

**MINUTES OF THE ANNUAL SHAREHOLDERS MEETING  
SEAL BEACH MUTUAL ONE  
June 13, 2022**

The annual meeting of the shareholders of Seal Beach Mutual One, a California corporation, was called to order by President Potterton at 10:00 a.m. on Tuesday, June 13, 2022, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

Richard Stone led the *Pledge of Allegiance*.

**QUORUM**

President Potterton advised that a quorum was present, either in person or by ballot, and she declared the meeting officially in session.

**SHAREHOLDER DECLARATION**

At the March 24, 2022 regular board meeting, George Tous of Unit 011F, declared his intent to vote cumulatively at this annual shareholder meeting.

**CERTIFICATION OF NOTICE OF MEETING**

Secretary Luther -Stark read the certification notice:

I, Sandra Luther-Stark, secretary for Seal Beach Mutual No. One, hereby certify that the Notice of Stockholders' Meeting and Ballots were mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of May 12, 2022.

**FURTHER, IN ACCORDANCE WITH THE BYLAWS, THE  
CUMULATIVE VOTING PROCEDURE WILL BE USED.**

**INTRODUCTION OF CANDIDATES**

The following nominated candidates were introduced as follows:

Ruben Collazo  
Daniel C. Frank  
John Rockwood  
Sandra Luther-Stark (Incumbent)

**CLOSING OF NOMINATIONS**

President Potterton requested a motion to close the nominations.

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Upon a MOTION duly made by Linda Mizrahi of Unit 21E, and seconded by Robert Duffney of Unit 70-E, it was

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RESOLVED that the nominations be closed.

The MOTION passed.

**BALLOTING**

Ms. Lynn Colclough, Accurate Voting Service, Inc., thanked the Mutual for the opportunity to provide this election procedure for the Mutual. They are the outside independent election service company that was selected to create the ballot, mail the ballot to the shareholders, and receive the return ballots to be opened today to determine Mutual One's new directors. She also advised that a quorum was present.

President Potterton mentioned the balloting was now closed. She informed shareholders that they were welcome to observe the counting process on the monitors.

**POSTING RESULTS**

President Potterton stated that within 15-days of the election, the Board will publicize the results of the elections in a communication directed to all shareholders. Results of the elections would also be posted on the main doors of all clubhouses upon completion of the final tally of ballots.

**MINUTES**

President Potterton asked for a motion to dispense with reading the minutes of the last annual shareholders meeting held on August 10, 2021, and that they be approved as printed and distributed.

Upon a MOTION duly made by John Rockwood of Unit 61G, and seconded by Anne O'Rourke of Unit 05H, it was

RESOLVED that the annual shareholders meeting minutes of August 10, 2021, be approved as printed and distributed.

The MOTION passed.

**INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS**

President Potterton introduced the current 2021-2022 board members:

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Denise Potterton, President  
Katherine Almeida, Vice President  
Donna Gambol, Chief Financial Officer  
Saundra Luther-Stark, Secretary  
John Barreras, Director  
Jill Brennan, Director  
George Tous, Director  
JoAnn St. Aubin, Director  
Leah Perrotti, Director

President Potterton then introduced the GRF Representatives Perrotti and Gambol; Portfolio Specialist Barua; and Recording Secretary Vasquez.

**PRESIDENT'S REPORT**

Ms. Potterton presented her report (attached).

**SECRETARY'S REPORT**

Ms. Luther-Stark presented her report (attached).

**DIRECTORS' REPORTS**

Ms. St. Aubin presented her report (attached).

Mr. Tous presented his report (attached).

Ms. Perrotti presented her report (attached).

Ms. Brennan provided a verbal report.

**VICE PRESIDENT'S REPORT**

Ms. Almeida presented her report (attached).

**CHIEF FINANCIAL OFFICER'S REPORT**

Ms. Gambol presented her report (attached).

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**GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT**

Ms. Perrotti and Ms. Gambol presented their reports (attached).

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**MUTUAL ADMINISTRATION DEPARTMENT REPORT**

Portfolio Specialist Barua presented her report (attached).

**RECESS**

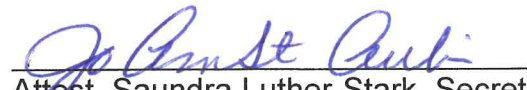
President Potterton called a recess from 10:42 a.m. to 10:53 a.m., which was necessary to finish the counting of the ballots.

**ELECTION RESULTS**

Accurate Voting Services, Inc., reported the following results of the election to the shareholders present. With 321 members representing 36% of the total voting power in Seal Beach Mutual No. One the following candidates were elected for the 2022-2024 term of office. Ruben Collzao, elected with 262 votes; Daniel C. Frank, elected with 232 votes; John W. Rockwood, elected with 441 votes; and Sandra Luther-Stark, elected with 413 votes.

**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 11:04 a.m.



Attest, Sandra Luther-Stark, Secretary

SEAL BEACH MUTUAL ONE

KV: 06/13/2022

Attachments

## President's Report

Welcome to the 2022 Annual Meeting for Mutual 1.

The past year has been a whirlwind of activity. I am going to briefly list the projects completed or in the works this past year but will let our Committee Chairs give you more details.

Commenced painting the entirety of Mutual 1 in addition to new signage (Saundra Luther Stark)  
Installing Fire Avert in all units (Denise)  
Continuation of Sewer Re-lining (John Barreras, Physical Properties)  
Replacement of sidewalks (John Barreras, Physical Properties)  
Adding more landscape beautification, shifting with water restrictions (removal of dead, replacement with new) (Joann St. Aubin)  
Welcoming new shareholders (George Tous)  
Updating Rules and Regulations (Kathy Almeida and Leah Perrotti)  
Continuing to fund our reserves and financial status (Donna Gambol)

Before I pass to our Committee Chairs and directors there is one very serious issue, I'd like to share with all of you and that is the new Management Agreement that GRF is asking the Mutuals to sign. You might have heard that this was agreed to by the Mutuals but for Mutual 1 and a handful of others it is not. The new management agreement has a clause requiring the Mutual to indemnify GRF's directors, employees, etc. The clause is as follows:

### INDEMNIFICATION

Mutual shall indemnify and hold harmless GRF, its directors, officers, agents and employees, from any and all claims for damages or liability resulting from claims of bodily injury, damage or destruction of property, including the loss or use thereof, and any other claim based upon acts performed by GRF in the normal course of performing those services listed in Exhibit "A", including any cause or claim arising directly or indirectly from the terms of this Agreement or from any error, omission, judgment or mistake of fact or law, or for anything which it may do or refrain from doing hereunder, except in cases of criminal acts, fraud, willful misconduct, gross negligence and/or sole negligence by GRF, its directors, officers, agents or employees, or any action that is materially outside the course and scope of the agency relationship contemplated by this Agreement.

Our attorney does not feel this is good business practice and we will continue to work toward having the clause removed from our individual management agreement with GRF.

It has been an exciting challenge and pleasure to have been President for the past two years but it is time to pass the baton. Thank you all for your kind support in helping to make Mutual 1 a beautiful and peaceful place to live.

Saundra....

Denise....

John...

JoAnn

George...

Kathy and Leah...

Donna...

Back to Denise

Mutual One Annual Meeting  
June 13, 2022

Kathy Almeida Vice-President

This past year has been especially full when you consider that we were slowly getting back to normal with meetings in person as well as on zoom. I want to first express my appreciation to all GRF departments supporting our Mutual. They are tireless employees and I fully recognize that theirs is no easy job.

I want to acknowledge the Mutual Administration staff for their perseverance and professionalism supporting the ongoing needs of GRF and Mutual Directors. Thank you so very much.

As for my year as Vice-President there was never a lack of something to do. So much of what a Director does is discussion. Whether it be board members or residents, it's all about talking for the purpose of understanding and hopefully reaching some sort of agreement. We are a community of rules and regulations. As you might imagine when rules are not adhered to, communication occurs. I can't quantify the number of discussions I've participated in, but I can tell you that as a board member it's the critical part of the responsibility we willingly take on.

Now for my assignments.

The Architectural Design and Review Committee (ADRC). I have been the Chairperson who handles and coordinates the review of plans submitted by members who desire to make changes to the exterior of their units. We handled approximately nine. Not all were approved by the board. Since our Rules and Regulations have been changed to allow expanded patios and walls, this has without a doubt generated much discussion. That said, the board accepted the challenge and made decisions.

The Parking Rules Violation Panel (PRV). I have been the lead for this panel handling the appeal of citations issued on Mutual One property by the Security Department.

The Internal Dispute Resolution Panel (IDR). I have participated on this panel which handles appeals by members regarding violations of Rules and Regulations.

The Rules and Regulations Committee. I have been the lead for this committee reviewing specific R&Rs for changes.

Emergency Preparedness Council (EIC). I am the Chairperson for this group comprised of interested members from our mutuals. In this capacity I oversee the forum which provides for emergency information to be available for anyone desiring to be proactive on their own behalf.

I also participate on the Emergency Preparedness sub-committee which is developing an emergency plan to help guide us in being self-sufficient if the need occurs. Our Mutual currently has three Directors participating in weekly emergency radio checks conducted by the Leisure World Radio Club.

As I said in the beginning its been a full year. I wish to express my sincere appreciation to fellow board members Denise, Sandra, Donna, John, George, Jill, JoAnn, and Leah for your dedication and willingness to serve our Mutual, giving so much of your time and energy to the cause.

I want to acknowledge our GRF Representatives, Leah Perrotti and Donna Gambol, pulling double duty by serving on our Mutual board too. Incredible! Well done Leah and Donna.

Lastly, I want to acknowledge the Executive Committee of our board, President Denise Potterton, Secretary Sandra Luther-Stark, and CFO Donna Gambol. This is an extraordinary group of ladies whose experience benefitted our Mutual very well.

This has been a good year. I trust we will continue to meet our fiduciary obligation to Mutual One to the best of our abilities.

Respectfully submitted.

Dear Shareholders, GRF Staff, and fellow Board Members

In 2012 this Board looked at the challenges to start many projects. I remember hearing many rumors then... “did we have enough money in the reserves?” and “what would we find in the attics?” The Board felt it was necessary to start. So the journey began. There are new shareholders here today that may not know we were the First Mutual to start & complete new roofs, copper repiping & sewer relining. Other mutuals learned from our hiccups along the way. The final project to be completed is Painting.

Last year when the Board went out to bid, we were all anxious & excited for this last project to begin. Our committee and Board chose Hutton Painting and we are glad we did. Our Mutual Inspector Rich Stolarz has nothing but praise for Gabe the owner, his lead man and his crew.

The Board also decided to have all signs replaced. We then contracted with All American Sign. We chose to have signs for: your unit, the building and the carport. Guy the owner recommended a special paint for lettering that is easier to read late at night. Soon to be installed are signs for the laundry rooms. Plus for the 1<sup>st</sup> time Welcome signs will be placed at the following locations: Along Golden Rain Road at Thunderbird, bldg# 44, & at St Andrews bldg# 22, Annandale bldg # 2. Entering LW from St Andrews Gate at bldg # 38; and bldg #63. There will also be Directional Signs to the bldgs. Placed on the lawn, most by the block walls. This should expedite delivery and emergency services to the proper bldg. especially late at night. I want to thank those shareholders who have kept the “new and clean” look about their patio and unit since their bldg. has been painted. It is noticeable and appreciated.

I know there will be a huge challenge when the last building has been painting and the crew prepares to paint the carports! Cars will be removed to the streets. Please keep up with all notices when you are leaving on vacation or will be away. These last two projects “painting & signs’ should be completed by this time next year. We are all very excited because it will be at least 10 years before a future board must start the process all over again. Respectfully, Saundra Luther Stark, Secretary Mutual One Board



## **CFO Gambol, final report:**

Well as you have heard we've been busy. And as you can imagine all of these accomplishments required a good deal of funding. The good news is that your Mutual has for the past several years been in good financial condition. This has not always been so. Some years back major adjustments were made and we have reaped the benefit of those decisions.

Because we have excellent reserves, (currently at about 80 percent) we have been able to accomplish our capital improvements and maintenance at significant savings, entering into substantial negotiated contracts to accomplish our goals. What I mean by that is that when we did our roofs about 7 years ago, our copper piping about 4 years ago, and now the sewer relining as well as the painting, we contracted services for the entire Mutual.

By contrast, other Mutuals that are not as well funded as we, do these sorts of improvements piecemeal or in an emergency mode. The net result is they are often spending double of what we spend, and they are more often than not, using the same providers.

Your Board made what some thought was a radical decision a few years ago to contract out our laundry service, and that decision proved to be quite good. What had been previously a "cost center" is now an "income generator," allowing us to keep expenses to a minimum.

When we compare our financial situation with the other Mutuals in Leisure World we are well funded. We have been able to keep our monthly assessments low.

Our current monthly assessment is \$223.31, only one mutual has a lower monthly assessment, and they are at \$218.67 about \$4.50 less. By contrast 14 other mutuals are significantly higher, ranging from a low of roughly \$6.47 to a high \$50.12 more per month/per apartment.

We are able to accomplish these numbers because of the due diligence of you our members. Keeping our expenses under control is each of our responsibility. We are now entering a highly inflationary period. Fortunately

our biggest projects are well underway and nearing completion but in the months ahead you will notice that all prices, product availability supplies etc. will continue to be more expensive.

Please if you see waste, something broken or in need of repair, let us know so that we can address it. Working together we can continue to enjoy the benefits of living affordably here in Seal Beach and Leisure World.

On a personal note, I would like to take a moment to thank you for your support for the past six years that I have served on this Board. I have enjoyed the experience very much. I made a decision to not sit for re-election. I want to thank those folks in the Finance and Accounting department, especially Carolyn Miller and Diane Schultze for their care and patience.

I will continue to serve on the Golden Rain Foundation Board and will work diligently to represent you in that endeavor. I will also be available to the Mutual Board to assist in the transition of the new members.

Again I thank you for being here today and for your continued support.

Donna Gambol

ANNUAL REPORT OF NEW BUYERS' ORIENTATIONS, NBO INSPECTIONS  
DURING 2021-2022.

I am George Tous

For the past (5) Five years I have had the privilege to serve on the Board of Mutual 1.

During those years I have been involved with New Buyer Orientations. Also, I had the opportunity to work with several Mutual Directors and GRF Inspectors, Rick Stolarz and Jerry Antidel, both are excellent inspectors and very pleasant to work with. Also, working with the Physical Properties Staff has been a pleasure. Just great staff!

Further, I also worked with the staff at Stock Transfer.

Some of the New Buyer Orientations were conducted via Zoom by Donna Gambol. She did a wonderful job. This is certainly not my specialty.

Also, Jill Brennan assisted with the NBO's, great people to work with, as well as I just recently started working with the Director, Leah Perrotti.

During the past year we did 60/70 NBO's in Mutual 1.

As of this week approx. 30 Units are for sale in all of Leisure World. In closing, it has been my privilege to serve our community and got to know a lot of new residents in our Mutual.

I thank you for allowing me to be involved.

George Tous

August 6, 2021

## MONTHLY REPORT OF NEW BUYER ORIENTATIONS AND NBO INSPECTIONS DURING MAY & JUNE 2022

NBO's were conducted by George Tous & Leah Perrotti  
NBO Inspections were completed by Rich Stolarz & Jerry Antisdell

During this period, we completed the following NBO's and NBO Inspections.

- 67F- NBO of Co-Occupant
- 03-J NBO with Leah Perrotti
- 50-G
- 02-K

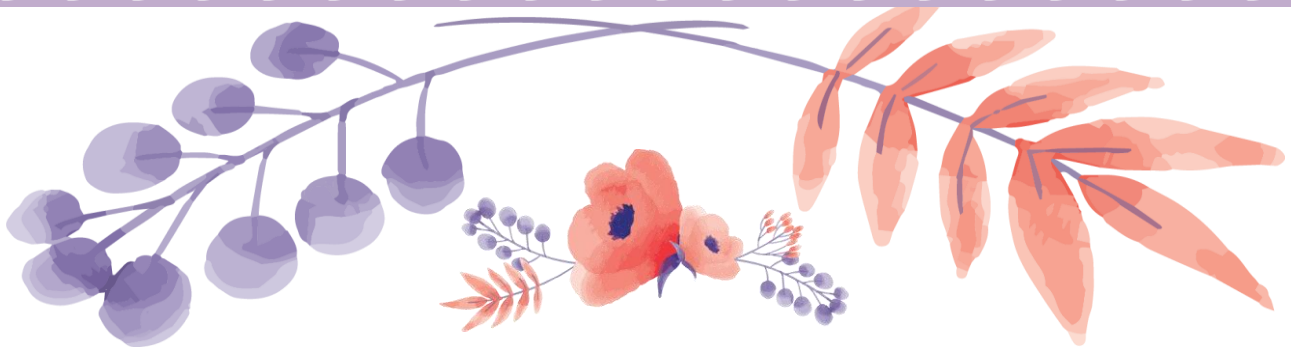
### Pending Units

- 16-K

### Units available in Leisure World Seal Beach

30 Units – 06/06/2022  
29 Units – 05/30/2022  
29 Units – 05/23/2022  
23 Units – 05/16/2022  
20 Units - 05/09/2022  
12 Units – 05/02/2022  
16 Units – 04/26/2022  
22 Units – 04/18/2022  
25 Units – 04/11/2022  
26 Units – 04/04/2022  
22 Units – 03/28/2022  
25 Units – 03/21/2022  
23 Units – 03/15/2022  
25 Units – 03/07/2022

It is a pleasure to serve our Mutual and appreciate the opportunity.



## **ANNUAL HOMEOWNERS' MEETING 2022**

Good Morning,

Wow, what a year! We are so happy to be here with you all again to acknowledge all that you have voluntarily given to our community. Your ongoing commitment and support continued as we had another challenging year.

We experienced another year filled with uncertainties So, thank you for keeping up your spirits and continuing to volunteer through the unknowns and lifting the spirits by being flexible, being open minded, and doing the work to keep our community moving forward.

A heart filled thank you to the GRF Board for being calm and patient as they took on the many challenges and for continuing to spearhead our way out of this historical period.

Thank you as we could never do anything here in Leisure World without the vision, ideas, labor, and support of all of you who volunteer on the boards and committees. Thank you to the Mutual Board of Directors for your dedication, loyalty, commitment, experience, and resources to the job of making life better for all of us. Thank you to the Mutual Directors whom year after year commit to represent their shareholders, effectively run their Mutuals, and provide insightful knowledge to staff.

The work continues and we look forward to working with a team dedicated to providing the best to our community.

Sincerely,  
Mutual Administration Department