

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
April 27, 2023
Meeting begins at 9:00 a.m.
Zoom/Video Conference Call and Conference Rm A

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone or via video upon the Shareholder contacting GRF Mutual Administration at mutualsecretaries@lwsb.com or (562) 431-6586 ext. 313 and requesting the call-in or log-in information.

TO PROVIDE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE
2. SHAREHOLDER COMMENTS (2-3 minutes per shareholder)
3. ROLL CALL (Introduction of Directors)
4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS:
 - Ms. Perrotti, GRF Representative
 - Ms. Gambol, GRF Representative
 - Ms. Hall, Sr. Director of Member Services
 - Ms. Schultze, Mutual Accountant
 - Mr. Stolarz, Building Inspector
 - Ms. Barua, Senior Portfolio Specialist
 - Ms. Equite, Assistant Portfolio Specialist
5. **APPROVAL OF MINUTES:**
 - a. Regular Meeting Minutes of March 23, 2023.
 - b. Special Meeting Minutes of April 12, 2023 (p. 3)
6. **GUEST SPEAKER** Ms. Hall/ Ms. Schultze
 - a. Discuss and vote to accept the 2022 drafted audited Financial Statement (p. 4) (handout)
7. **BUILDING INSPECTOR'S REPORT** Mr. Stolarz
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (pp. 5-8)
 - a. Discuss and vote to add pergola to patio for Unit 01-5F (pp. 10-18)
 - b. Discuss and vote to authorize Service Maintenance to relocate Dryer Vents in Laundry Rooms (pp. 19-20)
 - c. Discuss and vote to authorize Service maintenance to purchase door hinge for laundry room (pp. 21-22)
 - d. Discuss and vote to approve Fenn Termite and Pest Control contract (p. 23-25)
8. **GRF REPRESENTATIVES** Ms. Perrotti/Ms. Gambol
9. **UNFINISHED BUSINESS**
 - a. Discuss and vote to ratify amended Article II – Shareholder Regulations (pp. 26-29)

- b. Discuss and vote to ratify amended Article IV Physical Properties, Section 1.3 – Dishwashers (pp. 30-32)
- c. Discuss and vote to ratify amended Article VII and Fine Schedule of the Rules and Regulations (pp. 33-37)

10. **NEW BUSINESS**

- a. Discuss and vote to approve Monthly Finances (p. 38)
- b. Shareholders statement to Vote Cumulatively (p. 39)
- c. Discuss and vote to cancel June Monthly Board meeting due to the Annual Election Meeting (p. 40)
- d. Discuss and vote to approve the transfer of funds from Infrastructure Reserves to Painting Reserves (p. 41)
- e. Discuss and vote to Invest \$500k in Ameritrade from US Bank (p. 42)
- f. Discuss and vote to authorize AOA to conduct new Fico scores (p. 43) (handout)
- g. Discuss and vote to approve service maintenance to replace fire avert as needed (p. 44)
- h. Discuss and vote to amend Policy 01-7510-3 Eligibility Requirements (p. 45-47)
- i. Discuss and vote to authorize Physical Properties to add print on all inspection notices for Mutual 01 (p. 48)

STAFF BREAK BY 11:00 a.m.

11. SECRETARY / CORRESPONDENCE Ms. St. Aubin
 a. Discuss shareholders correspondences.

12. CHIEF FINANCIAL OFFICERS REPORT Mr. Frank

13. PORTFOLIO SPECIALIST Ms. Barua

14. ANNOUNCEMENTS

- a. **NEXT BOARD MEETING:** Thursday, May 25, 2023, at 9:00 a.m., via Zoom/Video Conference Call and Conference Rm A.
- b. **PLEASE be ADVISED Pursuant to the Occupancy Agreement that you signed, you must ALLOW ENTRY for any inspections or requests by our INSPECTOR. IF NOT, According to our attorney, you will be EVICTED!**

15. COMMITTEE REPORTS

- a. Landscape Committee
- b. Physical Property Report
- c. New Buyer Orientation Report
- d. Paint Committee
- e. Emergency Preparedness

16. DIRECTORS' COMMENTS

17. SHAREHOLDER COMMENTS

18. ADJOURNMENT

19. EXECUTIVE SESSION

STAFF WILL LEAVE THE MEETING BY 12:00 p.m.

**MINUTES OF THE SPECIAL BOARD MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL ONE
April 12, 2023**

A Special Meeting of the Board of Directors of Seal Beach Mutual One was called to order by President Collazo at 1:30 p.m. on Wednesday, April 12, 2023, in Conference Room C.

Those members present were President Collazo, Vice President Luther-Stark, Chief Financial Officer Frank, Director Markovich, Director Perrotti, Director Weber and Building Inspector Stolarz.

Absent: Secretary St. Aubin and Director Rockwood

No shareholders were present.

Director Perrotti entered the meeting at 1:55 p.m.

The purpose of the meeting was to prepare Agenda items for the Board Meeting.

President Collazo adjourned the meeting at 2:58 p.m.

Attest, JoAnn St. Aubin, Secretary
SEAL BEACH MUTUAL ONE
DE 04/18/23

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO ACCEPT THE 2022 DRAFTED AUDITED FINANCIAL STATEMENT (GUEST SPEAKER, ITEM A)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to accept that the Board of Directors of Seal Beach Mutual One, upon a presentation of the Financial Statements as of December 31, 2022, for the year then ended, and the proposed Accountant's Report as submitted by CliftonLarsonAllen (CLA), hereby accepts the above-mentioned Financial Statements and reports therein, and authorize the President to sign the Management Representation Letter.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: April 27, 2023

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
2-L	WINDOWS	BOTH	03/14/23	06/30/23	NO	NONE	MP CONSTRUCTION
4-D	SHOWER CUT DOWN	BOTH	03/20/23	04/20/23	NO	04/05/23 FINAL	NUKOTE
5-E	FLOORING	BOTH	04/10/23	04/30/23	NO	NONE	BIXBY PLAZA CARPETS
5-I	LIGHT & OUTLETS	BOTH	02/01/23	05/15/23	NO	NONE	JULIAN ELECTRICAL
5-I	WINDOWS & SCREEN	BOTH	12/10/22	04/30/23	NO	NONE	LW DÉCOR, INC.
7-J	SHOWER CUT DOWN	BOTH	04/27/23	05/27/23	NO	NONE	NUKOTE
8-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
8-G	KITCHEN REMODEL	BOTH	03/30/20	05/30/23	NO	NONE	J.C. KRESS
9-F	F.A.U	BOTH	02/13/23	05/13/23	NO	NONE	GREENWOOD
9-I	PATIO FLOORING	GRF	03/06/23	05/30/23	NO	NONE	LW DÉCOR, INC.
10-E	COUNTER TOPS / FLOORING	BOTH	02/20/23	07/31/23	NO	NONE	ACE MAINTENANCE
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 FRAMING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/11/23 WIRING	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 GROUND	J.C. KRESS
13-E	REMODEL	BOTH	12/15/22	03/30/23	NO	01/13/23 PLUMBING	J.C. KRESS
15-G	HEAT PUMP	BOTH	04/03/23	07/13/23	NO	NONE	GREENWOOD
15-I	TILE/ CONCRETE	BOTH	03/25/23	06/30/23	NO	04/07/23 REBAR	LW DÉCOR, INC.
15-I	WINDOW / DOOR	BOTH	02/01/23	06/01/23	NO	04/01/23 FINAL	BODIE'S GLASS SERVICES
18-A	HEAT PUMP	BOTH	04/20/23	07/20/23	NO	NONE	GREENWOOD
18-G	WINDOWS	BOTH	03/20/23	06/28/23	NO	NONE	LOS AL BUILDERS
22-H	MISC. REMODEL	BOTH	10/30/22	02/28/23	NO	NONE	BRUNO H. ALVAREZ
25-A	FLOORING	GRF	03/20/23	04/30/23	NO	04/06/23 FINAL	KARY'S CARPETS
25-H	FLOORING	GRF	03/25/23	06/30/23	NO	NONE	LW DÉCOR
25-H	NUKOTE	BOTH	04/21/23	05/21/23	NO	NONE	NUKOTE

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **April 27, 2023**

26-L	FLOORING	GRF	03/30/23	05/30/23	NO	04/14/23 FINAL	KARY'S CARPETS
27-B	SHOWER CUT DOWN	BOTH	04/07/23	05/07/23	NO	NONE	NUKOTE
27-D	FLOORING	GRF	03/15/23	04/30/23	NO	04/06/23 FINAL	KARY'S CARPETS
32-F	F.A.U.	BOTH	03/28/23	06/28/23	NO	04/14/23 FINAL	GREENWOOD
33-A	HEAT PUMP	BOTH	03/16/23	06/17/23	NO	04/14/23 FINAL	GREENWOOD
33-H	SHOWER CUT DOWN	BOTH	04/10/23	05/10/23	NO	NONE	NUKOTE
35-C	SHOWER CUT DOWN	GBOTH	03/23/23	04/23/23	NO	4/5/23 FINAL	NUKOTE
37-C	SLIDING DOORS	BOTH	02/01/23	05/01/23	NO	4/5/23 FINAL	BODIE'S GLASS SERVICE
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	01/23/23 FOOTING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 ROUGH WIRING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/15/23 FRAMING	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 SHEAR PANEL	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/17/23 INSULATION	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	02/28/23 SCRATCH COAT	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/03/23 BROWN	MAMUSCIA CONSTRUCTION
37-I	REMODEL	BOTH	12/20/22	05/20/23	YES	03/27/23 DRYWALL	MAMUSCIA CONSTRUCTION
38-E	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 GROUND	MARCO CONSTRUCTION
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 ROUGH PLUMBING	MARCO CONSTRUCTION
43-F	WASHER / DRYER	BOTH	04/10/23	05/31/23	NO	04/12/23 ROUGH WIRING	MARCO CONSTRUCTION
46-B	FLOORING / DISHWASHER	BOTH	12/19/23	01/31/23	NO	04/18/23 FINAL	DE LA CRUZ, INC
47-H	FIRE REMODEL	BOTH	08/15/22	02/17/23	YES	03/27/23 FINAL	WARD-TEK CONSTRUCTION
52-D	SHOWER CUT DOWN	BOTH	04/24/23	05/24/23	NO	NONE	NUKOTE
53-B	COUNTER TOPS	BOTH	01/23/22	02/17/23	NO	04/18/23 FINAL	OGAN CONSTRUCTION
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	03/09/23 GROUND	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	03/14/23 FOOTING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/10/23 FRAMING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/14/23 ROUGH PLUMBING	JOHN M. BERGKVIST

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : (01) ONE

INSPECTOR : RICH STOLARZ

MUTUAL BOARD MEETING DATE: April 27, 2023

53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/10/23 ROUGH WIRING	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/11/23 INSULATION	JOHN M. BERGKVIST
53-I	REMODEL	BOTH	02/27/23	05/13/23	NO	04/18/23 DRYWALL	JOHN M. BERGKVIST
54-B	BLOCKWALL	GRF	04/17/23	06/19/23	NO	NONE	JOHN M. BERGKVIST
55-I	SHOWER CUT DOWN	BOTH	02/06/23	03/06/23	NO	04/05/23 FINAL	NUKOTE
55-J	FLOORING	GRF	03/30/23	04/30/23	NO	04/05/23 FINAL	KARY'S CARPETS
56-E	KITCHEN REMODEL	BOTH	04/01/23	06/01/23	NO	NONE	OGAN CONSTRUCTION
56-G	PATIO / BLOCKWALL	GRF	01/12/23	02/28/23	NO	NONE	MJ JURADO INC.
59-C	SHOWER CUT DOWN	BOTH	04/07/23	05/07/23	NO	NONE	NUKOTE
59-D	COUNTER TOPS / FLOORING	BOTH	03/15/23	05/03/23	NO	NONE	INZUNZA BUILDERS
60-C	SHOWER CUT DOWN	BOTH	03/14/23	04/14/23	NO	04/05/23 FINAL	NUKOTE
60-F	SKYLIGHT DOMES	GRF	01/20/23	03/06/23	NO	NONE	M&M SKYLIGHTS
60-K	HEAT PUMP	BOTH	03/20/23	06/20/23	NO	NONE	GREENWOOD HEATING & AIR
69-K	FLOORING	GRF	04/01/23	06/01/23	NO	NONE	MICHAEL'S CARPET
70-F	FLOORING	GRF	12/15/22	01/30/23	NO	04/11/23 FINAL	KARYS CARPET
70-F	DISHWASHER	BOTH	04/03/23	05/26/23	NO	04/11/23 FINAL	MARCO CONSTRUCTION

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
1-D		03/20/23					
2-D		01/18/23	04/13/23	04/24/23	05/08/23		
10-G		04/10/23					
12-C		03/10/23	02/16/23	03/23/23	04/06/23		
13-L		01/09/23	03/27/23	03/27/23	04/10/23	04/18/23	
14-L		10/10/22					

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : (01) ONE

INSPECTOR : RICH STOLARZ

MUTUAL BOARD MEETING DATE: April 27, 2023

18-A		01/09/23	03/23/23	03/30/23	04/13/23	04/18/23	
20-A		04/10/23					
21-F		08/30/22					
26-L		03/22/23					
32-E		04/10/23					
33-B		01/18/23	03/01/23	03/08/23	03/22/23	04/05/23	
40-D		08/18/22					
44-D		03/10/23					
45-B		09/14/22					
49-B		02/10/23					
50-I		03/20/23	04/13/23	04/17/23	05/01/23		
56-B		03/02/23					
64-K		03/02/23	03/05/23	04/20/23	05/04/23		
68-I		01/04/23	02/01/23	02/02/23	02/16/23	03/21/23	

NMI = New Member Inspection **PLI** = Pre-Listing Inspection **NBO** = New Buyer Orientation

FI = Final Inspection **FCOEI** = Final COE Inspection **ROF** = Release of Funds

CONTRACTS AND PROJECTS

CONTRACTOR	PROJECTS
FENN GOOD THROUGH 4/30/2023	TERMITES, PEST AND GOPHERS
FENN GOOD THROUGH 6/30/2023	BAIT STATIONS
WASH GOOD THROUGH 06/30/23	WASHERS & DRYERS
J&J LANDSCAPING GOOD THROUGH 12/01/2024	LANDSCAPING
A-1 TOTAL SERVICE PLUMBING 12/31/23	SEWER PIPE RELINING
SOUTHERN PROPERTY FIRE PROTECTION - FIRE EXTINGUISHER CERTIFICATION GOOD THROUGH 12/2023	
BA CONSTRUCTION	BUILDING WOOD REPAIRS

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL : **(01) ONE**

INSPECTOR : **RICH STOLARZ**

MUTUAL BOARD MEETING DATE: **April 27, 2023**

A1 TOTAL PLUMBING - WORKING ON BLDG. 57, 58, 59

REQUEST FOR PATIO EXTENSION AND PERGOLA AT UNIT - 5-F

APPROVE ESTIMATE FROM SERVICE MAINTENANCE TO RELOCATE DRY VENTS IN LAUNDRY ROOMS - \$1,750.00 EA

APPROVE ESTIMATE FROM SERVICE MAINTENANCE TO INSTALL SELF CLOSING HINGE LAUNDRY DOORS - \$75.00 EA

REVIEW AND APPROVE TERMITE TREATMENT & PEST CONTROL BIDS

MUTUAL & SHAREHOLDER REQUEST

72

SITE VISITS

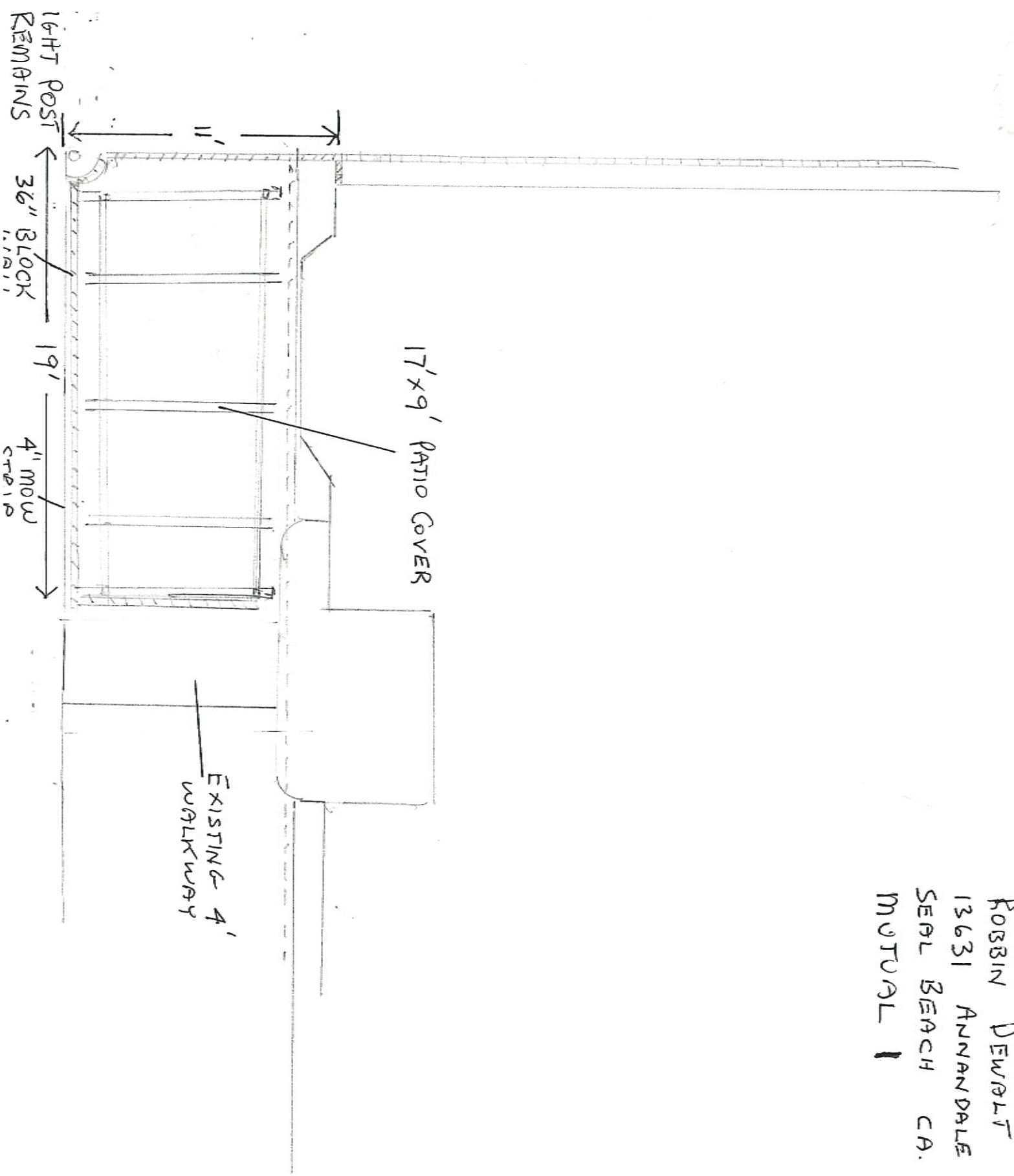
Mutual Corporation No. One

MEMO

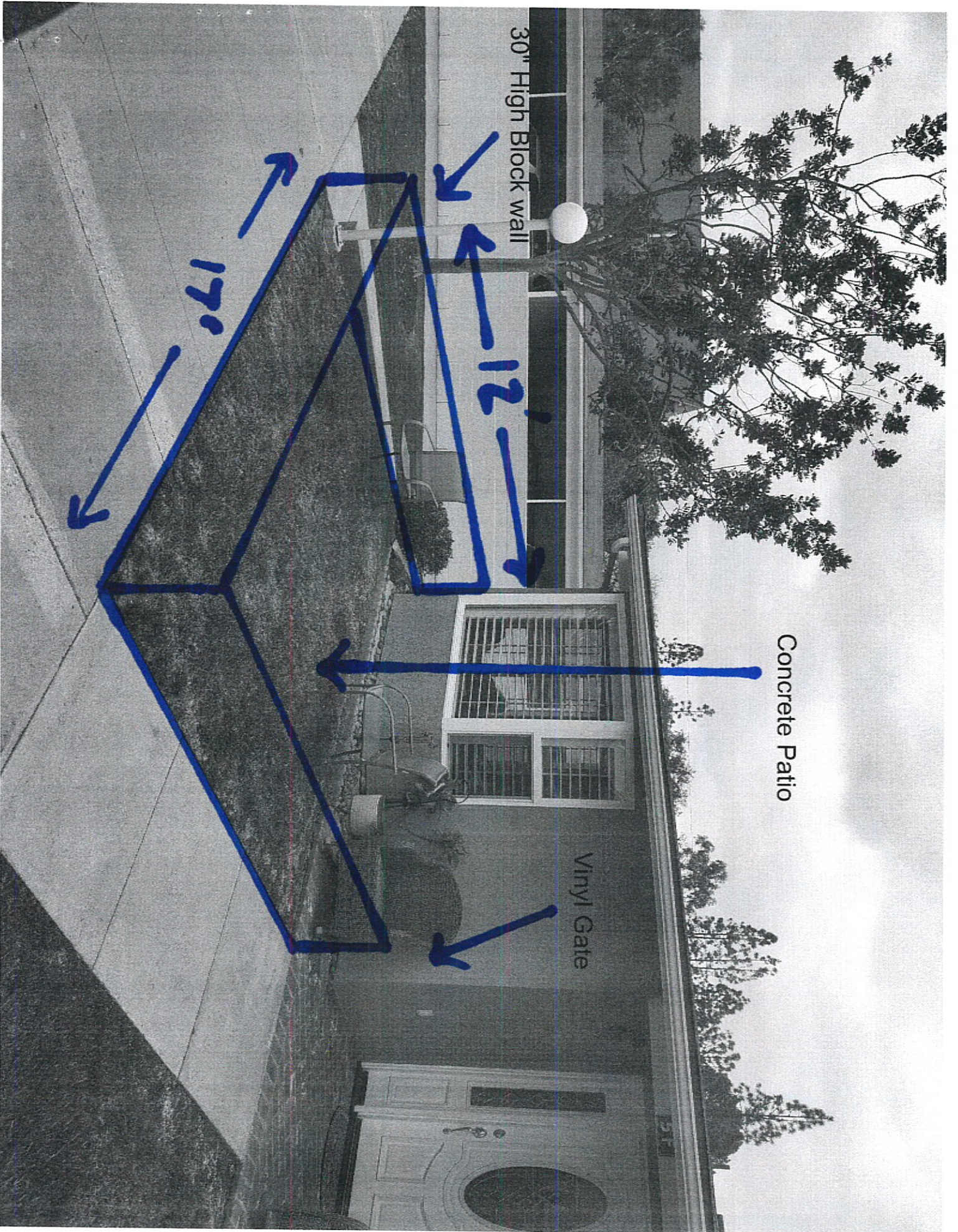
TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE TO ADD PERGOLA TO PATIO FOR UNIT 01-5F (BUILDING INSPECTORS REPORT, ITEM A)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to approve to add pergola to patio for Unit 01-005F. Work to be done at the shareholder's expense.

ROBBIN DEWALT
13631 ANNANDALE SF
SEAL BEACH CA. 90740
MUTUAL 1

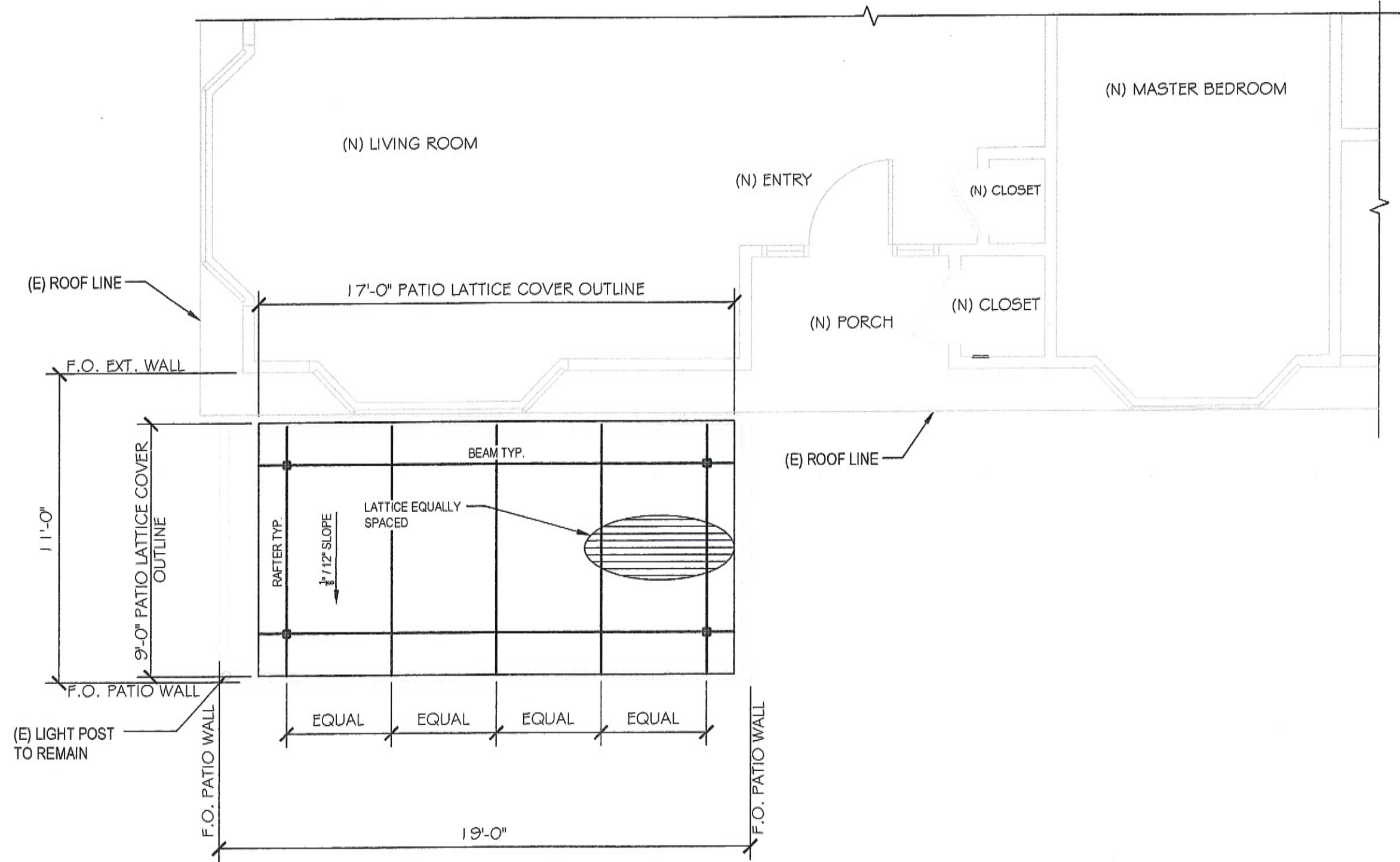












PATIO FRAMING PLAN

NOTE: ALL DIMENSIONS TO BE FIELD VERIFIED. SCALE: $\frac{1}{4}$ " = 1'0"

RAFTER
PER PLAN

BEAM
PER PLAN

COL. w/ WRAP
PER PLAN

LENGTH OF STRUCTURE

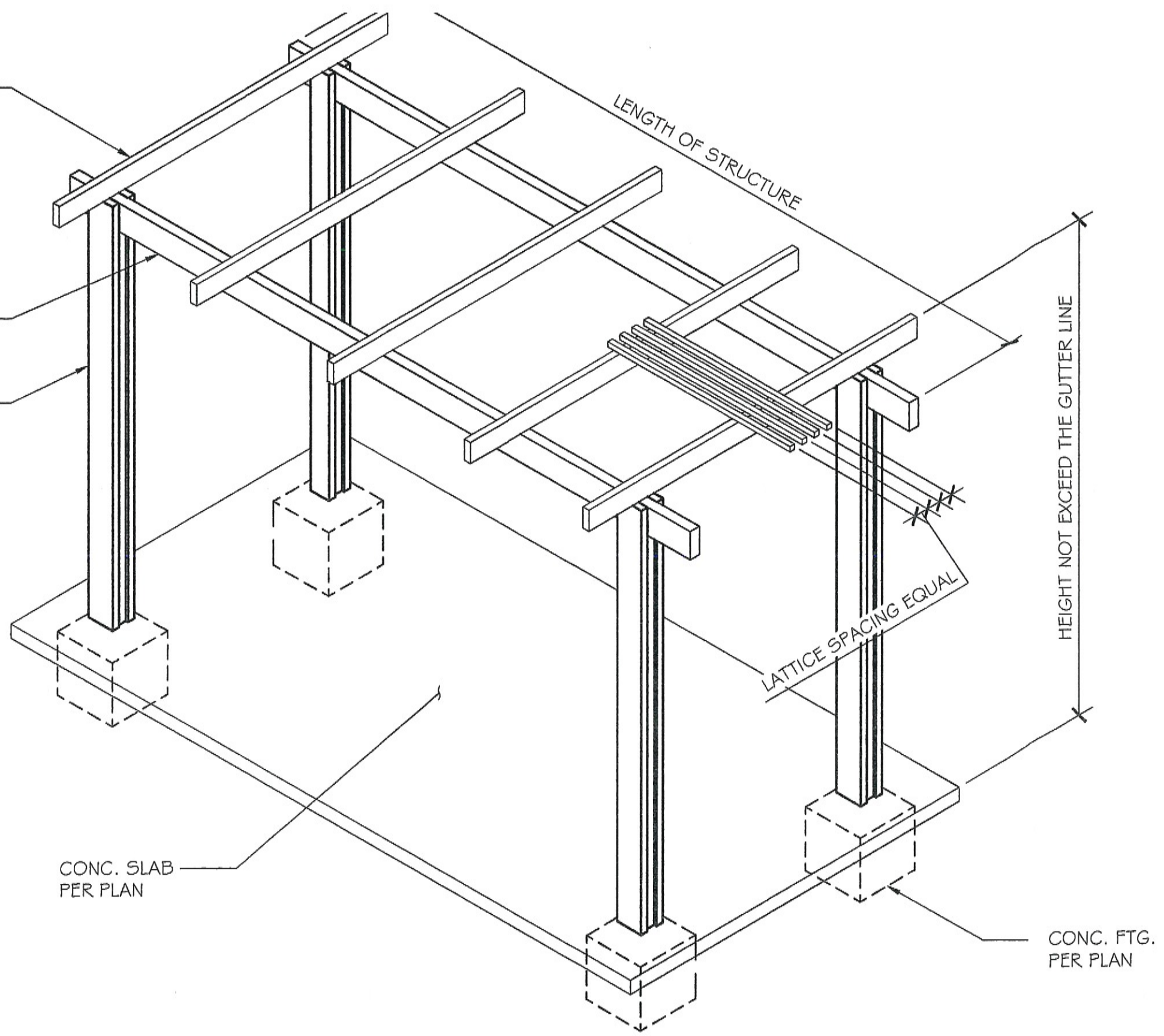
HEIGHT NOT EXCEED THE GUTTER LINE

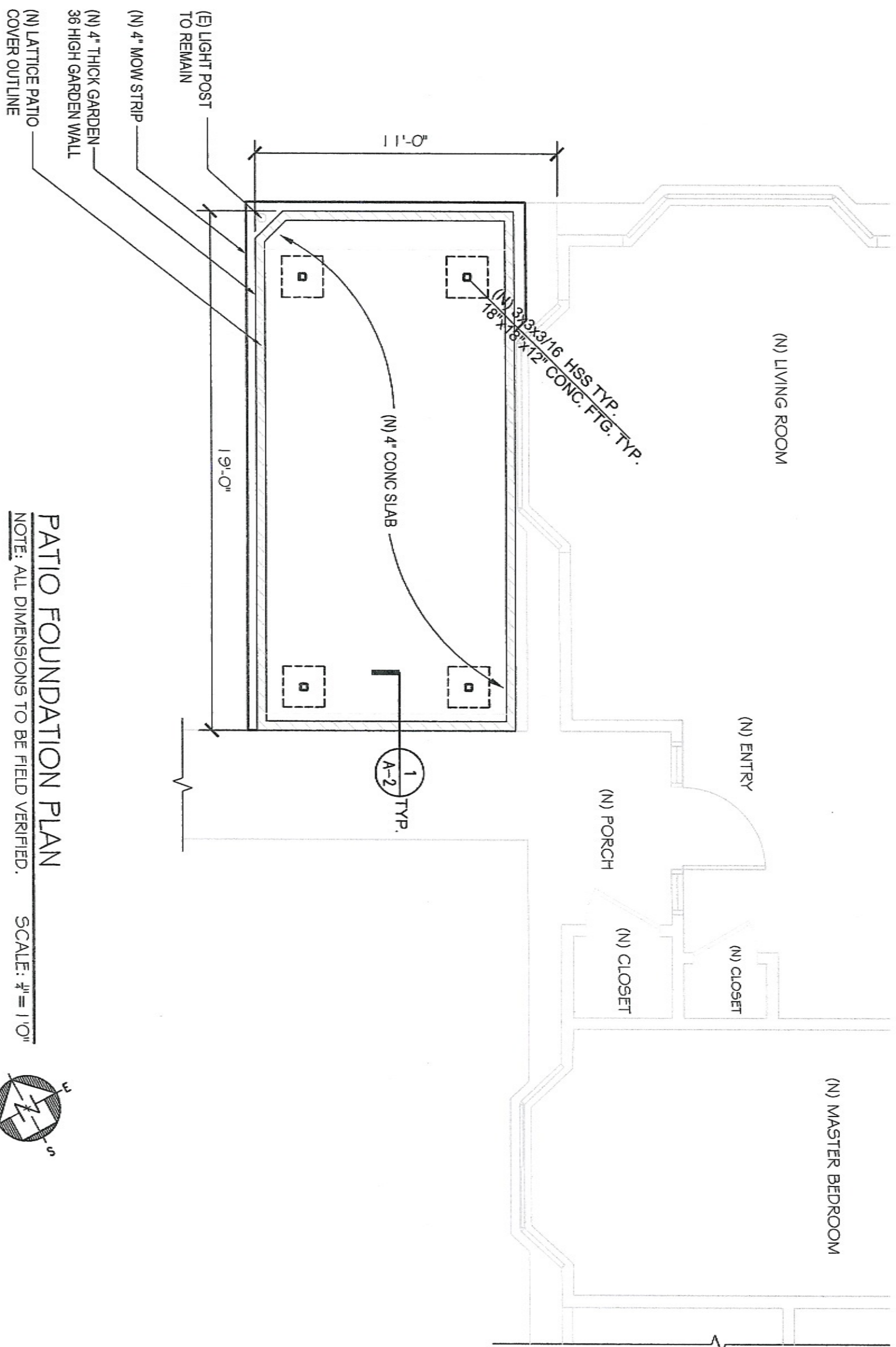
LATTICE SPACING EQUAL

CONC. SLAB
PER PLAN

CONC. FTG.
PER PLAN

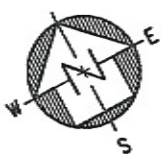
LATTICE PATIO COVER - ISO VIEW
SCALE: 3/8" = 1'-0"





PATIO FOUNDATION PLAN

NOTE: ALL DIMENSIONS TO BE FIELD VERIFIED. SCALE: 1/4" = 1'-0"



Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE AUTHORIZE SERVICE MAINTENANCE TO RELOCATE DRYER VENTS IN LAUNDRY ROOM (BUILDING INSPECTORS REPORT, ITEM B)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to authorize Service Maintenance to relocate dryer vents in laundry room, at a cost not to exceed \$1,750.00 per laundry room. Funds to come from Infrastructure Reserves and authorize the President to sign any necessary documentation.

GRF Service Maintenance Department

Approximate Labor & Materials Cost

Date: 03-21-2023

To: Richard Stolarz; Physical Property Inspector

From: Ruben G. Gonzalez; Facilities Director

Subject: ESTIMATE

Location: Mutual One - Laundry Rooms

Itemized List for Labor and Material(s)

Disclaimer: Please note this is an ESTIMATE only any unforeseen items may increase the total cost of the job.

Install new dryer exhaust vent for each dryer.

Material: \$575.00

Labor: \$1,200.00

Total: \$1,750.00 - each laundry room

This information applies only to the job described above, is valid for thirty (30) days and does not include additional materials or labor that may be required due to any unforeseen problems that arise once the job has begun.

If you would like the above work to be performed by the Service Maintenance Department, please complete the information below and return this form to the Service Maintenance Department. Valid for thirty (30) days only

Please make arrangements to perform the above work.

My anticipated completion date is: _____
(You will be notified of the starting date)

Notes: _____

Print Name: _____ Signature: _____

Telephone Number: _____

Mutual Number: _____
(If applicable)

cc: Supervisor
Department Manager
Executive Director (as needed)

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AUTHORIZE SERVICE MAINTENANCE TO PURCHASE DOOR HINGE FOR LAUNDRY ROOM (BUILDING INSPECTORS REPORT, ITEM C)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to authorize Service Maintenance to purchase and install one self closing door hinge for Mutual 01 laundry room, at a cost not to exceed \$75.00. Funds to come from Infrastructure Reserves and authorize the President to sign any necessary documentation.

GRF Service Maintenance Department Approximate Labor & Materials Cost

Date: 04-19-2023
To: Richard Stolarz; Physical Property Inspector
From: Ruben G. Gonzalez; Facilities Director
Subject: ESTIMATE
Location: Laundry Rooms

Itemized List for Labor and Material(s)

Disclaimer: Please note this is an ESTIMATE, only any unforeseen items may increase the total cost of the job.

Install self-closing hinge in laundry room doors.

Material: \$25.00

Labor: \$50.00

Total: \$75.00 - each door

This information applies only to the job described above, is valid for thirty (30) days and does not include additional materials or labor that may be required due to any unforeseen problems that arise once the job has begun.

If you would like the above work to be performed by the Service Maintenance Department, please complete the information below and return this form to the Service Maintenance Department. Valid for thirty (30) days only

Please make arrangements to perform the above work.

My anticipated completion date is: _____
(You will be notified of the starting date)

Notes: _____

Print Name: _____ Signature: _____

Telephone Number: _____

Mutual Number: _____
(If applicable)

cc: Supervisor
Department Manager
Executive Director (as needed)

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE FENN TERMITE AND PEST CONTROL CONTRACT FROM 2023-2026 (BUILDING INSPECTOR, ITEM D)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to approve Fenn Termite and Pest Control 3-year contract from 2023-2026, at a cost not to exceed \$62,020.00. Funds to come from Pest Control and authorize the President to sign any necessary documentation.

MUTUAL	Fenn 2023	Fenn 2024	Fenn 2025	Total = 3 years
1	\$ 19,670.00	\$ 20,650.00	\$ 21,700.00	\$ 62,020.00
2	\$ 20,232.00	\$ 21,240.00	\$ 22,320.00	\$ 63,792.00
3	\$ 10,116.00	\$ 10,620.00	\$ 11,160.00	\$ 31,896.00
4	\$ 9,273.00	\$ 9,735.00	\$ 10,230.00	\$ 29,238.00
5	\$ 11,521.00	\$ 12,095.00	\$ 12,710.00	\$ 36,326.00
6	\$ 9,554.00	\$ 10,030.00	\$ 10,540.00	\$ 30,124.00
7	\$ 8,992.00	\$ 9,440.00	\$ 9,920.00	\$ 28,352.00
8	\$ 8,149.00	\$ 8,555.00	\$ 8,990.00	\$ 25,694.00
9	\$ 8,992.00	\$ 9,440.00	\$ 9,920.00	\$ 28,352.00
10	\$ 6,463.00	\$ 6,785.00	\$ 7,130.00	\$ 20,378.00
11	\$ 7,306.00	\$ 7,670.00	\$ 8,060.00	\$ 23,036.00
12	\$ 10,538.00	\$ 11,064.00	\$ 11,629.00	\$ 33,231.00
14	\$ 7,618.00	\$ 7,998.00	\$ 8,408.00	\$ 24,024.00
15	\$ 11,434.00	\$ 12,004.00	\$ 12,612.00	\$ 36,050.00
16	\$ 1,405.00	\$ 1,475.00	\$ 1,550.00	\$ 4,430.00
17	\$ 2,970.00	\$ 3,120.00	\$ 3,276.00	\$ 9,366.00

Pest Control 2023-2026

Fenn

Extra Costs

Treatment - Residential unit interior, includes patio	30
Treatment - laundry room interior	20
Treatment - building outside perimeter	75
Treatment - attics	50
Spraying of carport building	65
ants	30
roaches	30
spiders	30
earwigs	30
crickets	30
mice/rats	35
mites	50
wasps	30
bees	150
monthly cost of mice/rat bait station maintenance	4
cost of mice/rat bait station install	25
bird best removal from patios	35
extermination/trapping of gophers	40
emergency call	25

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY AMENDED ARTICLE II – SHAREHOLDER REGULATIONS OF THE RULES AND REGULATIONS (UNFINISHED BUSINESS, ITEM A)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to ratify proposed rule change amending Article II – Shareholder Regulations of the Rules and Regulations; the 28-day posting requirement has been met.

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

Shareholders are responsible for any non-standard non-structural items in the unit. If the unit has been expanded structurally, the expansion is part of the Mutual's buildings and would be rebuilt in case of a covered peril, but shareholder would be responsible for any non-standard items within the expansion or original space such as, but not limited to, upgraded doors, bay windows, triple-pane windows, flooring, window treatments, counter tops, appliances, etc.

Although a Shareholder may be unable to occupy the Unit while repairs are being made, the Shareholder shall, nonetheless, be responsible for any living expenses incurred during repairs and the monthly assessment on the Shareholder's Unit regardless of who caused the damage.

The Shareholder, may, however, be indemnified by any and all individuals and entities who are liable for the damage making the Unit untenable.

Mutual Insurance Policy does **not** cover earthquake damage or other natural events such as, but not limited to flood, wildfire, tsunami, etc.

For clarity, Rules approved in September 21 which went into effect as of January 1, 2023 (the date of this rule) are highlighted.

2. SMOKING

The purpose of these Rules and Regulations is to address secondhand smoke within the Community. Mutual One intends to eventually become **be** a completely smoke-free property. Exposure to secondhand smoke, as defined below, can cause severe health effects in adults and children. In addition, exposing others to secondhand smoke creates conditions that interfere with the use and enjoyment of other shareholders units, thereby constituting a nuisance in violation of the Occupancy Agreement as well as state and local regulations. Seal Beach Municipal Code Sections 7.35.010(A)-(B) defines a public nuisance as "any violation of the code or anything injurious to health, indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property by a neighborhood or by a considerable number of persons even when the damage inflicted is unequal..." and specifically includes the emission of noxious fumes or odors as a public nuisance. In addition, exposing others to secondhand smoke violates The Mutual No. One Occupancy Agreement ("Occupancy Agreement"), which states in pertinent part: "...Member[s] shall not...interfere with the rights of other occupants... nor commit or permit any nuisance on the premises..."

For the purposes of this rule, "Smoking" shall mean and include:

- The inhaling, exhaling, burning, or carrying of any lighted cigarette, cigar, or other tobacco product, marijuana, or illegal substance.
- The inhaling, exhaling, burning, or carrying of any e- cigarette, personal vaporizer, or electronic nicotine delivery system.

(FEB 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

- The use of any other similar type of paraphernalia related to smoking or alternatives to smoking.

For the purpose of this rule, “**Secondhand smoke**” is defined as smoke and aerosols inhaled involuntarily from burning or heating tobacco through a cigarette, cigar, pipe, hookah, or electronic cigarette. They also come from the air a smoker exhales while smoking.

For the purpose of this rule, “**Thirdhand Smoke**” is the residue from tobacco smoke that collects on surfaces.

For the purpose of this rule, “**Enclosed**” is defined as an area closed in by a roof and contiguous walls or windows, connected floor to ceiling with appropriate opening for ingress and egress.

2.1 Smoking and Nuisances

- Smoking is not permitted in any common area. Until ~~January 1, 2023~~, smoking is **NOT** permitted in the carport area. Smoking is not permitted on any porch or patio ~~unless~~ **except for residency prior to January 1, 2023, and then only if** such porch or patio is fully enclosed.
- No shareholder or occupant shall cause a nuisance to any other occupant due to his/her Smoking.
- Secondhand Smoke that emanates from one area to another constitutes a nuisance.
- Any nuisance caused by a shareholder or occupant shall be treated by the Mutual as a violation of these rules and the Occupancy Agreement.
- If the Board elects to designate sections within the common area where Smoking is allowed, shareholders and/or residents/occupants/guests may only do so in those designated as areas.
- Shareholders will NOT throw cigarette butts on the ground. Shareholder must carry a portable ashtray or dispose of extinguished cigarette butts appropriately.
- Any shareholder and/or an occupant/guest who is in violation of this rule shall be in violation of the Occupancy Agreement. The shareholder is entirely responsible for ensuring that the rules, regulations, and policies are ~~following~~ **followed** by anyone they allow into the community. This includes, but not limited to, any Co-occupant, guest, care provider, vendor, invitee, or contactor.
- Shareholders are responsible for any damage and/or liability arising from the emission of Secondhand Smoke by such shareholder or their occupant/guest.

2.2 Phase Out of Smoking Units

Smoking within units is only permitted for those who are currently **resident** shareholders **prior to** ~~as of the date this Rule is adopted.~~ **January 1, 2023.**

(FEB 2023)

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations**

Any unit that is vacated or transferred after ~~the date this Rule is adopted~~ **January 1, 2023** will permanently become a smoke-free unit. Therefore, persons who become shareholders ~~after the date this Rule is adopted~~ are not permitted to Smoke within their units.

2.3 Enforcement

- Upon receiving a complaint that any shareholder is causing a potential nuisance with Secondhand Smoke, the Mutual and/or GRF will conduct an informal investigation regarding the allegations and facts.
- Following the investigation, if GRF and/or the Mutual determines the complaint is valid, the shareholder who is the subject of the complaint will be provided the opportunity to insulate his/her Unit, at his/her expense. The installation of a HEPA filter and closing the unit windows will be required.
- All insulation of shareholder Units as set forth above shall be conducted by GRF and/or a vendor of GRF, who will then invoice the shareholder for the cost.
- In no case shall the Mutual pay for the insulation of a Unit, and/or the mitigation of the effects of a shareholder's Secondhand Smoke.
- In the event of a violation of these rules, the Mutual reserves the right to pursue any remedy under the law and its Governing Documents, including, but not limited to, levying a monetary penalty after notice and hearing, and engaging in internal dispute resolution pursuant to Mutual Policy among other things.

2.4 Exceptions

If any shareholder believes that he/she is entitled to an exception to any of these rules as a reasonable accommodation of a disability, he/she may submit such a request. All requests will be considered on a case-by-case basis.

3. UNSANITARY PREMISES AND FIRE LOADING CONDITIONS

Chapter 10 of the 1997 Uniform Housing Code, Section 1001.11, defines in part, hazardous or unsanitary premises as the accumulation of weeds, vegetation, junk, offal (decaying meat products), dead organic matter, debris, garbage, rat harborages, stagnant water, combustible materials, similar materials, or conditions on the premises of the unit, or storage inside of the oven or on the stovetop or inside a microwave oven, which may constitute fire, health, or safety issues.

Unsanitary or rodent and insect inviting conditions or fire- loading conditions are described as the excessive acquisition and collection of large amounts of objects. Such collections of objects may include, but are not limited to stacked paper goods, newspapers, books, magazines, mail, trash, stored cardboard boxes, plastic trash bags, food stuffs, cleaning aids, clothing and

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY AMENDED ARTICLE IV PHYSICAL PROPERTIES, SECTION 1.3 – DISHWASHERS (UNFINISHED BUSINESS, ITEM B)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to ratify proposed rule change by amending Article IV Physical Properties, Section 1.3 – Dishwashers of the Rules and Regulations; the 28-day posting requirement has been met.

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations****5. WILD BIRDS**

California law prohibits the disturbance of nesting birds. Should birds nest on your porch, patio, or carport, they must be left in place until the young have fledged. Upon their departure, the nest may be removed, you may request the Service Maintenance Department to install anti nesting material to deter future nesting habits.

6. TEMPORARY RELOCATION

The Mutual shall not assume responsibility for relocating and/or housing Shareholders during the repair and maintenance of Common Area.

ARTICLE IV. PHYSICAL PROPERTIES**1. ARCHITECTURAL GUIDELINES: APPLIANCES****General**

A shareholder that has lived in his/her Unit for six (6) months or less, and received new appliances from the Mutual, may not remove the appliances/fixtures in a remodel unless they refund the Mutual the full value of the appliances at the time of installation.

- No appliance which is Mutual property may be sold, given away, or disposed of by the shareholder and/or the contractor without approval and consent from the Mutual.
- The shareholder or contractor must notify the GRF Building Inspector to confirm what options are authorized. This notification must be made at least seven (7) days prior to the removal of the appliances.
- If any appliance is stored in the Unit, it must continue to be cleaned and left undamaged until the Mutual picks up the appliance at the shareholder's expense.
- Mutual appliances/fixtures are defined as: cooktops, ovens, refrigerators, stove hoods, garbage disposals, water heaters, sinks, faucets, lighting fixtures and bathroom ceiling heater/vent/light units.
- All expansions or permanent fixtures and appliances to the unit become Mutual property when attached to the building. The Mutual and/or GRF will not be responsible for any reimbursement of any expansions or fixtures which become Mutual property.
- Seller Warranty on Non-Standard Appliances. The existing Shareholder, upon the sale of a Unit, shall obtain a one (1) year warranty on each non-standard appliance and provide all warranties to the new Shareholder in the escrow packet.
- Equipment Standards. An updated standardized appliance list is available at the Purchasing Department.

SEAL BEACH MUTUAL NO. ONE**AMEND****Rules and Regulations****1.1 Appliance Upgrades**

Shareholders wishing to upgrade any of their appliances through Service Maintenance will be responsible to pay for the difference between the standard appliance and the upgraded appliance prior to the appliance being delivered and installed in the Shareholders unit.

1.2 Microwave Ovens

- A Shareholder may install a microwave in the kitchen of the Shareholder's Unit, at the Shareholder's own expense, in place of the stove hood.
- The installed microwave will be a permanent installation to be maintained and repaired by the Shareholder and on resale of the Unit, the new Shareholder will assume responsibility for the maintenance and repair.
- NO deferred maintenance or repairs will be allowed.

1.3 Dishwashers

- Shareholders may have any make or model built-in dishwasher installed in their Units at their own expense by a licensed contractor approved by the GRF Physical Property Department and the City of Seal Beach permits for construction work are required prior to beginning work.
- The dishwasher requires a separate electrical circuit.
- The Shareholder assumes full responsibility for any damage incurred as a result of a dishwasher. **whether built-in or portable in their unit.**

1.4 Washers and Dryers

- All washers and dryer installations must be permitted by GRF Physical Properties Department and inspected by GRF Inspector.
- All venting must meet manufacturer's directions.

1.5 Washer and Dryer in a Shareholder's Unit

- Any dryer in a Shareholder's Unit, of any make or model, whether side by side or stackable, shall be cleaned every two (2) years, so that all dryer vent areas are free of lint for clear passage of air flow from machine to roof top areas. Any washer and/or dryer cleaning is at the Shareholder's own expense.
- A sticker with the date of cleaning must be affixed on or close to the cleanout cover every time a cleaning is performed by Service Maintenance or an outside vendor.
- All washing machine hoses and fittings must be checked every year during fire inspections for any leakage or hardening and/or cracking of the hoses. Moving the washer/dryer is not a requirement.

(March 2023)

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY AMENDED ARTICLE VII CORRECTIVE MEASURES AND FINES OF RULES AND REGULATIONS (UNFINISHED BUSINESS, ITEM C)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to ratify the proposed rule change by amending Article VII – Corrective Measures and Fines Schedule of the Rules and Regulations; the 28-day posting requirement has been met.

3. Enforcement Procedures

The following procedure will apply to all violations and infractions of the Governing Documents. At the time a violation is noted or reported, action will be taken as follows:

1. Warning; First Violation. The Board shall give written notice to the shareholder. The notice will identify the violation, and, if appropriate, a time frame for correcting the violation. Notwithstanding the foregoing, under circumstances involving conduct that constitutes (a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring shareholders; (b) a traffic or fire hazard, or (c) a threat of material damage to, or destruction of, the Common Area (collectively, a "Safety Violation"), the Board may forego a warning letter, and proceed immediately with corrective or enforcement action.

2. Repeat Violation. If the same violation is repeated (as such term is defined below) within a twelve-month period or in the event of a Safety Violation, the Board shall give the shareholder a written notice of the violation personally or by mail sent by first class or registered mail, return receipt requested, at least 10 days before the proposed hearing on said violation. Said notice shall contain (a) an explanation in clear and concise terms of the nature of the alleged violation; (b) reference to the provisions of the Mutual's governing documents the member is alleged to have violated, (c) the proposed discipline (e.g. imposition of a monetary penalty based on the Fine Schedules below, suspension of privileges, and/or termination of occupancy, etc.), and (d) and the date, time and location of the hearing concerning such alleged violation.

The hearing shall be conducted by the Board, in executive session, affording the member a reasonable opportunity to be heard and enabling the Board to evaluate the evidence concerning the alleged violation. At the hearing, the Board shall allow the shareholder to present oral or written evidence concerning the alleged violation. If the Board concludes that the alleged violation occurred, the Board may impose monetary penalties, temporarily suspend common area privileges for a period not to exceed thirty (30) days or take any other disciplinary action permitted by the Governing Documents. However, no such penalty imposed by the Board shall take effect sooner than five days after the date of the hearing. The Board will provide the shareholder notice of the disciplinary action taken against him within 15 days after the Board's decision. The Board's notice of decision shall provide a written explanation of the fine, suspension, termination or conditions, if any, imposed by the Board.

For the purposes of this Fine Schedule, a "repeated violation" shall be one which is assessed to a single unit within a twelve-month period. However, should a twelve month period pass without any violations, a first notice to correct the violation must be sent by the Mutual prior to imposing any fines.

3. On-Going Violation. If a violation is not corrected within the time frame referenced in the warning letter or in the event of a Safety Violation, the Board shall give the shareholder written notice of the violation personally or by mail sent by first class or registered mail, return receipt requested, at least 10 days before the proposed hearing on said violation. Said notice shall contain (a) an explanation in clear and concise terms of the nature of the alleged violation; (b) reference to the provisions of the Mutual's Governing Documents the member is alleged to have violated, (c) the proposed discipline (e.g. imposition of a monetary penalty based on the Fine Schedules below, suspension of privileges, and/or termination of occupancy, etc.) and (d) the date, time and location of the hearing concerning such alleged violation.

The hearing shall be conducted by the Board, in executive session, affording the member a reasonable opportunity to be heard and enabling the Board to evaluate the evidence concerning the alleged violation. At the hearing, the Board shall allow the shareholder to present oral or written evidence concerning the alleged violation. If the Board concludes that the alleged violation occurred, the Board may impose monetary penalties, temporarily suspend common area privileges for a period not to exceed thirty (30) days or take any other disciplinary action permitted by the Governing Documents. However, no such penalty imposed by the Board shall take effect sooner than five days after the date of the hearing. The Board will provide the shareholder notice of the disciplinary action taken against him within 15 days after the Board's decision. The Board's notice of decision shall provide a written explanation of the suspension, fine or conditions, if any, imposed by the Board.

If the violation continues past the hearing and first fine stage, additional fines may be assessed on a daily, weekly or monthly basis as provided for, and at the rates set forth, below in the Fine Schedule without further hearing until the violation is abated by the shareholder. For the purposes of this Fine Schedule, "continuing violations" shall refer to violations that remain unchanged and ongoing until abated by the shareholder.

6. Legal Counsel; Alternative Dispute Resolution. At any time, the Board may refer a matter to the Mutual's legal counsel for enforcement or pursue any other remedy provided by the Mutual's Governing Documents or law. Additionally, if required by Civil Code Section 5925 et seq., mediation or arbitration will be offered. If a lawsuit is filed, the shareholder may be liable for Mutual's legal costs and fees.

///

FINE SCHEDULE

Fines for violations may be levied in accordance with the following schedule:

Invoices for fines are due and payable immediately.

FINE SCHEDULE

	1st Offense	2nd/Repeated Violation	On-Going Violation (if the violation continues past the hearing and first fine stage)
Residency/Occupancy Violations (e.g., unauthorized occupants, guests residing longer than permitted)	Notice to Comply in 48 hours	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Violation of Mutual Occupancy Agreement & all other Policies	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Carport Driveway	\$50.00	\$50.00	\$75 for the first 30 days past the hearing and first fine stage \$100 each month thereafter until corrected
Walls by Trash Area	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
Laundry Room Areas	\$25.00	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected

Garden Violations	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected
All Other Violations of Rules	Written Warning	\$25.00	\$25.00 May be imposed on as frequently as a daily basis until corrected

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPROVAL OF MUTUAL MONTHLY FINANCES (NEW BUSINESS, ITEM A)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the 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, an income and expense statement for the mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of March 2023.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: SHAREHOLDERS STATEMENT TO VOTE CUMULATIVELY (NEW BUSINESS, ITEM B)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

Per the Mutual's Bylaws, Article IV, Section 7, __ (Shareholder Name)__ Unit ____ (Unit #)__, shareholder of Mutual One intends to vote cumulatively for the elections of Directors for the 2023-2024 term of office.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO CANCEL JUNE MONTHLY BOARD MEETING DUE TO THE ANNUAL ELECTION MEETING (NEW BUSINESS, ITEM C)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to cancel June Monthly Board meeting due to the Annual Election meeting.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE TRANSFER OF FUNDS FROM INFRASTRUCTURE RESERVES TO PAINTING RESERVES (NEW BUSINESS, ITEM D)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to approve the transfer of \$5,000.00 from Infrastructure Reserves to Painting Reserves.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO INVEST \$500,000 IN AMERITRADE FROM US BANK
(NEW BUSINESS, ITEM E)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to approve to invest \$500,000.00 in Ameritrade from US Bank

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AUTHORIZE AOA TO CONDUCT NEW FICO SCORES (NEW BUSINESS, ITEM F)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to authorize Apartment Owners Association to conduct new fico scores for Mutual One, at a cost not to exceed \$_____. Funds to come from Miscellaneous and authorize the President to sign any necessary documentation.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE SERVICE MAINTENANCE TO ORDER AND REPLACE FIRE AVERT WHEN BEYOND REPAIR (NEW BUSINESS, ITEM G)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to authorize Service Maintenance to purchase Fire Avert inventory to replace expired Fire Averts when beyond repair.

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AMEND PROCEDURE 01-7510-3 ELIGIBILITY REQUIREMENTS (NEW BUSINESS, ITEM H)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to amend procedure 01-7510-3 Eligibility Requirements by amending the Fico score requirement.

SEAL BEACH MUTUAL NO. ONE**Resident Regulations****AMEND****Eligibility Requirements**

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:

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

Meet the Mutual eligibility criteria as follows:

1. MEET THE MUTUAL ELIGIBILITY CRITERIA AS FOLLOWS:**1.1. Age**

1.1.1. Minimum of 55 years, as confirmed by a birth certificate, passport, driver's license, or Real ID. Effective October 1, 2020 a "REAL" ID will be accepted in lieu of a Birth Certificate or Passport.

1.2. Financial Ability

1.2.1. The prospective resident shareholder must show:

1.2.1.1. 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.

1.2.1.2. Liquid assets of at least \$30,000 for the past 6 months,

1.2.1.3. ~~FICO credit score of at least 680; and~~ **An averaged FICO 2, 4 and 5 credit score of 700. The prospective resident shareholder shall authorize the Mutual to obtain the foregoing FICO credit score reports. To determine the average, the Mutual shall add the 3 scores together and divide by 3. The Mutual shall not accept credit score reports provided by the prospective resident shareholder. The cost of such reports shall be borne by the prospective resident shareholder; and**

1.2.2. To establish the foregoing financial qualifications:

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

- Equity in U.S. residential property
- Savings accounts in U.S. financial institutions
- Cash value life insurance
- Certificates of deposit, money market accounts in U. S. Financial institutions
- IRA, SEP, 401(k) and Keogh accounts
- U.S. state or municipal government bonds – valued

(Mar 21)

SEAL BEACH MUTUAL NO. ONE**Resident Regulations****AMEND**

- 43 at current Market prices.
- 44 • American traded investments (NYSE, AMEX, OTC,
- 45 NASDAQ, etc.) valued at current market prices.
- 46 • Mortgages and promissory notes, provided that
- 47 interest is reported on:
- 48 • The applicant's tax return
- 49 • Equity in U.S. income producing real
- 50 estate.
- 51 **1.2.3.** Adjusted Gross Income per 1040, 1040A, or 1040EZ; plus that portion
- 52 of Social Security, IRA distributions, and pensions and annuities not
- 53 included in adjusted gross income; plus tax exempt interest; minus
- 54 income tax, Social Security, Medicare, and self-employment taxes
- 55 paid; and minus Medicare medical insurance and prescription drug
- 56 premiums; all divided by twelve (12) will equal net monthly income to
- 57 be used in Section 1.2.1 above.
- 58
- 59 **1.2.4.** Projected assessments will be the previous year's assessment (total
- 60 of carrying charge less any cable charge, less Orange County
- 61 Property Taxes and Fees), and the addition of the new property tax at
- 62 1.2% of the sales price plus Orange County District fees divided by
- 63 twelve (12) for the new projected monthly assessment. This new figure
- 64 (Regular Assessment plus Orange County Property Taxes and District
- 65 Fees) times four (4) will be the monthly income required. This will be
- 66 verified by the escrow company and the Stock Transfer Office. Stock
- 67 Transfer shall have the final say in establishing verifiable
- 68 income/assets.
- 69
- 70 **1.2.5.** Verification shall be done by the Escrow Company and the Stock
- 71 Transfer Office prior to the new buyer interview and prior to the close
- 72 of escrow (the above verification will not be done by the individual
- 73 Mutual Directors; Directors will not be required to study or understand
- 74 the financial requirements).
- 75
- 76 **1.2.6.** Only the resident shareholder's income shall be considered for
- 77 qualifying.
- 78
- 79 **1.2.7.** If moving within Leisure World, or if there are any additions/changes
- 80 to the title, the proposed shareholder(s) must meet these eligibility
- 81 requirements unless they have been in good standing for five years
- 82

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.

(Mar 21)

Mutual Corporation No. One

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AUTHORIZE PHYSICAL PROPERTY TO ADD PRINT ON ALL INSPECTION NOTICES FOR MUTUAL 01 (NEW BUSINESS, ITEM I)
DATE: APRIL 27, 2023
CC: MUTUAL FILE

I move to authorize Physical Property to add print on all inspection notices for Mutual 01, **“PLEASE be ADVISED Pursuant to the Occupancy Agreement that you signed, you must ALLOW ENTRY for any inspections or requests by our INSPECTOR. IF NOT, According to our attorney, you will be EVICTED!”.**