MINUTES OF THE REGULAR MONTHLY MEETING OF
THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR
June 12, 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 Levitt at 9:30 a.m. on Wednesday, June 12, 2019 in the Administration Building Conference Room A.

ROLL CALL

Present:	President Levitt; Vice President Russell; Secretary Lessin, CFO Smith; Directors Kuhl, Conley, and Friedland
GRF Representative:	Ms. Gerber
Guests:	Five shareholders of Mutual Four
Staff:	Ms. Hopkins, Mutual Administration Director (arrived at 9:37 a.m.) Mr. Black, Building Inspector Mr. Stolarz, Interim Building Inspector Ms. Aquino, Recording Secretary

MINUTES

The regular meeting minutes of April 10, 2019 were approved by general consent as written.

The Organizational Meeting Minutes of May 22, 2019 were approved by general consent as corrected

BUILDING INSPECTOR'S REPORT

Inspector Black presented his report, attached.

Following questions, Inspector Black left the meeting at 10:25 a.m.

GRF REPRESENTATIVE

Ms. Gerber presented the GRF Monthly Summary report.

UNFINISHED BUSINESS

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

> RESOLVED to ratify Policy 7532.04 Secondhand Smoke/Nuisance Policy.

The MOTION passed with one "no" vote (Russell).

NEW BUSINESS

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

> RESOLVED to acknowledge, that per the requirements of Civil Code Section 5500(a)-(f), a review has been completed of the mutual's' reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, income and expense statement for the mutual's operating and reserve accounts, the check registers, the monthly general ledger and delinquent assessment receivable reports, for the months of April and May 2019.

The MOTION passed.

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

> RESOLVED to approve the patio permit for Unit 89–L, as submitted.

The MOTION passed.

Following a discussion, it was the consensus of the board to postpone discussion regarding new business item "c" *Discuss and vote to approve/deny the glass installation permit for Unit 37–H* until the next regular board meeting pending further information.

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

> RESOLVED to deny the 2020 Reserve Study, submitted by Association Reserves at cost not to exceed $1,200.

The MOTION passed.

Following a discussion, it was the consensus of the board to postpone discussion regarding new business item "e" *Discussion only - Awnings (moveable vs stationary)* until the next regular board meeting pending further research.

Following further discussion, President Levitt appointed Vice President Russell (Chair), Director Conley, and Director Friedland to the Awnings (moveable vs stationary) committee.

SECRETARY'S REPORT / CORRESPONDENCE

Secretary Lessin received no correspondence.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Smith presented her financial report, attached.

MUTUAL ADMINISTRATION DIRECTOR'S COMMENTS

Ms. Hopkins submitted the Mutual Administration report, attached.

ANNOUNCEMENTS

NEXT MEETING: July 10, 2019, Open Forum begins at 9:15 a.m. Regular Meeting begins at 9:30 a.m.

COMMITTEE REPORTS

Emergency Information

Secretary Lessin provided an update.

Recreation Committee

Director Kuhl provided an update.

Mutual Administration Committee

Director Kuhl provided an update.

Recreation Committee

Director Kuhl provided an update.

Physical Property Committee

Vice President Russell presented his report.

Landscape Committee

CFO Smith and Director Conley provided an update.

Special Events

CFO Smith and Director Friedland provided an update.

DIRECTORS' COMMENTS

Several Directors made comments.

SHAREHOLDER COMMENTS

Several Shareholder comments were made.

ADJOURNMENT

There being no further business to conduct, President Levitt adjourned the meeting at 11:46 a.m. and announced there would be an executive session following the meeting to discuss member issues.

Attest, Michael Lessin, Secretary
SEAL BEACH MUTUAL FOUR
ka: 06-12-19
Attachments

RESOLUTIONS IN THE REGULAR MONTHLY MEETING OF JUNE 12, 2019

06-12-19 RESOLVED to ratify Policy 7532.04 Secondhand Smoke/Nuisance Policy.

RESOLVED to acknowledge, that per the requirements of Civil Code Section 5500(a)-(f), a review has been completed of the mutual's' reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, income and expense statement for the mutual's operating and reserve accounts, the check registers, the monthly general ledger and delinquent assessment receivable reports, for the months of April and May 2019.

RESOLVED to approve the patio permit for Unit 89–L, as submitted.

RESOLVED to deny the 2020 Reserve Study, submitted by Association Reserves at cost not to exceed $1,200.

MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR
May 22, 2019

The organizational meeting of Seal Beach Mutual Four was held following the annual shareholders' meeting at Clubhouse 4. Ms. Hopkins, acting as chairperson, called the meeting to order at 10:46 a.m. The purpose of the meeting was to elect the officers for the 2019-2020 term of office and to ascertain the regular monthly board meeting location, day, and time.

Those directors present were Dan Conley, David Friedland, Jan Kuhl, Mike Levitt, Michael Lessin, Suzi Smith, and Jon Russell. Also present were Mutual Administration Director Hopkins, and Mutual Recording Secretary Aquino.

Ms. Hopkins opened the nominations for the office of the president. Suzi Smith nominated Mike Levitt for the president. There being no further nominations, Mike Levitt was elected to the office of president for the 2019-2020 term of office.

The chair was turned over to new elected President Mike Levitt, who then called for nominations for the vice president. Suzi Smith nominated Jon Russell for the office of vice president. There being no further nominations, Jon Russell was elected to the office of vice president for the 2019-2020 term of office.

President Levitt called for nominations for the office of the secretary. Jon Russell nominated Michael Lessin for the office of secretary. There being no further nominations, Michael Lessin was elected to the office of secretary for the 2019-2020 term of office.

President Levitt called for nominations for the chief financial officer. Jan Kuhl nominated Suzi Smith for the office of chief financial officer. There being no further nominations, Suzi Smith was elected to the office of chief financial officer for the 2019-2020 term of office.

President Levitt assigned the following Committees:
Recreation Chairs – Jan Kuhl
Physical Property Chair – Jon Russell
Special Events Co–Chairs – David Friedland and Suzi Smith
Landscape Co–Chairs – Dan Conley and Suzi Smith
MAC Chair – Jan Kuhl
Emergency Information Council – Michael Lessin

The board discussed the monthly meeting location, day, and time. Upon a MOTION duly made by Jon Russell and seconded by Jan 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 9:30 a.m. immediately following the open forum at 9:15 a.m.

The MOTION passed.

There being no further business, the meeting was adjourned at 10:56 a.m.

Attest, Michael Lessin, Secretary
SEAL BEACH MUTUAL FOUR
ka 05/22/19

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (04) FOUR

INSPECTOR: Kevin Black

MUTUAL BOARD MEETING DATE: June 12, 2019

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
4-42D	paito storage/windows	both	04/01/19	05/31/19	no	19 framing 5/15/19	los al
4-89L	1/2 bath/washer/dryer-pati	both	05/01/19	10/31/19	no	MP const. Patio needing BOD approval at June meeting	
4-37H	windows on deco wall	both	05/30/19	07/30/19	no	alpha master need BOD approval at June meeting	
4,75,76,87,8	roofing	both	07/10/19	12/31/19	no	Roofing Standards may have to change completion date	

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
4-81D		08/30/18					
4-78B		09/26/18					
4-76E		09/28/18					
4-49F	`	10/18/18					
4-44G		01/22/19					
4-52B		01/23/19					
4-87H		03/07/19					
4-39G		03/11/19	05/13/19	05/14/19	05/24/19		
4-85B		03/26/19	05/17/19	05/21/19	06/03/19		
4-42H			06/06/19				

CONTRACTOR	PROJECT
Total Landscape Maintenance- 10/8/19 contract end date	on going now
Tree Pruning:	
Fenn Pest Control - 5/31/20 contract end date	service days are Monday and Wednesday - termites on Wednesday's only
Roofing Roofing Standards: 12/31/19	contract signed - Bldgs. 87,75,74,89,76 / will start with bldg. 74
stove hoods & Piping Kress Const: 12/31/19	contract signed
dry rot / termite / attic repair B.A. Const: 12/31/19	contract signed
Re-piping California Repipe Specialist: 9/10/19	starting 7/8/19 with bldg. 46
abatement ERC: 9/1/19	starting 7/3/19 or 7/5/19 for abatement
repipe paint touch ups Kress:	as repiping and wall patching are complete this will be the last item. Work order
Fire Inspections	I have 8 left for re-inspections, I will make one more attempt then I will turn over to the BOD

Shareholder Visits and Mutual Requests

89L for patio BOD approval	
one word removal for HVAC policy (agenda item)	
37H BOD approval for glass on patio wall	
42L met with potential buyers	
bldg. 74 4/19/19 roof and hood insp.	
89H inspection4/19/19	
75L light fixture issue	
52B met buyer	
bldg. 75 5/14/19 roof and hood insp	
89I had leak repaired too long till reroof	

FINANCIAL RECAP -MAY 2019

	Monthly Actual	Monthly Budget	Variance		YTD Actual	YTD Budget	Variance
Income	149,690	151,108	-1,418		754,528	755,540	-1,012
Reserves	48,084	48,084	0		240,420	240,420	0
Expenses	122,163	103,023	19,140		565,869	515,115	50,754
Total Expenses	170,247	151,107	19,140		806,289	755,535	50,754
Income/Expense	-20,557	1	-20,558		-51,761	5	-51,766
Add Back Depreciation	7,646				44,100		
Adjusted	-12,911				-7,661		

Our unrestricted cash for month end is $373,297 restricted reserve accounts total $1,771,150

Reserves:

Appliance	$714
Painting	$51,870
Operating	$25,000
Roofing	$1,009,169
Emergency	$120,614
Infrastructure	$563,783
Total Reserves	$1,771,150

Looks like we lost a little of our positive momentum this month. No revenue from inspection fees but we should make that up in June. I had two sales in my buildings alone. Landscape extras up: finally got billed for tree trimming (1/2 was already accrued), gutter cleaning and a few odds and ends. Also, water was finally billed for last several months which wasover budget $4589. We are, however, under budget for year to date. Although May looks bad the year to date numbers are tolerable.

No CFO Council meeting for last two months due to elections.

SAVE THE DATE

Annual Social Event October 16, 2019—Country Western Night. Stay Tuned.

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
May 2019

	May 19	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	35,167.00	35,169.00	-2.00
Reserves Assessment	48,084.00	48,084.00	0.00
GRF Assessment	62,647.00	62,647.00	0.00
Total ASSESSMENT	145,898.00	145,900.00	-2.00
FINANCIAL INCOME			
Interest Income - Other Taxable	228.00	55.00	173.00
Interest Income - Taxable	2,548.00	1,763.00	785.00
Late Charges	76.00	8.00	68.00
Total FINANCIAL INCOME	2,852.00	1,826.00	1,026.00
SERVICES INCOME			
Inspection Fees	0.00	2,332.00	-2,332.00
Laundry Machines	935.00	1,042.00	-107.00
Miscellaneous	5.00	8.00	-3.00
Total SERVICES INCOME	940.00	3,382.00	-2,442.00
Total Income	149,690.00	151,108.00	-1,418.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	62,647.00	62,647.00	0.00
Total COGS	62,647.00	62,647.00	0.00
Gross Profit	87,043.00	88,461.00	-1,418.00
Expense			
PROFESSIONAL FEES			
Legal Fees	0.00	44.00	-44.00
Management Fee	222.00	222.00	0.00
Total PROFESSIONAL FEES	222.00	266.00	-44.00
SERVICES			
Landscape - Contract	13,580.00	13,717.00	-137.00
Landscape - Extras	5,100.00	582.00	4,518.00
Miscellaneous Services	0.00	44.00	-44.00
Painting	400.00	166.00	234.00
Pest Control	200.00	907.00	-707.00
Standard Service	3,488.00	3,916.00	-428.00
Structural Repairs	2,282.00	665.00	1,617.00
Total SERVICES	25,050.00	19,997.00	5,053.00
TAXES & INSURANCE			
Hazard/Liability Insurance	9,333.00	8,035.00	1,298.00
State & Federal taxes	1,110.00	412.00	698.00
Total TAXES & INSURANCE	10,443.00	8,447.00	1,996.00
UTILITIES			
Electricity	1,231.00	1,291.00	-60.00
Trash	3,342.00	3,382.00	-40.00
Water	11,582.00	6,993.00	4,589.00
Total UTILITIES	16,155.00	11,666.00	4,489.00
RESERVE FUNDING			
Emergency Reserve	208.00	208.00	0.00
Roof	13,333.00	13,333.00	0.00
Paint	1,667.00	1,667.00	0.00
Infrastructure	30,271.00	30,271.00	0.00
Appliances	2,605.00	2,605.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual Report A
May 2019

	May 19	Budget	$ Over Budget
Total RESERVE FUNDING	48,084.00	48,084.00	0.00
DEPRECIATION	7,646.00	0.00	7,646.00
Total Expense	107,600.00	88,460.00	19,140.00
Net Ordinary Income	-20,557.00	1.00	-20,558.00
Net Income	-20,557.00	1.00	-20,558.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through May 2019

	Jan - May 19	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
ASSESSMENT			
Regular Assessment - Mutual 4	175,835.00	175,845.00	-10.00
Reserves Assessment	240,420.00	240,420.00	0.00
GRF Assessment	313,235.00	313,235.00	0.00
Total ASSESSMENT	729,490.00	729,500.00	-10.00
FINANCIAL INCOME			
Interest Income - Other Taxable	740.00	275.00	465.00
Interest Income - Taxable	13,218.00	8,815.00	4,403.00
Late Charges	232.00	40.00	192.00
Total FINANCIAL INCOME	14,190.00	9,130.00	5,060.00
SERVICES INCOME			
Inspection Fees	6,000.00	11,660.00	-5,660.00
Laundry Machines	4,788.00	5,210.00	-422.00
Miscellaneous	60.00	40.00	20.00
Total SERVICES INCOME	10,848.00	16,910.00	-6,062.00
Total Income	754,528.00	755,540.00	-1,012.00
Cost of Goods Sold			
GRF MAINTENANCE FEE	310,776.00	313,235.00	-2,459.00
Total COGS	310,776.00	313,235.00	-2,459.00
Gross Profit	443,752.00	442,305.00	1,447.00
Expense			
PROFESSIONAL FEES			
Legal Fees	408.00	220.00	188.00
Management Fee	1,110.00	1,110.00	0.00
Total PROFESSIONAL FEES	1,518.00	1,330.00	188.00
SERVICES			
Landscape - Contract	67,090.00	68,585.00	-1,495.00
Landscape - Extras	9,238.00	2,910.00	6,328.00
Miscellaneous Services	45.00	220.00	-175.00
Painting	1,172.00	830.00	342.00
Pest Control	1,227.00	4,535.00	-3,308.00
Standard Service	30,212.00	19,580.00	10,632.00
Structural Repairs	5,232.00	3,325.00	1,907.00
Total SERVICES	114,216.00	99,985.00	14,231.00
TAXES & INSURANCE			
Hazard/Liability Insurance	46,665.00	40,175.00	6,490.00
State & Federal taxes	2,758.00	2,060.00	698.00
Total TAXES & INSURANCE	49,423.00	42,235.00	7,188.00
UTILITIES			
Electricity	6,892.00	6,455.00	437.00
Trash	16,710.00	16,910.00	-200.00
Water	22,234.00	34,965.00	-12,731.00
Total UTILITIES	45,836.00	58,330.00	-12,494.00
RESERVE FUNDING			
Emergency Reserve	1,040.00	1,040.00	0.00
Roof	66,665.00	66,665.00	0.00
Paint	8,335.00	8,335.00	0.00
Infrastructure	151,355.00	151,355.00	0.00
Appliances	13,025.00	13,025.00	0.00
Total RESERVE FUNDING	240,420.00	240,420.00	0.00

Leisure World Mutual 4
Profit & Loss Budget vs. Actual YTD Report B
January through May 2019

	Jan - May 19	Budget	$ Over Budget
DEPRECIATION	44,100.00	0.00	44,100.00
Total Expense	495,513.00	442,300.00	53,213.00
Net Ordinary Income	-51,761.00	5.00	-51,766.00
Net Income	-51,761.00	5.00	-51,766.00

M-4 Director's Report
For May, 2019
June 12, 2019
Mike Levitt, Director/President

With the absolutely invaluable assistance of outgoing president Bob Slater, I've begun assuming the tasks and chores and responsibilities of your new president. If I thought a director's time was practically filled with mutual business, then the days of a mutual president are overflowing, occasionally overwhelming, with a combination of mutual and presidential duties. I was a mutual president a dozen years ago, but believe me, times have changed. There are more committees and sub-committees, more rules and regs, certainly more policies and policing than ever before.

But with the aid and assistance of what promises to be one of the most professional and helpful mutual boards of directors anywhere in Leisure World, I will muddle my way through and provide you with the kind of leadership and partnership you all want and deserve.

Now, with that disclaimer out of the way, I am seeking your approval of my request for a doubling of my directors' salary. This job is tough!

BTW (that's "by the way" to members of our generation) some of our Board members have changed assignments and committees. You are urged to check the latest roster of Board members posted on the laundry room bulletin boards. We use those boards to reach our residents with important information. So, even if you do your laundry at home, make it a habit to check out the bulletin boards every week or two.

As a reminder to our residents, both new and not-so-new, your board of directors meets the second Wednesday of every month in the Administration Building's upstairs conference room. Our business gets underway at 9:30 a.m. And your opportunity to give us even more business, or to cheer us on, or voice a complaint, begins at 9:15 a.m. I am encouraging all of you to join us then. But don't tarry! It can get SRO pretty quickly.

Mutual 4 Monthly Report for April and May 2019 - Buildings 73, 74, 75, 76, 77 and 78

We are looking forward to some re-roofing sometime in June or July. Building 74 will be first followed by building 75.

We have had our annual shareholder meeting along with our elections. I want to thank all the shareholders who attended this meeting. It is important that we have a quorum for our elections.

We have elected two new directors – David and Dan. We have a new president-Mike Levitt, I am the vice president, Mike Lessin is secretary and Suzi Smith remains the CFO.

Because of the new directors we have changed which buildings the directors are responsible for. You need to go into the laundry room and look at the latest roster for the director's responsibilities and how to contact them.

Jon Russell 74I

(562) 794-9334

LANDSCAPE

Grass is looking pretty good. Gardeners are doing some TLC work on brown areas so we can maintain our excellence within Leisure World.

Welcome to Dan Conley may new Landscape Co-Chair. Dan will oversee buildings 73-89 (phone 562-296-5525) while I keep an eye on buildings 37-52 (562-296-8518).

As a reminder, we have put a moratorium on new tree planting for this year.

Repeating from April Report: In order to keep up with the terms of their contract, the gardeners must complete 1-1/2 to 2 buildings per day when they are cleaning garden areas. They CANNOT spend ½ a day on one garden and still maintain their schedule. This means that if your garden is time intensive, it may not be cleaned to your specifications. It will be cleaned as best they can in time allotted. If their job is not acceptable, you may need to hire additional outside help to maintain excess flowers and shrubs. DO NOT TALK TO THEM and ask for additional gardening. If you need something, talk to your director or one of the landscape chairs. Remember—they are on a schedule.

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.

Susan G. Smith