AGENDA
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
April 26, 2018
Open Forum 9:00 a.m. – Meeting begins at 9:15 a.m.
Administration Building Conference Room A

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. ROLL CALL

3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUEST(S):
   Ms. Perrotti, GRF Representative
   Mr. Stone, GRF Representative
   Ms. Hopkins, Mutual Administration Director
   Mr. Antisdel, Building Inspector
   Mr. Wyngaarden, Building Inspector
   Ms. Pellegrini, Recording Secretary

4. APPROVAL OF MINUTES:
   Regular Meeting Minutes of March 22, 2018

5. BUILDING INSPECTOR’S REPORT
   Mr. Wyngaarden
   Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p. 3-4)
   a. Sewer Contract from A-1 Total Plumbing for remaining 69 buildings

6. GRF REPRESENTATIVE’S
   Ms. Perrotti & Mr. Stone

7. UNFINISHED BUSINESS
   a. Cameras in the Laundry Rooms (p. 5) Mr. Collazo
   b. Ratify amended/posted Policy 7557.01 – Caregivers (p. 7-9)
   c. Ratify rescinded/posted Policy 7431 – Service Maintenance Request and ratify adopted/posted Policy 7431.01 – Service Maintenance Request (p. 11-14)
   d. Ratify amended/posted Policy 7510.01 - Eligibility Requirements (p. 15-19)

8. NEW BUSINESS
   a. Accept resignation of Mutual One Director (p. 21)
   b. Elect new Mutual One Director (p. 23)
   c. Discuss Jim’s Gate Proposal
   d. Discuss and vote to approve/deny original Jim’s Gate remodel (p. 25)
   e. Return Jim’s Gate Check to Shareholder (p. 27)
   f. Discuss and vote to approve/deny Fenn proposal for Gopher Contract (p. 29)
   g. Shareholder Statement to Vote Cumulatively (p. 31)
   h. Appoint Observers of the 2018-2019 Annual Election (p. 33-38)
   i. Appointment of Nominating Committee (p. 39)
   j. Discuss dissatisfaction letter to BrightView

(Friday, April 20, 2018 jp)
NEW BUSINESS (continued)
k. Emergency Information Council (p. 41)
l. Bulk Cable Service Agreement – Superwire (p. 43-44)

STAFF SECRETARY BREAK 11:00 a.m.

9. SECRETARY / CORRESPONDENCE Ms. St. Aubin
10. CHIEF FINANCIAL OFFICERS REPORT Mr. Schweitzer
   a. Approve/deny the transfer funds from Operating Funds to Infrastructure Reserves (p. 45)
   b. Allocation of the 2017 GRF Excess Income (p. 47)
11. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
12. ANNOUNCEMENTS
13. COMMITTEE REPORTS
14. DIRECTORS’ COMMENTS
15. SHAREHOLDER(S)’ COMMENTS (2-3 MINUTES)
16. ADJOURNMENT
17. EXECUTIVE SESSION

STAFF SECRETARY WILL LEAVE THE MEETING BY 12:10 p.m.
NEXT MEETING: May 24, 2018, at 9:00 a.m.
Administration Building Conference Room A
## PERMIT ACTIVITY

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**ALL SHADED AREAS HAVE BEEN SIGNED OFF**

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### MUTUAL BOARD MEETING DATE: 04/26/2018 MARCH REPORT

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**ALL SHADE AREAS HAVE BEEN SIGNED OFF**

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

### CONTRACT/PROJECTS

- **UNIT 54-F-- MJIURADO REPLACING CRACKED PATIO CONCRETE- SAFETY ISSUE-- $4,792.50**
- **MJIURADO QUOTE FOR BLOCK WALL REPLACEMENT AT BLDING 55 BETWEEN UNITS F&G-- $7,395.00**
- **CAMUTCD REPORT THEY WILL START IN MUTUAL AFTER GRF IS FINISHED**
- **A-1 TOTAL SERVICE CONSTRUCTION RELINE MAIN SEWER AT BUILDING 1 HAS BEEN COMPLETED**
- **CALLS AND VISITS TO UNITS 63**
I move to approve/deny to place cameras in the Mutual One Laundry Rooms, at a cost not to exceed $9,000, and to authorize the President to sign the contract.
On September 28, 2008, the Mutual Board of Directors adopted Policy 7557.01 - Caregivers.

At the March 22, 2018, Board Meeting Policy 7557.01 – Caregivers was amended and the 30-day posting requirement has been met (attached).

*I move to ratify amended/posted Policy 7557.01 – Caregivers*
1. **Licensing Requirements**
   a. In order to work as a caregiver in Mutual One, caregiver must apply and receive a caregiver ID through the Golden Rain Foundation Stock Transfer Office.
   b. A caregiver working in Mutual One must have a valid California Identification Card when working in Leisure World.

2. **Pass and Badge Requirements**
   a. All caregivers, whether working as a family member, as an individual, or through an agency, must apply and receive a caregiver’s ID.
      1) The ID must be renewed every six months.
      2) The ID must be worn around the neck at all times.
      3) ID, Badge, or Pass may not be transferred or lent to anyone.

3. **Use of Laundry Facilities**
   a. Part-time caregivers may use laundry facilities for shareholder’s laundry only. *Part-time caregivers who use Mutual laundry facilities for their personal or family use will be permanently barred from Leisure World.*
   b. Caregivers who are 24-hour live-ins may use washers and dryers for their personal use, but may not use the washers and dryers for other family members or friends.
   c. Washers and dryers are to be cleaned after every use.
   d. Only two washers and dryers may be used at a time.
   e. Washed items are not allowed to be hung on patios.
   f. Part-time caregivers who use Mutual laundry facilities for their personal or family use will be permanently barred from Leisure World.

4. **General Requirements**
   a. Caregiver must cease any noise that could be considered disruptive after 10 p.m., i.e., no loud televisions, radios, or talking, so as not to disturb the quiet enjoyment of neighbors.
MUTUAL OPERATIONS

AMENDED DRAFT

RESIDENT REGULATIONS

Caregivers - Mutual One Only

b. A Doctor’s note stating that a full or part-time caregiver is needed. The note must be on the original Doctor’s letterhead. If fulltime 24/7 care is needed, that must be included in the Doctor’s note. It must be an original, not a photocopy.

c. Caregivers are not allowed to bring family members or friends to the apartment.

d. Caregivers are not allowed to bring pets into Leisure World.

e. Caregivers are not allowed to use community facilities, including laundry facilities, unless caregiver is a 24-hour live-in.

f. To be eligible as a Family 24 Hour Caregiver the family member cannot otherwise be employed.

5. Parking Regulations

a. Upon receiving Caregivers Badge a parking pass will be issued. This pass includes the Mutual # and the Unit # where caretaker will be working. This pass must be clearly displayed on drivers side of the caregiver’s vehicle’s dash board at all times. Proof of auto insurance is required.

b. If shareholder does not have a vehicle, caregiver may use the carport space for their own vehicle after obtaining a temporary parking pass through the Stock Transfer Office or any Director of Mutual One.

c. Any vehicle without a Mutual One LW sticker on the windshield or caregiver parking pass on vehicles dash board will be towed if parked on Trust Streets from 11:00 p.m. to 6:00a.m.

d. Mutual One will allow the Stock Transfer Office to issue Caregiver Parking Passes. All Caregiver Parking Passes will expire on the same date as the Caregiver Pass, Caregiver ID, or Caregiver Badge that was issued.

MUTUAL ADOPTION AMENDED

ONE: 09-28-08 09-20-17

(draft created on 3-16-18 ka)
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At the March 22, 2018, Board Meeting Policy 7431 – Service Maintenance Requests was rescinded and Policy 7431.01 – Service Maintenance Requests was adopted, and the 30–day posting requirement has been met (attached).

I move to ratify rescinded/posted Policy 7431 – Service Maintenance Requests and ratify adopted/posted Policy 7431.01 – Service Maintenance Requests
Service Maintenance Requests Except Mutuals Eight, Nine, Fourteen, and Seventeen

1. Any service listed as a standard service in the Welcome to Leisure World brochure is performed without cost to the resident, if such services do not result from negligence on the part of the resident. Any resident can arrange for this service by telephoning the Service Desk. Requests for other than standard services should also go through the Service Desk.

2. Servicemen are normally dispatched the day following the request by the resident for standard services. A maximum of five (5) days should be allowed for performance of this type of service, and if the work is not done within this period, the resident may wish to contact the Service Desk again to determine if the work has been scheduled. Plumbing stoppages, water line breaks and electrical outages are emergency items requiring priority over other requests. This is why it could take up to five (5) days for action on a normal request.

3. Requests for service called in over the weekend may not be received by the Dispatcher until Monday morning; consequently, it may be Friday or Monday morning before the work is performed.

4. Servicemen are all bonded, and entry to an apartment with a passkey can often mean quicker and less costly service. Residents must always authorize passkey entry into their apartments for maximum service.

5. Mutual Board members contacted by residents with requests for service should first determine whether the resident has previously reported the problem to the Service Desk to avoid duplication of two servicemen going out on the same job, resulting in a charge made for the time of both men.

6. Board members and other residents are asked not to make any arrangements directly with the individual servicemen with whom they come in contact.

7. Board members and residents are requested not to contact the Service Maintenance Supervisor unless it is absolutely necessary. This can result in delay instead of the fast, desired action. It should be kept in mind that emergencies take priority in the scheduling of work and that other work orders are filled according to the date of the call for service. For the Service Maintenance Supervisor to arbitrarily place any request at the top of the list would be unfair and costly.
MUTUAL OPERATIONS

SERVICE MAINTENANCE

Service Maintenance Requests Except Mutuals Eight, Nine, Fourteen, and Seventeen

MUTUAL ADOPTION/RESCIND

EIGHT: Rescinded on February 23, 2015 (See Policy 7505.8)
NINE: Rescinded on June 13, 2016
FOURTEEN: Rescinded on October 11, 2000 (See Policy 7431.14)
SEVENTEEN: Rescinded on November 7, 2017

(Nov 17)
Service Maintenance Requests – Mutual One

1. Any service listed as a standard service in the Welcome to Leisure World brochure is performed without cost to the resident, if such services do not result from negligence on the part of the resident. Request for such services must be made to the Mutual One Hotline, Inspector or Physical Properties Director. Except for after hours or weekend emergencies, a request for Service Maintenance services made directly by the shareholder will be charged to the shareholder.

2. Emergency services in off hours can be made by the shareholder through Security and charged to the Mutual. Plumbing stoppages, water line breaks, and electrical outages are treated as emergency needs with response as soon as someone is available.

3. Service Personnel are normally dispatched the day following the request except for emergency services.

4. Servicemen are all bonded, and entry to an apartment with a passkey can result in quicker and less costly service. Shareholders should always authorize passkey entry into their apartments for maximum service.

5. Service Maintenance requests for appointment for any repairs: the shareholder will be charged the current Service Maintenance hourly charge for appointments not used and not cancelled.

6. Insect, Ant and Rodent Control: Fenn’s Extermination appointment for uninvited pests – can be made through the HOTLINE or Service Maintenance. Exterminators come by appointment only. You may request Monday or Wednesday. You must be home if service is requested for inside your unit.
MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY AMENDED/POSTED POLICY 7510.01 – ELIGIBILITY REQUIREMENTS (UNFINISHED BUSINESS ITEM D)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

At the February 22, 2018, Board Meeting Policy 7510.01 – Eligibility Requirements was amended and the 30–day posting requirement has been met (attached).

I move to ratify amended/posted Policy 7510.01 – Eligibility Requirements
Eligibility Requirements – Mutual One Only

All persons seeking approval of the Board of Directors of Seal Beach Mutual No. One to purchase a share of stock in the Mutual, and to reside in the Mutual, shall meet the following eligibility criteria:

A. Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.

B. Meet the Mutual eligibility criteria as follows:

1. Age

Minimum of 55 years, as confirmed by a birth certificate or passport. A driver’s license is not acceptable as proof of age.

2. Financial Ability:

   a. The prospective resident shareholder must show:

      1. Verified monthly income that is at least four (4) times or greater the monthly carrying charge (Regular Assessment plus Property Tax and Fees) at the time of application, and have liquid assets of at least $25,000. Verified monthly income/assets will be in the form of the past two years of:

         (A) Tax returns;
         (B) 1099s for interest and dividends;
         (C) 1099-Rs for retirement income from qualified plans and annuities;
         (D) SSA-1099 Social Security Benefit Statement;

      2. Liquid assets of at least $50,000 for the past 6 months;

      3. FICO credit score of at least 680; for the past 6 months;

      4. Debt-to-income ratio of no more than 30%

   b. To establish the foregoing financial qualifications:

      1. Verified monthly income/assets will be in the form of the past two years of:

         (A) Tax returns;
         (B) 1099s for interest and dividends;
         (C) 1099-Rs for retirement income from qualified plans and annuities;
         (D) SSA-1099 Social Security Benefit Statement;

(draft created on 02-23-18 ka)
Eligibility Requirements – Mutual One Only

(E) 5. Brokerage statements and current interim statement.
(F) 6. Six to twelve months of checking/savings account statements.

2.b. Adjusted Gross Income per 1040, 1040A, or 1040EZ; plus that portion of Social Security, IRA distributions, and pensions and annuities not included in adjusted gross income; plus tax exempt interest; minus income tax, Social Security, Medicare, and self-employment taxes paid; and minus Medicare medical insurance and prescription drug premiums; all divided by twelve (12) will equal net monthly income to be used in Paragraph 2.a. above.

3.e. Projected assessments will be the previous year’s assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by twelve (12) for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times four (4) will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income/assets.

4. Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer interview and prior to the close of escrow (the above verification will not be done by the individual Mutual Directors; Directors will not be required to study or understand the financial requirements).

5.d. Only the resident shareholder’s income shall be considered for qualifying.

6.e. If moving within Leisure World, or if there are any additions/changes to the title, the proposed shareholder(s) must meet these eligibility requirements unless they have been in good standing for five years.

7.f. A credit check will be performed by the escrow company, with the results included in the financial package.

1 If major remodeling, expansion, or addition of a bathroom is being considered, the increase in taxes over the 1.2% of the purchase price must be taken into consideration.

(draft created on 02-23-18 ka)
Eligibility Requirements – Mutual One Only

8. The Debt of the Debt-to-Income Ratio shall consist of resident’s monthly mortgage payments, monthly expense for real estate taxes (if escrowed), monthly expense for homeowner’s insurance (if escrowed), monthly car payments, monthly loan payments (e.g.; personal, student, co-signed loans), minimum monthly credit card payments, monthly time share payments, monthly child support of alimony payments. Income shall be the gross income of the resident shareholder.

3. Health

Have reasonably good health for a person of his/her age, as evidenced by a letter from his/her medical doctor, so that shareholder can take care of normal living needs without calling on other members for an undue amount of assistance. Leisure World is not an assisted living or skilled nursing home facility.

C. Assume, in writing, the obligations of the “Occupancy Agreement” in use by the Mutual Corporation.

Officers or Committees of the Board of Directors designated to approve new applicants are responsible that the eligibility criteria of this corporation is equitably applied to all applicants. Approval or disapproval of buyer(s) must be received by the Stock Transfer Office at least ten (10) working days prior to the close of escrow.
Eligibility Requirements – Mutual One Only

I have read and understood what is required for eligibility consideration in the above named Mutual, including necessary documentation.

Prospective Buyer ______________________________  Date ______________________________

Prospective Buyer ______________________________  Date ______________________________

Prospective Buyer ______________________________  Date ______________________________

Prospective Buyer ______________________________  Date ______________________________

MUTUAL ADOPTION AMENDMENTS
ONE: 04-23-70  AMENDMENTS 09-23-93, 04-24-08, 09-25-08, 11-30-17

(draft created on 02-23-18 ka)
On March 22, 2018, Director Fred Holzer resigned from the Mutual One Board.

_I move to accept, with regret, the resignation of Director Fred Holzer, as of March 22, 2018._
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MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: ELECT NEW MUTUAL ONE DIRECTOR (NEW BUSINESS ITEM B)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

On April 26, 2018, the Mutual Board of Directors accepted the Resignation of a Mutual One Director.

I move to elect, ____________________________ to the Mutual One Board of Directors, for the remaining 2017–2018 term of office.
At the January 25, 2018, Board Meeting the Mutual One Board of Directors passed the following resolution: RESOLVED, To pay fifty percent (50%) of the total cost toward the completion of the Jims Gate remodeling project by M.J. Jurardo.

At the February 5, 2018, Physical Property Council meeting passed the following resolution: TO repair the pedestrian ramp on Mutual One side of the wall in the amount not to exceed $18,000, funded by Capital, including the new gate opening system in the amount not to exceed $3,500, share the costs with Mutual One, remove th St. Andrews sidewalk from the proposal, and forward to the Finance Committee and the GRF Board with a breakdown of remaining costs.

At the February 22, 2018, Board Meeting Mutual One Board of Directors failed to pass the following resolution: RESOLVED, To approve the total cost of $20,000 be equally shared between Mutual One and GRF (Golden Rain Foundation), with Mutual One cost not to exceed $10,000.

At the February 27, 2018, GRF Board Meeting this item was removed from the agenda and referred back to the Physical Property Committee.

At the March 22, 2018, Board Meeting the Mutual One Board of Directors passed the following resolution: RESOLVED, To rescind the following resolution made on January 25, 2018, To pay fifty percent (50%) of the total cost toward the completion of the Jims Gate remodeling project by M.J. Jurardo.

I move to approve/deny to pay fifty percent (50%) of the total cost toward the completion of the Jims Gate remodeling project by M.J.
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Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RETURN JIM’S GATE CHECK TO SHAREHOLDER (NEW BUSINESS ITEM E)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

Mutual One reviewed a check from a Shareholder in the amount of $1,000 towards Jim’s Gate. The Mutual One Bard thanks you for your generosity.

I move to return the $1,000 check submitted to Mutual One to the Shareholder.
I move to approve/deny the proposal from Fenn for the Gopher Contract, at a cost not to exceed $650, and to authorize the President to sign the contract.
TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: SHAREHOLDER STATEMENT TO VOTE CUMULATIVELY (NEW BUSINESS ITEM G)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

Per the Mutuals' Bylaws Article IV, Section 7, I (please state your first and last name), shareholder of Mutual One, intend to vote cumulatively for the election of Directors for the 2018-2019 term of office.
MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPOINT OBSERVERS OF THE 2018–2019 MUTUAL ONE ANNUAL ELECTION (NEW BUSINESS ITEM H)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

In accordance with Policy 7210.01 – Annual Elections (attached), Item 4, subsection b, as follows

b. Observers of the Election Appointed By the Board of Directors

There shall be three (3) observers of the election appointed by the Mutual Board of Directors 30 days before the annual meeting day. The Board may also appoint alternative observers of the election. The observers of the election may appoint and oversee additional assistant observers of the election in any number deemed to be reasonable by the Mutual Board of Directors.

The Mutual One Board of Directors appoint the following shareholders as observers of the 2018 – 2019 Annual Election

1. ________________________________, Unit ________________________
2. ________________________________, Unit ________________________
3. ________________________________, Unit ________________________
MUTUAL OPERATIONS

STOCKHOLDERS MEETINGS

Elections - Mutual One

In accordance with State Law and the Mutual One Bylaws, the following policy is established for the general election and all other elections of directors to the Mutual One Board of Directors. The general election of Mutual One is held every year. The elections shall be staggered. The member shall elect nine (9) directors as follows: The five (5) candidates, in even numbered years, receiving the highest number of votes shall serve for two (2) consecutive years. The four (4) candidates, in odd numbered years, receiving the highest number of votes shall serve for two (2) consecutive years. Directors’ terms are for two years.

1. Candidates

a. Candidate Eligibility

In accordance with the Bylaws, all Shareholders in good standing are eligible to run for election to the Mutual One Board of Directors. Only one shareholder per unit.

b. Notification of Nominations for Election of Directors

The Board of Directors shall place notice in the Golden Rain News and in the laundry rooms not less than 90 days prior to the election meeting that any shareholder of Mutual One may place his/her name into nomination for the election to the Mutual One Board of Directors.

c. Self-Nomination by Shareholders

Shareholders who wish to nominate themselves as a candidate for election to the Board of Directors must do so in writing to the Nominating Committee not more than 90 days or less than 60 days prior to the election meeting date.

d. Nominating Committee

The Mutual One Board of Directors will appoint a Nominating Committee no later than 90 days before the election meeting (no later than the February Board of Directors’ Meeting for the annual Board of Directors’ election). The complete Nominating Committee Report, including all self-nominated candidates, all incumbents wishing to run, and others agreeing to run, must be delivered to the Inspectors of the Election 45 days before the date of the election meeting.
MUTUAL OPERATIONS

STOCKHOLDERS MEETINGS

Elections - Mutual One

e. Nominations from the Floor

Candidates may be nominated from the floor during the election meeting.

f. Equal Access to Clubhouse Facilities

Equal access to clubhouses shall be provided at no cost to all candidates, including those who are not incumbents, and to all Shareholders advocating a point of view, including those who are not endorsed by the Board of Directors, for purposes reasonably related to the election. The clubhouses are subject to availability by reservation only on a first-come, first-serve basis.

2. Election Process

a. The Golden Rain Foundation may provide a contracted vendor to assume all election services and who will be directed to conduct the election in accordance with this policy and State Law. If the Golden Rain Foundation does not provide a contracted vendor to assume all election services, then the Golden Rain Foundation or the Mutual will conduct the election in accordance with this policy and State Law.

3. Election Materials

a. Notice Letter

The notice letter, mail-in secret ballot, voting instructions and mailing instructions for the election shall be mailed by the Inspector(s) of the Election to each Shareholder no later than thirty (30) days prior to the election meeting.

b. Secret Ballots Returned By Mail

The mail-in secret ballot or proxy form is required to be mailed to the Inspector(s) of the Election for proper verification and validation, and must be received before 4:00 p.m. on the day before the election meeting. The mail-in secret ballot is irrevocable once the Inspector(s) of the Election validate it.

If the mail-in secret ballot or proxy form is sealed and properly mailed, the Inspector(s) of the Election will open the mail-in secret ballot or proxy form the day of the election meeting.

(Jan 17)
MUTUAL OPERATIONS

STOCKHOLDERS MEETINGS

Elections - Mutual One

b. Balloting and Proxies at the Election Meeting

If a secret ballot or proxy form has not been recorded with the Inspector(s) of the Election before 4:00 p.m. on the day before the election meeting, a Mutual One Shareholder may record a qualifying secret ballot or proxy form with the Inspector(s) of the Election at the election meeting, up until the time the election is closed by the Mutual One President.

4. Inspectors of the Election

a. Qualifications and Appointment of Inspector(s)

The Mutual One Board of Directors must appoint an Inspector or Inspector(s) of the Election no later than ninety (90) days before the election meeting (no later than the February Board of Directors’ Meeting for the annual Board of Directors’ election). The Inspector(s) of the Election must be qualified to conduct the election in compliance with this policy and Davis-Stirling State Law and certify the election by the end of the Shareholders’ Meeting.

An inspector(s) of the election may not be a member of the Mutual One Board of Directors, or a candidate for the Mutual One Board of Directors, or related to a member of or candidate for the Mutual One Board of Directors, or under contract to Mutual One for any compensable services. (Note: Inspector(s) may be a contractor hired to conduct the election, one to three Shareholders, or any other qualified party.)

b. Observers of the Election Appointed By the Mutual One Board of Directors

There shall be one or three observers of the election appointed by the Board of Directors thirty (30) days before the election meeting day. The Board may also appoint alternative observers of the election. Official observers will be seated at the counting table across from the inspector(s) to observe the complete counting process. Observers must not interfere with the counting process, but watch and listen. Any issue of concern should be brought to the attention of the lead inspector. All other shareholder observers will be seated six feet away from the counting table.

c. Inspector(s) of the Elections - Duties

1. Determine the number of shareholders entitled to vote and the voting power of each.

(Jan 17)
MUTUAL OPERATIONS

STOCKHOLDERS MEETINGS

Elections - Mutual One

2. Determine the authenticity, validity and effect of proxies, if any.
3. Establish the mailing address for mail-in ballots and proxy forms, and the contact phone number for shareholder questions.
4. Prepare and mail to all Mutual One Shareholders, no later than thirty (30) days prior to the election meeting, the notice letter, mail-in secret ballot, voting instructions and mailing instructions for the Mutual One election, in a manner consistent with providing and ensuring that the member’s vote will be by “secret ballot.”
5. Receive mail-in secret ballots and proxy forms.
6. Open mail-in secret ballots and proxy forms at the election meeting.
7. Hear and determine all challenges and questions in connection with the right to vote.
8. Count and tabulate all votes.
9. Determine the results of the election.
10. Perform his or her duties expeditiously, impartially, and in good faith at all times.
11. Certify the election.

5. Voting

a. Qualification for Voting

Mutual One Shareholders may cast votes:

1. By using the mail-in secret ballot; or
2. By ballot in person on the day of the election meeting; or
3. By using a proxy form.

b. Cumulative Voting

The Secret Ballot will state: You have Nine (9) votes: “Vote for Nine (9),” OR “Distribute Nine (9) Votes for One Candidate” OR “Split the Nine (9) Votes between Multiple Candidates as long as the votes cast equal Nine (9).

In accordance with the Mutual One Bylaws voting may be “cumulative.”

The following excerpt from the Mutual One Bylaws must be stated clearly on the Secret Ballot:

(Jan 17)
MUTUAL OPERATIONS

STOCKHOLDERS MEETINGS

Elections - Mutual One

“Provided the candidate’s name has been placed in nomination prior to the voting and one or more shareholders has given notice at the meeting prior to the voting of the shareholder’s intent to cumulate the shareholder’s votes, every shareholder entitled to vote at any election for Directors may cumulate his votes and give one candidate a number of votes equal to the number of Directors to be elected or distribute his votes on the same principle among as many candidates as he deems fit.”

c. Voting by Secret Ballot

All ballots shall be prepared in a manner consistent with providing and ensuring that the shareholder’s vote will be by “secret ballot.”

MUTUAL ADOPTION AMENDMENT
ONE: 2-22-07 3-24-11; 01-01-17

DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT
Civil Code §1363.03, Election Procedures, Secret Ballots, Inspectors of Election

(Jan 17)
TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPOINTMENT OF NOMINATING COMMITTEE (NEW BUSINESS ITEM I)
DATE: APRIL 26, 2018
CC: MUTUAL FILE

I would like to appoint __________________________, (as Chair)
________________________, and __________________________, to the Mutual One
March 16, 2018

To All Mutual Boards of Directors,

It is understood that the Golden Rain Foundation and/or any Mutual Board of Directors do not have responsibility to provide supplies or emergency services to residents of Leisure World in the event of a disaster.

It is therefore important for every resident to become informed on what to do to be ready for such an occurrence and not expect that help will be available.

The Emergency Information Council (EIC) are members/residents of mutuals in Leisure World who meet and gather information on disaster preparedness to help spread the word and encourage everyone to be proactive in self-sufficiency.

The council is asking your support in this effort by requesting a representative from your mutual to attend the monthly EIC meetings. The benefit of participation would be the increased awareness of personal responsibility in this area and steps that can be taken by each of us to help ourselves.

Respectfully,

Kathy Almeida
EIC Chairperson
M1.kalmeida@yahoo.com
At the April 5, 2018, Presidents Council, Executive Director Randy Ankeny, discussed the Bulk Cable Service Agreement with Superwire. Mr. Ankeny has respectfully requested that each Mutual Board authorize GRF to seek and negotiate as directed and on behalf of the combined Mutuals a new bulk cable agreement. Of note: such action by the Mutuals require unanimous consent, as preliminary research on cable providers, note exclusive rights.

Please be advised, on February 18, 2019, the agreement between GRF and Superwire will terminate and action is requested by each Mutual Board as follows.

Resolution to authorize GRF to negotiate a mutually beneficial bulk cable service agreement:  

WHEREAS, GOLDEN RAIN FOUNDATION (hereinafter "GRF") through its volunteer Board of Directors, is responsible for management, control and administration of a residential common interest development (the "Project"), under the Declaration of Trust ("Trust"), which grants the Foundation the authority to manage and govern trust property and community facilities, all within what is known as Seal Beach Leisure World, consisting of sixteen (16) Mutuals (hereinafter the "Mutuals");  

WHEREAS, notwithstanding the foregoing, GRF is not a housing provider, and neither owns or operates any housing for the residents in the Project;  

WHEREAS, each Mutual in Seal Beach Leisure World, is its own fully-functioning association with its own Occupancy Agreements, Bylaws, Rules, Resolutions and Policies. Mutual Boards direct GRF to take action on their behalf pursuant to the Management Agreements between GRF and each Mutual, and pursuant to applicable law;  

WHEREAS, the Management Agreements between GRF and each Mutual state that GRF has the duty to "operate and maintain the Project according to the highest standards achievable consistent with the overall plan of the [Mutual] and the interests of the consenting parties...GRF shall be expected to perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement." (Management Agreement, FOURTH, Section (m) (Mutuals 1-11; 14-15; 17); FOURTH (o) (Mutual 12); FOURTH (n) (Mutual 16));

Resolution to authorize GRF to negotiate a mutually beneficial bulk cable service agreement (continued):
WHEREAS, the Management Agreements between GRF and each Mutual state that GRF has a duty to "Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises placed thereon by any federal, state, county, or municipal authority having jurisdiction thereover." (Management Agreement, FOURTH, Section (f) (Mutuals 1-11; 14-15; 17); FOURTH, Section (g) (Mutuals 12, 16));

WHEREAS, the agreement between GRF and Superwire Telecom, Inc, shall expire on February 18, 2019;

WHEREAS, negotiations for any bulk cable services will require the joint and unanimous consent of all Mutuals to authorize GRF to negotiate a bulk cable service agreement for a period not to exceed five (5) years;

NOW, THEREFORE, be resolved that the following Resolution is adopted by the Board of Directors:

The officers and staff of GRF are hereby authorized on behalf of the Mutual to negotiate a mutually beneficial bulk cable service agreement for a period not to exceed (5) years. Such authorization is contingent upon the collective approval of all Mutual Boards.
I move to approve/deny the transfer of $500,000 from Operating Funds to Infrastructure Reserves.
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On March 27, 2018, the Golden Rain Foundation passed a motion to distribute its 2017 excess income of to all the Mutual Corporations. The funds will be distributed based on a pro-rata basis and will be included in the monthly settlement amount on April 5, 2018.

*I move to accept the 2017 GRF excess income distribution of $16,365 and to deposit the funds into the Operating Fund.*