinet, until recently this area was referred to as the patio.

II. PATIO.

An area that extends out from the porch onto the turf, or from the end of a building. It is not under roof. It can include the garden area. Its base slopes away from the apartment to facilitate drainage. Patios may be enclosed by a wall or fence between 26" and 35" high. Walls must have adequate weep holes for drainage. If walls are stucco, they must be painted the color of the building. Outdoor propane heaters are prohibited. Formal request for a patio must be submitted to the GRF Physical Property Department no less than three weeks prior to a regularly scheduled Board meeting and must include the plans for approval to the Board of Directors at least two weeks prior to the Board meeting.

Approval for construction of a patio shall be on a site-specific basis and requires a majority vote of a quorum of the Board of Directors. Final plans must be approved by the Board and by Physical Property before start of construction. A formal "PATIO AGREEMENT" must be completed between the shareholder and the Board before final Board approval can be granted. A patio will be considered a temporary addition to the shareholder's unit.

No plumbing fixtures, e.g. bar sink, refrigerator, shall be permitted on a patio. The following items shall not be kept on a patio: flammable items, including newspapers, charcoal, magazines, paper or plastic bags, cardboard cartons, gas

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MUTUAL OPERATIONS**AMEND**

PHYSICAL PROPERTY

Inside-Patio and Porch Regulations – Mutual Four

cans, loose tarp, e.g. a child's tent, electrical tools on a permanent basis, e.g. a drill press.

Any item on a patio in conflict with this policy must be removed by the shareholder within ten days of written notification. Items not removed timely will be removed by the Mutual at shareholder's expense.

III. The following restrictions, prohibitions and regulations apply to both porches and patios.

Patio and porch walls and gates are non-standard additions to an apartment. All costs associated with their construction, maintenance, repair, etc. are the responsibility of the shareholder. This responsibility will carry over to a new shareholder.

All items that violate the City of Seal Beach and California Fire code, including but not restricted to, storage of flammable chemicals and materials, are prohibited.

Furniture intended for indoor use, such as living room and bedroom furniture, is prohibited. Hot tubs and spas are permitted on porches but prohibited on patios. Windows that may be needed as egress in an emergency shall not be blocked. A clean refrigerator or freezer not visible from the adjacent walkway may be plugged directly into a porch receptacle but is prohibited on a patio.

Propane-fueled barbecues may be kept on a porch or patio but may only be used in accordance with the barbecue policy. Potted plants may be kept on patios and porches but not on patio walls. Patios will not interfere with access to in-ground or above-ground utility equipment.

A 5-inch cement mowing strip is required where patio is adjacent to a turf area. Patios and porches must be maintained for cleanliness and safety. If either becomes what the building director considers unsightly or an obvious storage facility, the Mutual will issue a notice to the shareholder. If the situation is not brought into conformance with this policy within thirty (30) days, Physical Property will remove whatever is necessary and bill the shareholder.

Patio furniture, e.g. chairs, tables, lounges, may not be left on walkways or turf overnight.

Shareholder must maintain a minimum of \$300, 000 of liability insurance on the unit.

MUTUAL OPERATIONS**AMEND**

PHYSICAL PROPERTY

Inside Patio and Porch Regulations – Mutual Four

Bicycles and scooters may be parked on a patio or porch as long as egress is not blocked.

Exposed shelving, free-standing or affixed to an exterior wall, is prohibited except when used for decorative purposes, e.g. when displaying potted plants.

- 1) ~~Only furniture that is designed for patios may be placed on a patio. Interior upholstered furniture is prohibited as this may become a rodent habitat.~~
- 2) ~~A clean refrigerator or freezer in good working condition plugged directly into the patio outlet is permitted, as long as egress is not blocked and not visible from walkway.~~
- 3) ~~No pet may be left unattended on the patio.~~
- 4) ~~Bicycles and scooters may be parked on the patio, as long as egress is not blocked.~~
- 5) ~~Windows that may be needed as a secondary egress in the case of fire or other emergency shall not be blocked on either side. A clear path to the entry door of at least 36 inches shall be maintained to allow access for gurneys.~~

~~The following items shall not be stored on the patio: (This is not an all inclusive list. The Mutual reserves the right to request the removal of items):~~

- 1) ~~Any type of cardboard container.~~
- 2) ~~Highly flammable items, including newspapers, charcoal, magazines, paper or plastic bags, any type of loose tarp, or portable oxygen tanks that are not rated for home use or storage.~~
- 3) ~~Gasoline operated equipment or gas cans.~~
- 4) ~~Electric tools on a permanent basis.~~
- 5) ~~Exposed shelving, either free standing or affixed to the exterior wall, except those used for decorative purposes, which must be kept neat and clean.~~

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Inside-Patio and Porch Regulations – Mutual Four

~~Any items in conflict with this policy shall be removed from the patio by the shareholder when requested by the Mutual Board. Such items, if not removed by the shareholder, shall be removed by the Mutual Board at the shareholder's expense.~~

~~Note: Patio furniture (chairs, tables, lounges, etc.) may not be left on walkway areas or lawns overnight.~~

MUTUALADOPTIONAMENDED

FOUR:

08-12-09

06-04-17

(draft created on 12-31-18 ka/ml)
 (draft further amended 1-09-19 ka)

MUTUAL OPERATIONS**AMEND****SHAREHOLDER REGULATIONS****Carport Regulations - Mutual Four****A. Carport Use**

1. Carports are to be used for parking of self-propelled land vehicles in operating condition. All passenger vehicles and gas or electric carts that can be operated on city streets must have a current DMV registration, current license plate tags, and sufficient insurance as mandated by the State of California Vehicle Code (CVC) § 22658. All vehicles, gas or electric, parked in the carport must have a Seal Beach Leisure World (SBLW) decal or valid temporary SBLW permit issued by the Security Department and a Mutual Four temporary parking permit affixed and displayed on the lower left windshield.
 - a. Any vehicle that is in non-compliance with these rules may be towed at the owner's expense as specified in CVC § 22658 and in towing Policy 7582.
 - b. The Seal Beach Leisure World Security Department has the authority to write citations and enforce this policy on Mutual property, **at the request of a Director.**
 - c. Shareholders with valid requests for an exception to this carport policy, may write the Mutual Four Board of Directors with the requests. Security may also be consulted. Any Board-approved exception is temporary and can be revoked at any time.
2. All vehicles must be parked headed in to the carports. Vehicles parked in the carport must be within the carport roof drip line so as not to impede the flow of traffic.
3. In lieu of an automobile, ~~space could be used for one golf cart and one scooter only~~ **can be used for two (2) motorized vehicles** within the assigned carport space and the carport drip line **provided that adjacent vehicles have safe access.**
4. Mechanical repairs are not allowed in carports, except for a simple flat tire repair or the jump starting of a battery **or replacement of a battery.**
5. In accordance with the Seal Beach Municipal Code 9.20.010, any vehicle leaking oil, anti-freeze, or any other hazardous material is prohibited from parking in a Mutual carport or on a Mutual street or driveway. It is the shareholder's responsibility to clean up any hazardous material. ~~If the Mutual needs to have them cleaned up, the shareholder will be billed for the cleaning.~~ **If this is not done the Mutual will clean it and bill the shareholder.** All hazardous waste materials, including kitty litter used for cleanup, must be disposed of at an Orange County-approved hazardous waste site.
6. Electrical outlets in the carports are not allowed unless the utility company provides adequate power and a method is employed to determine and bill the individual usage costs.

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(draft further amended on 1-09-19 ka)

MUTUAL OPERATIONS**AMEND****SHAREHOLDER REGULATIONS**Carport Regulations - Mutual Four

7. Any damage to the carport is the responsibility of the assigned shareholder unless a different driver is found responsible. The assigned shareholder is responsible for his/her guest parking and rental/use pass users.
8. Any stored items in the carports must be completely contained in the cabinets, except as noted below:
 - a. Only a bicycle, tricycle, folding shopping cart and ladder may be stored inside or under the cabinet in the shareholders assigned or rented space assuming no additional cabinets have been installed. No additional storage items of any kind may be within the carport space.
9. Fire regulations prohibit the storage of fuel oil or any combustible material in the carport areas.
10. ~~The carport floor space may NOT be used as a storage area, whether freestanding or in any type of container.~~ Boats or trailers of any size or kind may not be parked in the carport.
11. Frequent inspections by the Board of Directors and Security are conducted. Written notices will be given to the shareholder whose carport is found to be in violation of the carport policy. Improperly stored material must be removed within ten (10) days or the material will be removed at the shareholder's expense. Any other carport policy infractions must also be corrected within ten (10) days.

B. Carport Assignments

1. Carport assignments are controlled by the Mutual Corporation and a record of assignments is kept in the Stock Transfer Office of the Golden Rain Foundation.
 - a. No person shall park any vehicle in any carport not assigned to him/her without permission from a Mutual Director.
2. Residents desiring to change carport assignments must obtain approval in writing from a Mutual Director. A Carport Usage/Rental Agreement must be filled out and signed by all parties and a copy given to Stock Transfer.

The request for carport re-assignment, if approved, is only temporary and is valid only so long as both participating parties agree to the temporary change. One party determining to withdraw from the agreement may do so as may the successor owner of that party's apartment. The Mutual Corporation retains the authority to revoke and cancel this

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MUTUAL OPERATIONS**AMEND****SHAREHOLDER REGULATIONS****Carport Regulations - Mutual Four**

temporary change of carport assignment. The reassignment of carport spaces, herein provided, will automatically become null and void in the event of a sale of the stock representing either apartment.

3. Carport space may not be rented to or used by anyone who is not a Mutual Four shareholder, except:
 - a. The carport assignee may allow temporary, short-term parking of a vehicle used by a house guest. A guest temporary parking permit is required and may be obtained from a Mutual Director. The pass is to be displayed on the inside dashboard.

C. Secondary Carport Storage Cabinets

1. Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet. The dimensions, color and hardware on the lower cabinet must match the spacing, color and hardware on the upper cabinet (see attached sketch). The cabinet, if attached to the existing structure will require a permit from the GRF Physical Property Department.
 - a. Plywood for the cabinet must be 3/4-inch thick and have one (or more) good sides.

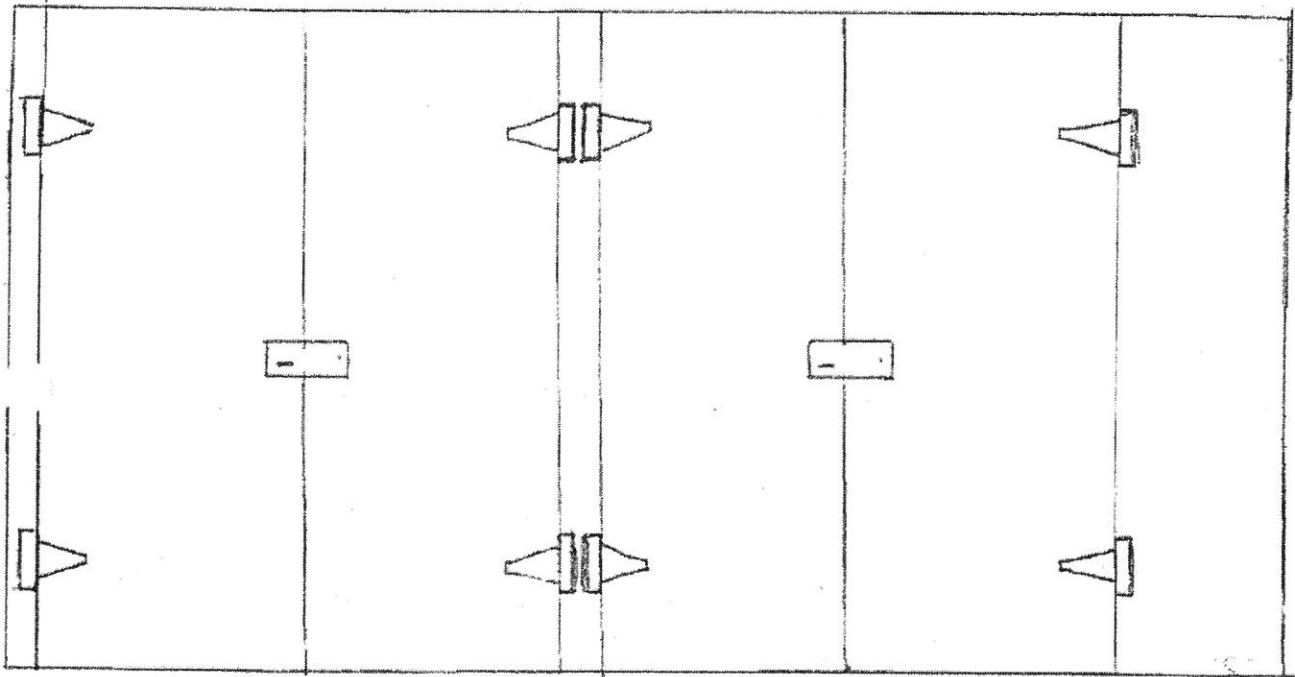
MUTUAL OPERATIONS

AMEND

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Carport Regulations - Mutual Four

Sketch for Secondary Carport Cabinets



MUTUAL ADOPTION

AMENDMENTS

FOUR: 07-22-68

03-08-91, 05-12-00, 11-05-01, 08-01-02, 10-03-05, 03-13-13
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