

**MINUTES OF THE ANNUAL SHAREHOLDERS' MEETING  
SEAL BEACH MUTUAL TWELVE**

June 9, 2016

The Annual Meeting of the Shareholders of Seal Beach Mutual Twelve, a California corporation, was called to order by President Welch at 10:13 a.m. on Thursday, June 9, 2016, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

Mrs. Damoci led the shareholders in the *Pledge of Allegiance*.

**QUORUM**

Mr. Welch announced that Accurate Voting Services informed him that a quorum was present, either in person or by ballot, and he declared the meeting officially in session.

**SHAREHOLDER DECLARATION**

At the May 12, 2016, Regular Board Meeting, Rose Marie Sprague of Unit 35-H, declared her intent to vote cumulatively at this Annual Shareholders' Meeting.

**CERTIFICATION OF NOTICE OF MEETING**

Secretary Findlay read the Certification Notice:

I, Lucille Findlay, Secretary for Seal Beach Mutual No. Twelve, 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 10, 2016.

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

**EXPLANATION OF WRITE-IN CANDIDATE**

Ms. Cheryl Wilson from Accurate Voting Services explained the process of a write-in candidate and nomination of that write-in candidate.

**INTRODUCTION OF CANDIDATES**

The following candidates for the Board of Directors were nominated for the 2016-2017 term of office:

Lucille Findlay	(Incumbent)	Susan Ferraro	(Incumbent)
Margaret Gillon	(Incumbent)	Tony Anderson	(Incumbent)
Roy Fluharty	(Incumbent)	Rose Marie Sprague	(New Candidate)
Joe Welch	(Incumbent)	Richard Carson	(New Candidate)

**INTRODUCTION OF CANDIDATES (CONTINUED)**

Mr. Welch called for nominations from the floor. Richard Carson of Unit 72-E and Rose Marie Sprague of Unit 35-H were nominated from the floor; There being no further nominations, Mr. Welch called for a motion to close the nominations.

Upon a MOTION duly made by Margaret Howe, Unit 42-L, and seconded by Eugene Petoletti, Unit 39K, it was

RESOLVED, That the nominations be closed.

The MOTION passed.

**BALLOTING**

Ms. Cheryl Wilson, Accurate Voting Services, 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 Twelve's new Directors.

Mr. Welch announced that the voting was now closed and instructed any interested shareholders to accompany Accurate Voting Services to the counting area to observe the counting of the ballots. The results of the election will be posted on the main doors of all the clubhouses. The newly-elected Board will hold its Organizational Meeting to elect officers following the meeting.

**MINUTES**

Mr. Welch asked for a motion to dispense with reading the minutes of the last Annual Shareholders' Meeting held on June 11, 2015, and be approved as printed and distributed. Upon a MOTION duly made by Rose Marie Sprague, Unit 35-H, and seconded by Salvatore LaScala, Unit 56-C, it was

RESOLVED, That the reading of the minutes of the Annual Shareholders' Meeting of June 11, 2015, be dispensed with, and that they be approved as printed and distributed.

The MOTION passed.

**INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS**

President Welch introduced the 2015-2016 Board of Directors:

Joe Welch, President  
Susan Ferraro, Vice President/CFO  
Lucille Findlay, Secretary  
Margaret Gillon, Director

Roy Fluharty, Director  
Tony Anderson, Director (Absent)  
Jaquelyn Thomas, Director

**INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS(CONTINUED)**

Mr. Welch then introduced Golden Rain Representative, Carole Damoci; Executive Director, Randy Ankeny; and Mutual Administration Director, Carol Weller.

**PRESIDENT'S REPORT**

Mr. Welch presented his report (attached).

**VICE PRESIDENT/CHIEF FINANCIAL OFFICER'S REPORTS**

Ms. Ferraro presented her reports (attached).

**SECRETARY'S REPORT**

Ms. Findlay presented her report (attached).

**DIRECTORS' REPORT**

Mrs. Gillon gave her comments to the shareholders.  
Mrs. Thomas gave her comments to the shareholders.  
Mr. Fluharty gave his comments to the shareholders.

**GRF REPRESENTATIVE'S REPORT**

Mrs. Damoci presented her report (attached).

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Ankeny presented his report (attached).

**MUTUAL ADMINISTRATION MANAGER'S REPORT**

Mrs. Weller presented her report (attached).

ANNUAL SHAREHOLDERS' MEETING  
SEAL BEACH MUTUAL TWELVE

June 9, 2016

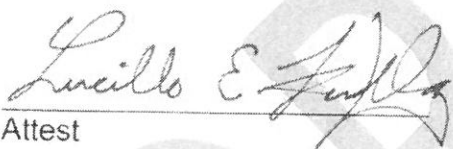
ELECTION RESULTS REPORTED BY ACCURATE VOTING SERVICES

The election results were announced by Ms. Cheryl Wilson of Accurate Voting Services, Inc.

Margaret Gillon was elected with 194 votes, Roy Fluharty was elected with 293 votes, Tony Anderson was elected with 194 votes, Lucille Findlay was elected with 251 votes, Susan Ferraro was elected with 247 votes, and Joe Welch was elected with 260 votes, Rose Marie Sprague (at-large) was elected with 30 votes.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 11:20 a.m.



Attest  
Lucille Findlay, Secretary  
SEAL BEACH MUTUAL TWELVE

jl:8/2/16  
Attachments

(These are tentative minutes, subject to approval by the shareholders at the next Annual Shareholders' Meeting.)

## INSPECTORS OF ELECTION REPORT SEAL BEACH MUTUAL NO. TWELVE

The undersigned Inspectors of Election hereby state they were duly appointed to serve at this Annual Election/Membership Meeting held on **June 9, 2016**

1. We confirmed and announced that quorum had been achieved. There were present by ballot at said meeting 237 members, representing 53 percent of all homes in Mutual No. Twelve.
2. We tabulated the members' votes.
3. Listed below is the total number of votes for each candidate.

CANDIDATES NAME:

NUMBER OF VOTES:

* Parcel No. 1	MARGARET GILLON, 68-J	<u>194</u>
* Parcel No. 2	ROY J. FLUHARTY, 73-J	<u>293</u>
* Parcel No. 3	TONY ANDERSON, 76-B	<u>194</u>
* Parcel No. 8	LUCILLE E. FINDLAY, 58-F	<u>251</u>
* Parcel No. 9	SUSAN FERRARO, 42-E	<u>247</u>
* Parcel No. 10	JOE WELCH, 38-J	<u>260</u>
* <u>ROSE MARIE SPRAGUE 35-H</u>		<u>30</u>
<u>RICHARD CARSON 72-E</u>		<u>28</u>
_____		
_____		
_____		
_____		

TO BE COMPLETED BY  
 WRITE-IN  
 CANDIDATES/  
 ACCEPTED

Quorum Only: 0 Abstain: 4

I/we declare under the penalty of perjury that the above information is true and correct.  
 Dated this 9 day JUNE, 2016.

Inspector(s) of Elections:

Regina Taylor / R Taylor  
 Print Name of Inspector / Signature

KAY VIALE / K VIALE  
 Print Name of Assistant Inspector / Signature

\* = Elected Candidate



# MUTUAL TWELVE

BOARD OF DIRECTORS  
YEARLY REPORTS FOR

2016

(See information attached.)

## PRESIDENT'S REPORT

### MUTUAL 12 JUNE 9, 2016 ANNUAL MEETING

Four departments are very, very valuable to Mutual 12: Community Administration, Stock Transfer, Physical Property and Service Maintenance. Let's give them a great big hand.

Thank you Building Captains for all you do to keep shareholders informed and see that Board members know when special help is needed. Parcel 10 Captains are Ann Frambach and Co-Captain Elsie Van Esssen, Building 34; Gary Sprague, Building 35; Carol Price, Building 36; Paulette Trabue, Building 37; Carole Andre, Building 38; and Florence Conley, Building 39. They're a great group to work with.

Major projects during the 2015-2016 Board year:

- We've finished painting our 452 buildings. Colors were selected with shareholder involvement and look great.
- We're currently installing the new aluminum building signs with large easy to read lettering, reflective vinyl, powder coated both sides. Go by the Tam O'Shanter area to see the signs that are up now.
- The underground vaults have been cleaned up and painted. Remember not to put anything on the vaults; we need to keep them clear.
- Clay sewers where invasion of large roots has caused and would cause in the future sewage back-ups into apartment buildings have been cleared and lined.
- We've contracted with Class One Arboriculture to maintain and improve our "urban forest." They're completing a round of pruning with an arborist monitoring each tree to be sure the pruning is correctly done. Fifteen new trees have been planted.

- Deep cement swales by buildings 9, 10, and 11 that could have become the cause of injury to shareholders or others have been removed and replaced with underground drainage.
- We're nearing the final phase of a major project that includes satellite controlled watering of our turf and irrigation water properly separated from water for apartment use.
- Plans are continuing to improve sprinkler coverage in remaining identified areas.
- A flooring permit procedure has been started so shareholders will understand asbestos concerns and responsibility for their replacement flooring.



VICE PRESIDENT REPORT  
ANNUAL MEETING, JUNE 9, 2016

My report as Vice President will be short, as the duties of this office are only needed when the President is absent or unable to perform his duties and I was called upon infrequently for those duties. So, at this time I will take this opportunity to thank my fellow Board Members for the dedication each has shown in the management and operations of Mutual Twelve. My appreciation extends to the entire Golden Rain Foundation staff who assist the Board daily in administration of Mutual Twelve. That assistance includes the periodic Director Training and continuing education seminars that I attended this past year. The topics are timely and provides me as a Director with tools and guidelines necessary to manage a community interest development within the Davis-Stirling law, the Mutual By-Laws, and Mutual Policies governing Mutual Twelve.

This year I was tasked by President Welch to be the Board liaison with the Emergency Preparedness Coordinator, Mr. David Nell. David and I worked together on the October Earthquake drill preparing the shareholder instructions and the procedures for all Building Captains in the event of an earthquake or other disaster. We also attended a training session on use of the Family Radio Services for communications during times of disaster. My appreciation to David for his diligence in attending monthly meetings of the Mutual Emergency Preparedness Council and providing the Board with valuable information and effective communications that were reported at our regular meetings distributed with Mutual Twelve Minutes each month. Thank you David for volunteering and your contributions this past year.

I was also appointed to be the Chair of the Committee for the Annual Shareholder Luncheon held on April 28<sup>th</sup>. Since this was my first time coordinating this event, I was thankful to have the willing and able assistance of Director Thomas and volunteer shareholders Rose Sprague and Charalee Becker as committee members. It was a pleasure working with them on the advance planning and their efforts to make sure that the annual luncheon was a success went far beyond expectations. I could not have done it without them. I sincerely hope that those who attended enjoyed the event.

Now that I have reported on the Earthquake Drill and Shareholder Luncheon, it is time to acknowledge all the Building Captains who make sure that the residents in their building get the important communications and information about the community in which they live. As director for Parcel 9, I thank the following Building Captains in my Parcel: Margaret Rees, Bldg. 40, Erika Furlong-Swenson, Bldg. 41, Connie Pickering, Bldg. 43, Jo Anne Goostree, Bldg. 44, David Nell, Bldg. 45, Judy Beler, Bldg. 46, and Pat Bennett, Bldg. 47.

Respectfully submitted,

Susan Ferraro, Vice President

*Susan Ferraro*

## Chief Financial Officer (CFO) Report Annual Meeting, June 9, 2016

Each month, as CFO, I report on the financial numbers with comparison to the budget including cash accounts and reserve savings accounts. This month is no different, I have attached the Financial Statement Recap for the period ending May 31, 2016 for you to review later. Today, I would like to share other information which many of you as shareholders may not know and it is relevant to an understanding of the Mutual Operations.

By way of background, during the past year, as CFO for Mutual Twelve, I have attended most of the CFO Council monthly meetings. This is a hour 1-1/2 hour meeting of all the Mutual CFO's who gather to discuss topics of shared concern, such as Compliance issues for accounting standards and legal requirements of the Davis-Stirling Act, Roofing costs, Insurance premium costs, Plumbing Re-pipe costs, Service Maintenance Repair Order procedures, Landscape expenses, Audits, Reserve Studies, Investments, Budget procedures and so on. This is all done in a cooperative, let's help each other and share what works and what hasn't worked setting. I always come away learning something new and have a more complete understanding of the complexities of Mutual Operations.

One of the significant items on this list is the Service Maintenance Repair Orders (SRO's) that are processed and charged to the Mutual, or shareholder, as the case may be, for necessary repair and replacements. The Facilities Manager, Mr. Ruben Gonzalez was a guest speaker recently and informed the group that he has a staff of 4-1/2 people, and 32 technicians. They handle close to 5000 calls per month for all Mutuels combined, and create 2000-2500 Repair Orders each month. The orders are prioritized with critical and emergency items first. To no surprise, plumbing is the biggest problem and they recently hired another plumber. Stock transfer and escrow items take some priority as well because there are closing dates that need to be met. It is good to know that overtime is not charged on calls during the day on weekends as the technician is covering a regular shift, and many of the technicians are crossed trained, for better efficiency.

For the calendar year 2015 Mutual Twelve generated about 1400 (116/month), of those SRO's for repair or replacement service, including appliances and laundry room washers and dryers. The SRO is assigned a service type such as: Carpentry, Electrical, Roof Repair, Dry Rot Repair, Plumbing (which has 13 sub-categories), Sink Stoppage, Back to Back stoppage, Hot Water Heaters, Range, Oven, Countertops, and Refrigerators. A detailed monthly report is prepared for review which is a valuable tool for the Mutual Twelve Physical Property Committee and CFO to be able to identify problem areas and verify correctness of work done and that it is charged to the proper expense or reserve account.

I hope with this report that you leave this meeting having a better understanding of how the repair process works. It certainly is not "just a simple phone call".

Respectfully submitted,  
Susan Ferraro, Chief Financial Officer



1012 Seal Beach Mutual No. Twelve  
 Financial Statement Recap  
 05/31/2016

P.O. Box 2069  
 Seal Beach CA 90740

May Actual	May Budget		2016 Y-T-D Actual	2016 Y-T-D Budget
106,993	106,993	Carrying Charges	534,965	534,965
42,371	42,371	Reserve Funding	211,853	211,855
<b>149,363</b>	<b>149,364</b>	<b>Total Regular Assessments</b>	<b>746,817</b>	<b>746,820</b>
35	0	Service Income	70	0
1,550	0	Financial Income	6,911	0
7,067	1,117	Other Income	17,264	5,585
<b>8,652</b>	<b>1,117</b>	<b>Total Other Income</b>	<b>24,245</b>	<b>5,585</b>
<b>158,015</b>	<b>150,481</b>	<b>Total Mutual Income</b>	<b>771,062</b>	<b>752,405</b>
65,156	65,156	GRF Trust Maintenance Fee	325,780	325,780
11,741	12,629	Utilities	49,839	63,145
371	927	Professional Fees	3,051	4,635
23,117	19,870	Outside Services	98,307	99,350
11,422	9,528	Taxes & Insurance	57,109	47,640
42,371	42,371	Contributions to Reserves	211,853	211,855
<b>154,179</b>	<b>150,481</b>	<b>Total Expenses Before Off-Budget</b>	<b>745,938</b>	<b>752,405</b>
<b>3,836</b>	<b>0</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>25,124</b>	<b>0</b>
<b>3,836</b>	<b>0</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>25,124</b>	<b>0</b>
		<b>Restricted Reserves</b>		
(2,302)	0	Appliance Reserve Equity	29,251	0
0	0	Painting Reserve	46,541	0
23,486	0	Roofing Reserve	2,653,467	0
0	0	Emergency Reserve Equity	340,915	0
13,790	0	Infrastructure Reserve	469,179	0
<b>34,974</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>3,539,352</b>	<b>0</b>

## MUTUAL 12 2016 ANNUAL MEETING

### SECRETARY'S REPORT

First, I'd like to thank the wonderful Building Captains of Parcel 8. They do so much to keep their neighbors informed and to keep me informed of how Mutual 12 can help the shareholders. They are Patty Krauss, Building 55; Fred and Wilma Wind, Building 56; Michael Hoffman, Building 57; Marty Silberling, Building 58; Meehoy Lee, Building 59; Gloria Serafano, Building 60; Maria Myers, Building 61; Lillian Mori, Building 62 and Cynthia Coleman, Building 63.

Our Mutual 12 By-Laws give the Mutual Secretary responsibility for keeping the minutes and having charge of the membership transfer books. Community Administration Secretaries prepare the Regular Monthly Board Meeting Minutes and the Annual Shareholder Meeting Minutes; Stock Transfer does the work on membership transfer. My report this year focuses on one of the "duties incident to the office of Secretary"

Vice President/CFO Ferraro and I were asked to work to improve the Mutual 12 Policies. (Her Vice President job description includes, "other duties imposed by the Board.") She has taken the initiative on many of the needed policy improvements, and I have on some. Recommendations have come to us from Community Administration, Physical Property and Security. We've also incorporated ideas from other Mutuals.

Clear and consistent policies, rules and regulations help our Mutual run more smoothly with fairness and improvements that benefit the owners of the 452 shares of Seal Beach Mutual No. Twelve stock. The monthly Agendas and Minutes appear to reflect more new policies than have been created due to input that results in revision and added months of posting. You'll notice on the attached list of 2015-16 Policy Amendments that only three are new. Others improve or simplify existing policy.

Shareholders have a say in the process. Very few take the time to fill out comment forms provided with the postings in the laundry rooms. Those forms that are received along with shareholder input at Board meetings are taken very seriously.

I've reviewed this year's amendments. Rather than reading the review, I'll attach the spreadsheet to my report to leave more time available for you to discuss your HO6 insurance needs with our guest speakers.

The Minutes of this Annual Meeting along with all of the reports will be circulated around the buildings, posted in the laundry rooms and placed on the Mutual 12 website. When revisions are complete, the Policy section of the Mutual 12 website will be updated to include all of these amendments.

If you haven't visited the Mutual 12 website, just go to [lwsb.com](http://lwsb.com) and click Mutual 12 on the drop down under MUTUALS on the Menu Bar.

Respectfully submitted, Lucille Findlay

## 2015-2016 POLICY AMENDMENTS AND REASONS FOR CHANGE

### 7200-7299 STOCKHOLDER MEETINGS

7210.12 Annual Elections (Simplifies)

### 7300-7399 ACCOUNTING AND FISCAL

7306.12 Banking Resolution (Assures check signing conforms to By-Laws)

### 7400-7499 PHYSICAL PROPERTY

- 7465.12 Unit Water Shutoff and Re-pipe on Remodels\* (Cost effective start to repipe of apartments)
- 7407.12 Washers and Dryers (Placement in the apt. can't restrict Mutual repairs)
- 7411.12 New Plan Concepts and Changes\* (Problem modification doesn't set precedent)
- 7425.12 Garden Area Trees and Shrubs (flower pot rules - no dishes, etc.)
- 7480.12 Architectural Standards (Reminder that laws and codes apply)
- 7494.12 Decorative Exterior Wall Finishes and Gates (Gates require Board OK)
- 7495 Bay Windows (Limits size and frame color - white only)
- 7496.12 Building Exterior and Common Area Modifications (Shareholder who remodels pays for common area restoration)

### 7500-7599 SHAREHOLDER REGULATIONS

- 7502.12 Carport Regulations and Common Area Traffic Policy (Adds language to towing section)
- 7525 Withdrawal Inspection Process (Inflationary increase in seller fee)
- 7530 Withdrawal Inspection (Assures that Mutual doesn't pay sellers expenses)
- 7582.12 Towing Vehicles (Revised to conform to towing contract)

### 7600-7699 MUTUAL RESERVES

- 7610.12 Mutual Accounts - General Operating Procedure (Updates and simplifies)
- 7621.12 Mutual Contract Bid Procedure (Clarifies responsibilities of staff and Mutual)
- 7622.12 Mutual Replacement Reserve Fund (Updates Mutual responsibilities)

### 7700-7799 MUTUAL MANAGEMENT

- 7701.12 Personal Liability and Property Insurance (Purchase HO6 insurance or pay for personal liability and loss)
- 7731.12 Internal Dispute Resolution- IDR\* (Can provide no cost dispute resolution)

\* New policy

Mutual 12 Annual Meeting  
GRF Directors report  
June 9, 2016

President Welch, Board members, fellow Mutual 12 Shareholders and Staff.

Over the past year I've served as Vice President of the Golden Rain Foundation, Chair of the Executive Committee and served on the Finance, Physical Properties, and ITS Committees.

Last year I reported at this meeting that I attended 287 meetings during the 2014/2015 year. This year I gave up counting.

The addition of a Recreation Supervisor has added many new amenities for our Shareholders such as a City Expo, Cinco de Mayo party, 4<sup>th</sup> of July car show & barbecue, Angels' game, 12 weekly movies in the amphitheater, a tree lighting ceremony, Toys for Tots Holiday party and a Polynesian party this Friday night.

We are in the process of hiring an Maintenance Supervisor to back up Rubin Gonzales. The addition of an assistant for Rubin will help us plan for the future when Rubin retires.

We will be starting a second bus route to the Trader Joe's shopping center & Denny's in July. We will now run a bus on Mondays and Wednesdays.

It's been a good year and I want to thank the Mutual 12 Board for all the time and hard work they give to our Mutual. This is not an easy job to do and shows a love of community.

I'd like to thank Carol Weller for all the time she gives to our Mutual and the professional manner in which she always handles any situation that arises. Carol will be retiring on July 8<sup>th</sup> after 32 years with the Foundation and will be greatly missed. Jody Hopkins will be

taking over the Mutual Administration Directors position. Replacing Jody as Manager will be Marisa McAuley. I've had the pleasure of working closely with both these Ladies over the past few years and wish both Marisa and Jody well in their new positions. I believe they will do a great job for all the Shareholders.

But mostly I want to thank the Shareholders who take time out of their busy schedules to attend not only the Mutual but the GRF board meetings. It's important to keep abreast of what your Boards are up to.

As always, I will close with saying that I look forward to hearing from each of you with any concerns or suggestions you may have. As I wonder around the Mutual please stop me and lets talk.

Carole Damoci  
562-405-4965

**EXECUTIVE DIRECTOR'S ANNUAL MEETING REPORT**  
**MUTUAL TWELVE**  
**May 15, 2016**

To the President, Directors and Shareholders of Mutual Twelve:

It's been nearly three years since I joined the GRF and I'm happy to report that the community is running well and we are working diligently to insure smooth and fully transparent operations of the Golden Rain Foundation, Seal Beach. This is due to our collective commitment to protect the value of Trust property and the enhancement of lifestyle for our fellow Shareholder/Members. Our commitment to you includes, but is not limited to, efficiency, respect, teamwork, accountability, innovation, and integrity. We are committed as an organization to the highest ethical standards and compliance with all applicable laws, rules and regulations.

I would like to acknowledge and thank Mrs. Carole Damoci, Mutual Twelve GRF Director.

However, the effectiveness of our community depends heavily on Mutual operations and Mutual leaders. Those of you who serve as a volunteer Board member for your Mutual and GRF are the embodiment of the phrase "Pay it Forward". The compassion you show to your fellow Shareholders and Members in your service should serve as an inspiration for us all. I've noticed how you treat everyone with respect and kindness, no matter what the situation is.

When I see Board members (Mutual and GRF) hard at work for our community, I think of time and values. In our lives, one thing we cannot create, accumulate, acquire, buy or even borrow is time. We have a limited amount of time for sleep, work, family and our own interests. Therefore, an individual's time is a very precious commodity.

When an individual commits themselves to volunteer on a consistent basis, they have chosen to give up their own time to support an activity to benefit others. This brings me to values. Some of the strongest values, service and sacrifices are shown when one places the needs of another above their own. The true volunteer chooses to give up their personal time and energy and expend it to help others.

Your fellow Shareholders reap the benefit of your good deeds in providing service. This speaks highly of who you are as an individual. The job can be taxing and time-consuming for you all as volunteers, but it does get done. We know how stressful it can be, and your words and actions go a long way toward helping.

*"Heroes didn't leap tall buildings or stop bullets with an outstretched hand; they didn't wear boots and capes. They bled, and they bruised, and their superpowers were as simple as listening, or loving. Heroes were ordinary people who knew that even if their own lives were impossibly knotted, they could untangle someone else's. And maybe that one act could lead someone to rescue you right back."*

— Jodi Picoult, *Second Glance*

I just want you to know that your work does not go unnoticed. A simple thank you is not enough for your service!

The Golden Rain Foundation is financially healthy. You know this from your review of the 2015 yearend financial statements and current tracking from printed reports. The auditing firm of NSBN



issued an "unmodified" opinion for the 2015 audit. This is the standard of our accounting operations for which we strive.

The GRF main activities have been brought to you by your GRF Representative throughout the year. Highlights of the 2015/2016 term are included in the GRF Annual Report.

I look forward to working with the Mutual Twelve Board of Directors to ensure that our community continues to prosper and thrive for the betterment of all Shareholders and Members.

Thank you for allowing my staff and me to be part of your community and your lives.

Respectfully submitted,

Randy Ankeny,  
Executive Director  
*for the Golden Rain Foundation*

DRAFT



Farewell to all My Dear Friends and Shareholders.....

I will be retiring from Leisure World on July 8, 2016, after thirty-four years of employment.

The wonderful Ms. Jodi Hopkins, my long-time assistant, will be taking on the position of Mutual Administration Director.

It has been my pleasure to have spent these years in service to the community.

So many memories of the wonderful people who live here and have come and gone over the years.

Thank you for everything you have done for me. God bless you all.

With My Deepest Appreciation  
Carol A. Weller  
Mutual Administration Director

MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
June 9, 2016

The Organizational Meeting of the newly-elected Board of Directors of Seal Beach Mutual Twelve was held following the Annual Shareholders' Meeting in Clubhouse Four, Section C. Mutual Administration Director Weller, acting as Chairperson, called the meeting to order at 11:47 a.m. She stated the purpose of the meeting was to elect the officers for the 2016-2017 term of office and to ascertain the Regular Monthly Meeting location, day, and time.

Those Directors present were: Joe Welch, Susan Ferraro, Lucille Findlay, Margaret Gillon, Rose Marie Sprague, and Roy Fluharty. Director Tony Anderson was present via telephone. GRF Representative, Carole Damoci; Executive Director, Randy Ankeny; and Mutual Administration Director Weller were also present.

Mrs. Weller opened the nominations for the office of President. Mr. Fluharty nominated Mrs. Gillon and Mr. Welch nominated himself for President. There being no further nominations, and following a secret ballot, Mrs. Gillon was unanimously elected to the office of President for the 2016-2017 term of office.

The Chair was turned over to newly-elected President Gillon, who then called for nominations for Vice President. Mr. Welch nominated Mr. Anderson for Vice President. There being no further nominations, Mr. Anderson was unanimously elected to the office of Vice President for the 2016-2017 term of office.

President Gillon then called for nominations for the office of Secretary. Ms. Findlay nominated herself and Mr. Fluharty nominated Ms. Sprague for Secretary. There being no further nominations, and upon a secret ballot, Ms. Sprague was unanimously elected to the office of Secretary for the 2016-2017 term of office.

President Gillon then called for nominations for Chief Financial Officer. Ms. Sprague nominated Ms. Ferraro for Chief Financial Officer. There being no further nominations, Ms. Ferraro was unanimously elected to the office of Chief Financial Officer for the 2016-2017 term of office.

No Committees were appointed at this time.

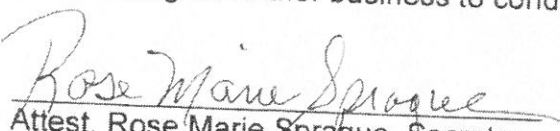
Ms. Gillon said the 2015 Organizational Meeting minutes have already been approved.

The Board discussed the monthly meeting location, day, and time. Upon a MOTION duly made by Susan Ferraro and seconded by Joe Welch, it was

RESOLVED, That Mutual Twelve will meet on the 2<sup>nd</sup> Thursday of the month in Mutual Administration Conference Room A, at 9:00 a.m.

The MOTION passed.

There being no further business to conduct, the meeting was adjourned at 11:57 a.m.

  
Attest, Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL TWELVE

sl.06/14/16