

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE  
BOARD OF DIRECTORS, SEAL BEACH MUTUAL ONE,  
A COMMON INTEREST DEVELOPMENT, CC1350, 1351(c) (4), et al  
February 25, 2016**

Following the open forum for shareholders to address the Board, the Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President/CFO Luther-Stark at 9:15 a.m. on Thursday, February 25, 2016, in Conference Room A of the Administration Building; the *Pledge of Allegiance* followed.

**ROLL CALL**

Present: President/CFO Luther-Stark, Vice President Almeida, Secretary Rahming, and Directors Barreras, Griepsma, Merritt, Schweitzer, and Holzer

GRF Representative(s): Mr. Stone, Mrs. Perrotti

Guests: Five shareholders of Mutual One

Staff: Mrs. Weller, Mutual Administration Director  
Mr. Antisdell, Building Inspector  
Ms. Day, Recording Secretary

President/CFO Luther-Stark introduced and welcomed the staff members and guests.

**MINUTES**

President/CFO Luther-Stark asked if there were any corrections to the Mutual One Board Meeting minutes of January 28, 2016. A correction was noted on page 4: the motion for a carport rental was not valid and should be rescinded as follows:

RESOLVED, To rescind the motion of January 28, 2016, to approve the carport rental of Carport Building 2, Space 8, belonging to the shareholder of Unit 12-B, to the shareholder of Unit 12-B.

The minutes were approved as corrected.

A correction was noted on the Special Meeting minutes of December 8, 2015, as follows: Project Coordinator/Building Inspector Rudge was not present at the meeting, it was Stock Transfer Supervisor Knapp. The minutes were approved as corrected.

Following a discussion, and upon a MOTION duly made by Director Holzer and seconded by Director Griepsma, it was

RESOLVED, To appoint Byron Schweitzer as Chief Financial Officer for the remaining 2015-2016 term of office.

The MOTION passed.

**BUILDING INSPECTOR'S REPORT**

Inspector Antisdell presented a summary of his report (as attached).

**BUILDING INSPECTOR'S REPORT (continued)**

Following a discussion, and upon a MOTION duly made by Director Holzer and seconded by Director Barreras, it was

RESOLVED, To approve the proposal to proceed with 2016 re-piping of the remaining 48 buildings, at a cost of \$1,769,280, plus the abatement \$230,400, painting \$75,000, and touchup painting \$3,000, for a grand total of \$2,077,680.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director Griepsma and seconded by Director Holzer, it was

RESOLVED, To approve the request from the shareholder in Unit 1-G to install a brick sidewalk.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director Holzer and seconded by Director Barreras, it was

RESOLVED, To approve M. J. Jurado to repair the Carport 5 concrete, at a cost of \$35,100.

The MOTION passed.

Inspector Antidel left the meeting at 9:57 a.m. but might return for the Executive Session following the Regular Board Meeting.

**PRESIDENT'S REPORT**

President/CFO Luther-Stark presented her report (attached). In addition, she read a letter from a shareholder concerning the installation of a washer and dryer.

Following a discussion, and upon a MOTION duly made by Director Holzer and seconded by Director Griepsma, it was

RESOLVED, To ratify the transfer of \$300,000 from First Foundation to US Bank for the Mutual roofing and re-piping projects.

The MOTION passed.

**VICE PRESIDENT'S REPORT**

Vice President Almeida presented her report (attached).

**CHIEF FINANCIAL OFFIER'S REPORT**

President/CFO Luther-Stark submitted the *Financial Statement Recap for January 31, 2016* (attached).

**SECRETARY'S REPORT**

Secretary Rahming asked for a motion to approve a carport rental. Upon a MOTION duly made by Secretary Rahming and seconded by Director Holzer, it was

RESOLVED, To approve the carport rental of Carport Building 4, Space 36, belonging to the shareholder of Unit 18-J, to the shareholder of Unit 34-G.

The MOTION passed.

**COMMITTEE REPORTS**

**Landscape Committee**

Vice President Almeida presented the Landscape Committee Report (attached).

Following a discussion, and upon a MOTION duly made by Director Holzer and seconded by Director Barreras, it was

RESOLVED, To approve the proposal from Andre Landscape to trim 162 trees over 14 feet tall, at an additional cost of \$3,266.

The MOTION passed.

Vice President Almeida discussed a proposal to purchase 13 new trees to replace the trees that were removed. It was the consensus of the Board members to table this issue and visit the proposed sites the trees are to be planted at; to be discussed at the next Board Meeting.

**Emergency Preparedness**

Director Merritt discussed future plans for emergency preparedness.

President Luther-Stark called a break at 10:27 a.m. to 10:35 a.m.

(Recording Secretary Day left on break at 10:27 a.m. to 10:41 a.m.)

President Luther-Stark called a break at 10:27 a.m. to 10:35 a.m.

(Recording Secretary Day left on break at 10:27 a.m. to 10:41 a.m.)

**GRF REPRESENTATIVE REPORT**

The GRF Representatives reported on GRF issues (attached).

**MUTUAL ADMINISTRATION MANAGER'S REPORT**

Mrs. Weller submitted her report (attached).

(Mutual Administration Assistant Manager Hopkins here at 11:14 a.m.)

**OLD BUSINESS**

President/CFO Luther-Stark stated that the Mutual attorney has not sent his opinion on part of Policy 7425.1 – Landscape Areas, Trees, and Shrubs. The policy will be discussed at the next Board Meeting.

**EXECUTIVE SESSION**

In the Executive Session, member issues were discussed.

**ADJOURNMENT**

President/CFO Luther-Stark adjourned the meeting at 11:25 a.m. and announced there would be an Executive Session following the meeting to discuss member issues.



Attest, Penny Rahming, Secretary

SEAL BEACH MUTUAL ONE

cd:3/15/16

Attachments

**(These are tentative minutes, subject to approval by the Board of Directors at the next Regular Board of Directors Meeting.)**

**NEXT BOARD MEETING: MARCH 24, 2016**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING FEBRUARY 25, 2016**

02/25/16

RESOLVED, To rescind the motion of January 28, 2016, to approve the carport rental of Carport Building 2, Space 8, belonging to the shareholder of Unit 12-B, to the shareholder of Unit 12-B.

RESOLVED, To appoint Byron Schweitzer as Chief Financial Officer for the remaining 2015-2016 term of office.

RESOLVED, To approve the proposal to proceed with 2016 re-piping of the remaining 48 buildings, at a cost of \$1,769,280, plus the abatement \$230,400, painting \$75,000, and touchup painting \$3,000, for a grand total of \$2,077,680.

RESOLVED, To approve the request from the shareholder in Unit 1-G to install a brick sidewalk.

RESOLVED, To approve M. J. Jurado to repair the Carport 5 concrete, at a cost of \$35,100.

RESOLVED, To ratify the transfer of \$300,000 from First Foundation to US Bank for the Mutual roofing and re-piping projects.

RESOLVED, To approve the carport rental of Carport Building 4, Space 36, belonging to the shareholder of Unit 18-J, to the shareholder of Unit 34-G.

RESOLVED, To approve the proposal from Andre Landscape to trim 162 trees over 14 feet tall, at an additional cost of \$3,266.

## MUTUAL 1 PHYSICAL PROPERTY REPORT

February 25, 2016

### #1 MUTUAL ESCROW ACTIVITY

- PRELISTING INSPECTIONS -11-C/28-D/11-D/52-L/9-A/34-B/40-L/50-L
- NEW RESIDENT INSPECTIONS -57-H
- NEW BUYER ORIENTATIONS -40-L/43-C
- CLOSE OF ESCROW -68-F/61-I

### #2 MUTUAL PERMITS

UNIT	TYPE OF WORK	/	CONTRACTOR	/	INSPECTION	/	INSPECTION DATE
• 57-G	REMODEL		LOS AL BLDRS		FRAMING/ELECTRICAL		01-29-2016
• 45-K	SKYLIGHTS		BERGKVIST		FINAL		02-01-2016
• 63-G	REMODEL		ALPHA MASTER		FOOTINGS		02-02-2016
• 31-A	A/C		ALPINE		FINAL		02-02-2016
• 57-G	REMODEL		LOS AL BLDRS		INSULATION		02-02-2016
• 67-L	A/C		ALPINE		FINAL		02-04-2016
• 23-G	REMODEL		BORN AGAIN CONST.		FINAL		02-08-2016
• 56-G	A/C		GREENWOOD		FINAL		02-09-2016
• 63-G	REMODEL		ALPHA MASTER		PLUMBING		02-16-2016
• 14-K	SHOWER		NUKOTE		FINAL		02-17-2016
• 18-E	SHOWER		NUKOTE		NONE		
• 49-L	CART PAD		FRANKS		NONE		
• 56-I	SKYLIGHTS		M&M		NONE		
• 48-K	A/C		ALPINE		NONE		
• 64-K	SHOWER		NUKOTE		NONE		
• 1-G	REMODEL		NATION WIDE		NONE		
• 63-G	A/C		YES		NONE		
• 24-F	REMODEL		FRED ELLROT CONST.		NONE		
• 32-L	REMODEL		LOS AL BLDRS		NONE		

### #3 MUTUAL PROJECTS/CONTRACTS

- TERMITE/DRYROT IS MOVING ALONG GREAT
- PAINTING OF TERMITE/DRYROT REPAIRS/ROOF METALS IS MOVING ALONG GREAT
- ROOFING IS MOVING ALONG GREAT
- REPIPE OF 20 BUILDINGS IS ALL DONE !!!!!!!!!!!!!!!!!!!!!!! AND I THINK IT WENT GREAT
- ABATEMENT/REPIPE/PAINTING OF BUILDINGS 21-70

### #4 MUTUAL AND SHAREHOLDER REQUEST

- CALLS AND VISITS TO UNITS 64

Mutual One - Board of Directors

February 25, 2016

Report of President - Sandra Luther Stark

The theme for Feb and March is Fire Inspections. We started in block 2-bldg. 21 & 22 on February 1<sup>st</sup>. To complete this Health & Safety inspection takes much of our time. For a few units there will be a 45 day follow up inspection too. I appreciate Directors Almeida and Barreras for their time in sharing these duties with me. This board will be taking action on the empty units, because they have the most violations. We have also noticed many caregivers & pet owners that have not registered with stock transfer. I am also surprised at how many have never heard of HOA6 insurance.

Every director should pat themselves on the back for getting our many projects started. Only 12 buildings left and all our roofs will be completed. I might add that you will notice hearing more wind. The state requires larger fans be placed in the attics- to allow air flow. This will create more noise, but it should also give a little more relief from the heat. During these inspections Don caught 4 water heater leaks, that were replaced asap. He did not want to take a chance on waiting for the repipers. That was too risky.

Directors Almeida and Barreras have continued to do New Buyer Orientations, during this time. They are real troopers. I can barely stay on course with attending the many GRF committee meetings. The townhall meeting regarding repaving of St Andrews grew a large crowd. Everyone had a chance to voice their opinion, and they did.

A reminder starting in early March, Stock Transfer will start accepting applications for new Directors. This mutual can only function with a full working board. Good luck to all that want to serve their community.

Mutual One Board of Directors Meeting  
January 25, 2016  
Vice-President Report  
Kathy Almeida

Last week there was a Town Hall meeting on the proposed paving project for St. Andrews Dr. from that gate to Golden Rain Road. It was well attended and even though it lasted almost two hours many stayed out of concern to understand and voice their opinion. It even made front page headlines in The News this week.

In the government of Leisure World we all have an opportunity to speak up and be heard whether it is an issue with the Mutual or with the Golden Rain Foundation. I have heard too often that it doesn't matter but I can tell you that it does. It's true that we may not agree with policies or rules or decisions made and we may not get what we want but to stand back and say nothing is unfortunate.

In this week's news I counted 21 GRF committee meetings from February 26 to March 28. Countless hours of countless meetings where shareholders give up their time in an effort to make life better in Leisure World. Not everyone has the time or interest to see how changes are made. But I hope everyone realizes that they do have an opportunity to speak up, whether it's in person or in writing.

The change to St. Andrews Drive will be the result of the number of shareholders who voiced their opposition, or support, most. I strongly encourage Mutual One shareholders to learn about the proposed changes and make their voices heard. It does matter.

Respectfully submitted.



1001 Seal Beach Mutual No. One  
 Financial Statement Recap  
 01/31/2016

P.O. Box 2069  
 Seal Beach CA 90740

Jan Actual	Jan Budget		2016 Y-T-D Actual	2016 Y-T-D Budget
191,790	191,790	Carrying Charges	191,790	191,790
88,105	88,106	Reserve Funding	88,105	88,106
<b>279,896</b>	<b>279,896</b>	<b>Total Regular Assessments</b>	<b>279,896</b>	<b>279,896</b>
3,404	3,587	Service Income	3,404	3,587
3,374	3,663	Financial Income	3,374	3,663
3,505	2,254	Other Income	3,505	2,254
<b>10,283</b>	<b>9,504</b>	<b>Total Other Income</b>	<b>10,283</b>	<b>9,504</b>
<b>290,179</b>	<b>289,400</b>	<b>Total Mutual Income</b>	<b>290,179</b>	<b>289,400</b>
121,663	121,663	GRF Trust Maintenance Fee	121,663	121,663
19,437	24,408	Utilities	19,437	24,408
1,538	1,300	Professional Fees	1,538	1,300
0	25	Office Supplies	0	25
42,867	35,609	Outside Services	42,867	35,609
21,826	18,289	Taxes & Insurance	21,826	18,289
88,105	88,106	Contributions to Reserves	88,105	88,106
<b>295,436</b>	<b>289,400</b>	<b>Total Expenses Before Off-Budget</b>	<b>295,436</b>	<b>289,400</b>
<b>(5,257)</b>	<b>0</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>(5,257)</b>	<b>0</b>
636	0	Depreciation Expense	636	0
<b>(5,893)</b>	<b>0</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>(5,893)</b>	<b>0</b>
		<b>Restricted Reserves</b>		
(8,220)	0	Appliance Reserve Equity	(8,220)	0
4,917	0	Painting Reserve	369,880	0
0	0	Operating Reserve Equity	403,258	0
0	0	Roofing Reserve	274,702	0
(5,160)	0	Emergency Reserve Equity	485,439	0
62,220	0	Infrastructure Reserve	2,736,504	0
<b>53,756</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>4,261,563</b>	<b>0</b>

Mutual One Board of Directors Meeting  
February 25, 2016  
Landscape Report  
Co-Chairs Kathy Almeida and John Barreras

Since there has been insufficient rainfall this year we cannot project what the plan will be for improvement in our grass areas. At this point in time water conservation measures are unknown for the coming months. Because of this I will be applying for a free Landscape Irrigation Survey offered by the Metropolitan Water District of Southern California on a first come first serve basis.

The survey will concentrate on what can cause higher water use, such as valve malfunctions, high or low pressure, sprinkler misalignment, poor drainage, breaks, leaks, runoff, etc. I hope to have confirmation and more details by next month's meeting.

Now that the turf removal is complete I have requested and received an estimate to replace the unattractive poles currently at 13 carport ends with either newly painted or new poles, or 2' x 3' boulders. I will present those estimates with pictures next month for the board to consider. I did not have them in time for this meeting.

I have received the 2016 proposal for arbor care of trees over 14' tall. The amount to clean and thin the crown of 162 trees is \$18,255. Our budget for this year is \$14,989 therefore we are over budget by \$3,266. The board will need to consider for approval the additional amount of \$3,266 for this service.

I have also received a proposal to select and install <sup>13</sup>~~15~~ new trees to replace those that were dead. The estimate is \$3,250 for replacement and turf repair in the area where the trees were removed. Currently there is approximately \$12,772 in our budget for extras. The board will need to consider for approval \$3,250 for this service.

Respectfully submitted.

February 25, 2016

Dear Mutual One Shareholders,

I hope all is well with you and your families.

This month at our regularly scheduled GRF board meeting the following items were discussed and voted upon:

- The GRF Board voted that to the best of their knowledge there is no conflict of interest between qualified members of the Golden Rain Foundation of Seal Beach serving simultaneously on the Board of the Golden Age Foundation.
- Accurate Voting Services, Inc. will be the Inspector of Elections for the 2016 election cycle.
- GRF approved the 2016 GRF election documents, including the amendment of Policy 5025-30, Election Procedures, and 5026-30, Election of Officers.
- GRF approved the adoption of Policy 4191-36, Commissions.
- GRF approved the Employee health care benefit packages.
- Physical Properties is directed to obtain two bids for replacement of wall sections L & M; one bid to include the removal of dirt and regrading on the outside of the wall in order that the wall will be of uniform height both inside and outside and one bid without dirt removal and regrading. Work on the wall should commence in June or July 2016.
- GRF authorized the Executive Director to contact the City Manager of Seal Beach to open dialog with the City for the consideration of a quit claim deed between GRF and the City regarding Trust property from the exterior of proposed wall sections L & M and Westminister.
- GRF Board accepted the January 2016 Financial Statements for audit from Ms. Carolyn Miller, Director of Finance.
- GRF approved the authorization of the Executive Director and the Director of Finance to transfer \$966,032 from the Capital Improvement Fund to the Reserve Fund. The amount represents unused funds from projects authorized in 2014 and completed in 2015, as well as unused funds from projects authorized as a Capital project that should be reclassified as a Reserve project.
- GRF Board of Directors approved the draw-down of the Budget Contingency fund to \$500,000 and that the remainder of the funds be transferred to Reserve Funds.
- GRF gave funding approval from the Capital Improvement Fund, not to exceed \$25,000 to cover estimated remaining costs of the Axxerion software conversion project.
- GRF approved the replacement of the light pole and fixture in the CH 6 parking lot that was blown down by high winds. The GRF President will sign a contract with Kress Construction in an amount not to exceed \$6568. The funding will come from Reserves.
- GRF approved the replacement of two heat pumps in CH 6. The GRF President will sign a contract with Greenwood Heating and Air in an amount not to exceed \$10,650. The funding will come from Reserves.



California is still in a drought  
Please Continue to Conserve Water

*It's Winter in Our Hometown*  
The Mutual Administration Director's Report  
February, 2016



**El Nino is here:** Remember to close your skylights and report any leaks to your building captain or director. Even though there is rain...we are not out of the woods yet. Please Conserve water - it is precious.



**NEIGHBORHOOD WATCH!!!!**

Be a good neighbor and watch for any problems within the general area of your unit.

If there is a suspicious person hanging around...call security.  
If you are missing plants, a bike..anything...call security  
If you suspect elder abuse of a neighbor....call security

In other words..... **IF YOU SEE SOMETHING....SAY SOMETHING!**  
**Security (562) 594-4754.**

**RUN FOR OFFICE AND PLEASE VOTE**



**ELECTIONS AHEAD**

This is your community. We all need to help run it properly. Please consider running for office either on your mutual Board or on the Golden Rain Foundation Board of Directors.



Guess what? Your vote count.

# 2016 Mutual Election and Annual Meeting Schedule

Mu.	No. of Units	Quorum	No. of Directors Being Elected	Candidate Application Begins (90 days before election)	Candidate Application Deadline (60 days before election)*	Ballots Mailed (30 days before election)**	Meeting Day	Meeting Date	Meeting Time	Notes
MAY	10	276	8	Thurs. 2/18	Sat. 3/19	Mon. 4/18	3 <sup>rd</sup> Wed.	5/18	10 a.m.	Annual Meeting only; election in odd-numbered years
	14	328	7	Fri. 2/19	Sun. 3/20	Tues. 4/19	3 <sup>rd</sup> Thurs.	5/19	10 a.m.	No more cumulative voting; directors reduced from 9 to 7
	7	384	6	Sat. 2/20	Mon. 3/21	Wed. 4/20	3 <sup>rd</sup> Fri.	5/20	10 a.m.	
	8	348	5	Tues. 2/23	Thurs. 3/24	Sat. 4/23	4 <sup>th</sup> Mon.	5/23	10 a.m.	No conflict with Memorial Day
	4	396	7	Thurs. 2/25	Sat. 3/26	Mon. 4/25	4 <sup>th</sup> Wed.	5/25	10 a.m.	
	16	60	5	Thurs. 2/25	Sat. 3/26	Mon. 4/25	4 <sup>th</sup> Wed.	5/25	2 p.m.	
	11	312	6	Fri. 2/26	Sun. 3/27	Tues. 4/26	4 <sup>th</sup> Thurs.	5/26	10 a.m.	
	9	384	7	Sat. 2/27	Mon. 3/28	Wed. 4/27	4 <sup>th</sup> Fri.	5/27	10 a.m.	
JUN	Mu.	No. of Units	No. of Directors Being Elected	Candidate Application Begins (90 days before election)	Candidate Application Deadline (60 days before election)*	Ballots Mailed (30 days before election)**	Meeting Day	Meeting Date	Meeting Time	
	3	432	7	Thurs. 3/10	Sat. 4/9	Mon. 5/9	2 <sup>nd</sup> Wed.	6/8	10 a.m.	
	12	452	7	Fri. 3/11	Sun. 4/10	Tues. 5/10	2 <sup>nd</sup> Thurs.	6/9	10 a.m.	
	2	864	9	Sat. 3/12	Mon. 4/11	Wed. 5/11	2 <sup>nd</sup> Fri.	6/10	10 a.m.	Nine directors will be elected but terms will be staggered.
	1	844	9	Tues. 3/15	Thurs. 4/14	Sat. 5/14	2 <sup>nd</sup> Mon.	6/13	10 a.m.	Nine directors will be elected but terms will be staggered.
	5	492	8	Wed. 3/16	Fri. 4/15	Sun. 5/15	2 <sup>nd</sup> Tues.	6/14	10 a.m.	
	15	502	7	Sat. 3/19	Mon. 4/18	Wed. 5/18	3 <sup>rd</sup> Fri.	6/17	10 a.m.	
	6	408	7	Sat. 3/26	Mon. 4/25	Wed. 5/25	4 <sup>th</sup> Fri.	6/24	10 a.m.	
	17	126	3	Wed. 3/30	Fri. 4/29	Sun. 5/29	4 <sup>th</sup> Tues.	6/28	10 a.m.	Staggered Elections

**NOTE:**

\* = On deadlines that fall on a Saturday or Sunday, applications will be accepted the following Monday. Candidate applications must be received in the Stock Transfer Office by no later than 4:30 p.m. on the deadline day.

\*\* = If the date to mail ballots (30 days before the election) falls on a Friday, Saturday or Sunday, the ballots will be mailed the previous Thursday.

# SIGN-IN SHEET

## BOARD OF DIRECTORS MEETING

### MUTUAL NO. ONE

DATE: FEBRUARY 25, 2016

	<b>SHAREHOLDER/GUEST NAME</b>
1.	D. Geisler
2.	Leah Perrotti
3.	Laura Felten
4.	Mark Scott
5.	Ursula Wehage
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