

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWELVE
October 13, 2016**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Gillon at 9:02 a.m. on Thursday, October 13, 2016, followed by the *Pledge of Allegiance*, in the Administration Building Conference Room A.

ROLL CALL

Present: President Gillon, Vice President Fluharty, Secretary Sprague, CFO Ferraro, and Directors Carson, and Findlay,

Absent: Director Anderson

GRF Representative: Mrs. Damoci

Guests: Six shareholders of Mutual Twelve

Staff: Ms. Miller, Director of Finance
Ms. Hopkins, Mutual Administration Director
Mr. Salazar, Building Inspector
Mrs. Aquino, Recording Secretary

President Gillon welcomed guests and staff to the meeting.

SHAREHOLDER'S COMMENTS

Several shareholders made comments.

GRF REPRESENTATIVE

Mrs. Damoci presented her report (attached).

Mrs. Damoci left the meeting at 9:14 a.m.

MINUTES

President Gillon asked for any corrections to the Regular Meeting minutes of September 8, 2016.

Upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, To approve the September 8, 2016, Regular Meeting minutes, as printed.

The MOTION passed.

MINUTES (continued)

President Gillon asked for any corrections to the Special and Emergency Meeting minutes of September 6, 2016; September 12, 2016; September 13, 2016 2:30 p.m.; September 13, 2016 6:00 p.m.; September 19, 2016; September 26, 2016; and September 28, 2016.

Upon a MOTION duly made by President Gillon and seconded by Director Carson, it was

RESOLVED, To approve the Special Meeting minutes and Emergency Meeting minutes by consent calendar for September 6, 2016; September 12, 2016; September 13, 2016; 2:30 p.m.; September 13, 2016; September 19, 2016; September 26, 2016; and September 28, 2016.

The MOTION passed.

BUILDING INSPECTOR'S REPORT

Mr. Salazar reviewed his summary report (attached).

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Director Carson, it was

RESOLVED, To approve the permit for Unit 63-L and authorize the President to sign the permit.

The MOTION passed.

Building Inspector Salazar left the meeting at 9:23 a.m.

CORRESPONDENCE

President Gillon discussed correspondence that was received during the month.

ANNOUNCEMENTS

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, To include the following statement on the S.C. Yamamoto contract in the minutes of the October 13, 2016, Mutual Twelve Regular Monthly Meeting minutes:

ANNOUNCEMENTS (continued)

“This communication is in response to some misinformation being circulated that Mutual Twelve is involved in a lawsuit with the contractor for the water separation distribution system, which also includes the acquisition and installation of smart irrigation controllers. Although a potential dispute has arisen with the contractor – no lawsuit has been filed.

The Board is investigating the facts surrounding the dispute with the assistance of counsel and experts. The Board appreciates shareholders’ patience and understanding while we work through this matter and make any necessary corrections to restore the lawns and grounds. All further communication on the contract will be given as our attorney permits.”

The MOTION passed.

GUEST SPEAKER – Ms. Miller

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by President Gillon, it was

RESOLVED, To accept the 2017 Operating Budget for Mutual Twelve of \$1,212,372 plus the Golden Rain Foundation cost of \$784,799 for a Total Operation cost of \$1,997,171, resulting in a regular monthly assessment of the Mutual Twelve assessment of \$223.52 plus the Golden Rain assessment of \$144.69 for a total assessment of \$368.21 per apartment per month, for an increase of \$37.76 per month over the total regular assessment of 2016, as presented, and to adopt this budget forthwith.

Following a roll call vote of the Board members, the MOTION passed, with one abstention, (Fluharty), and one absent, (Anderson).

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by Director Carson, it was

RESOLVED, To accept the NSBN Management Letter from the 2015 audit.

The MOTION passed.

GUEST SPEAKER – MS. Miller (continued)

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by Director Findlay, it was

RESOLVED, That Mutual Twelve open a money market account at US Bank to segregate restricted reserves from non-restricted reserves.

The MOTION passed.

Ms. Miller left the meeting at 10:02 a.m.

Ms. Hopkins left at the meeting at 10:05 a.m.

EMERGENCY PREPAREDNESS COORDINATOR'S REPORT

Mutual Twelve CERT coordinator, Mr. Sprague, presented his report (attached).

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by Director Findlay, it was

RESOLVED, To purchase one Goal Zero Generator with solar power, and one mini generator, which will include the eight-light package, to be purchased from Costco, not to exceed \$2,900 to be paid from the Emergency Reserve Fund account.

The MOTION passed.

Secretary Aquino took a break from 10:23 a.m. to 10:37 a.m.

UNFINISHED BUSINESS

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by Director Findlay, it was

RESOLVED, To amend Policy 7401.12 – Contractor License and replace the wording “Physical Property Supervisors” in three places where the wording is placed to “Supervisor of Physical Property.”

Following further discussion, and upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, To ratify amended/posted Policy 7401.12 – Contractor License as corrected.

UNFINISHED BUSINESS(continued)

Following a discussion, and upon a MOTION duly made by Director Findlay and seconded by President Gillon, it was

RESOLVED, To ratify amended/posted Policy 7496.12 – Infrastructure Modifications as corrected.

The MOTION passed.

Ms. Hopkins returned at 10:50 a.m.

MUTUAL ADMINISTRATION DIRECTOR'S REPORT

Ms. Hopkins submitted her monthly report (attached).

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by CFO Ferraro and seconded by President Gillon, it was

RESOLVED, To further amend Policy 7415.12 – Patio Regulations on a preliminary basis until a 30-day posting period is completed.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director Findlay and seconded by CFO Ferraro, it was

RESOLVED, To further amend Policy 7425.12 Garden Areas Trees and Shrubs on a preliminary basis until a 30-day posting period is completed.

The MOTION passed.

CHIEF FINANCIAL OFFICER'S REPORT

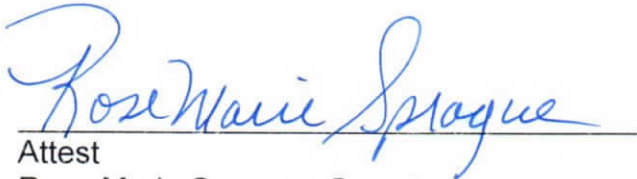
Ms. Ferraro presented her financial report (attached).

DIRECTOR'S REMARKS

Several Directors made remarks.

ADJOURNMENT

President Gillon adjourned the meeting at 11:51 a.m. and announced that following there would be an Executive Session to discuss member issues.



Attest

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL TWELVE

ka: 10/13/16

Attachments

**NEXT MEETING: November 10, 2016, in
Administration Building, Conference Room A, at 9:00 a.m.**

**SPECIAL MEETING ANNOUNCEMENTS AND AGENDAS ARE POSTED IN
LAUNDRY ROOM 57 (D SIDE). FOR INFORMAL INDIVIDUAL NOTICE OF SPECIAL
MEETINGS, CONTACT SECRETARY SPRAGUE OR EMAIL PRESIDENT GILLON
AT MARGARET.GILLON@MUTUAL12.ORG.**

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF OCTOBER 13, 2016**

10/13/16 RESOLVED, To approve the September 8, 2016, Regular Meeting minutes, as printed.

RESOLVED, To approve the Special Meeting minutes and Emergency Meeting minutes by consent calendar for September 6, 2016; September 12, 2016; September 13, 2016; 2:30 p.m.; September 13, 2016; September 19, 2016; September 26, 2016; and September 28, 2016.

RESOLVED, To approve the permit for Unit 63-L and authorize the President to sign the permit.

RESOLVED, To include the following statement on the S.C. Yamamoto contract in the minutes of the October 13, 2016, Mutual Twelve Regular Monthly Meeting minutes:

“This communication is in response to some misinformation being circulated that Mutual Twelve is involved in a lawsuit with the contractor for the water separation distribution system, which also includes the acquisition and installation of smart irrigation controllers. Although a potential dispute has arisen with the contractor – no lawsuit has been filed.

The Board is investigating the facts surrounding the dispute with the assistance of counsel and experts. The Board appreciates shareholders' patience and understanding while we work through this matter and make any necessary corrections to restore the lawns and grounds. All further communication on the contract will be given as our attorney permits.”

RESOLVED, To accept the 2017 Operating Budget for Mutual Twelve of \$1,212,372 plus the Golden Rain Foundation cost of \$784,799 for a Total Operation cost of \$1,997,171, resulting in a regular monthly assessment of the Mutual Twelve assessment of \$223.52 plus the Golden Rain assessment of \$144.69 for a total assessment of \$368.21 per apartment per month, for an increase of \$37.76 per month over the total regular assessment of 2016, as presented, and to adopt this budget forthwith.

RESOLVED, To accept the NSBN Management Letter from the 2015 audit.

**BOARD OF DIRECTORS
MUTUAL TWELVE**

OCTOBER 13, 2016

RESOLVED, That Mutual Twelve open a money market account at US Bank to segregate restricted reserves from non-restricted reserves.

RESOLVED, To purchase one Goal Zero Generator with solar power, and one mini generator, which will include the eight-light package, to be purchased from Costco, not to exceed \$2,900 to be paid from the Emergency Reserve Fund account.

RESOLVED, To amend Policy 7401.12 – Contractor License and replace the wording “Physical Property Supervisors” in three places where the wording is placed to “Supervisor of Physical Property.”

RESOLVED, To ratify amended/posted Policy 7401.12 – Contractor License as corrected.

RESOLVED, To ratify amended/posted Policy 7496.12 – Infrastructure Modifications as corrected.

RESOLVED, To further amend Policy 7415.12 – Patio Regulations on a preliminary basis until a 30-day posting period is completed.

RESOLVED, To further amend Policy 7425.12 Garden Areas Trees and Shrubs on a preliminary basis until a 30-day posting period is completed.

Carole Damoci
Mutual 12 GRF Representative

Oct. 13th, 2016

Our Amphitheater season for next year is as follows:

the Highwaymen Tribute live
America's Diamond Live featuring Jay White
Elton John Tribute
RUMOURS: Fleetwood Mac Tribute
Rod Stewart tribute
the bird dogs: Everly brothers tribute
The Garth Guy: Garth Brooks tribute
December '63 – a tribute to Frankie Valli & the four seasons
Garret Wilkin and the Parrot-heads (Jimmy Buffet Tribute)
Stayin' Alive – Bee Gee's Tribute
Desperado: The Premier Eagles Tribute Group
Temptations revue

We will be having an October Fest (BBQ) on Saturday Oct. 22nd in the clubhouse 6 parking lot. Our tree lighting ceremony will be held the end of November. More to follow.

We had 2 town hall meetings on Sept. 29th on the the upcoming policy for parking enforcement and fines. We're trying for 2017 implementation. Both meetings were well attended. We are in the process of re-writing the policy again. It should be ready to be posted for more Shareholder/member input in the next week or so.

As always, if there's anything I can do for you, or if you have any questions concerning the GRF, please feel free to contact me. I would love to hear from you and answer any of your questions I can. If I don't have your answers I will get them.

Respectfully submitted,
Carole S. Damoci
562-405-4965
president@lwsb.com
cdamoci@lwsb.com

CFO Report – October 13, 2016 Regular Meeting

A copy of the detail Financial Statement of Operations for the 3rd quarter ended September 30, 2016 is attached. Each of the Directors of the Board have received their copy for review and comment.

As of September 30, 2016:

Cash in the bank	\$ 362,008
Accounts Receivable	\$ 4,634 **
Reserves:	\$3,686,343 (uncommitted)
Excess Income:	\$ 17,977

**There are 23 delinquent shareholders listed (5% of 452 apts) meaning 95% pay on time as agreed. One shareholder has \$1800 that is 90 days or more past due. Accounts receivable includes the GRF Assessment, Mutual Assessment, Cable Charges, Finance Charges, Late Fees, Returned Check Fees, Property Tax, Orange County User Fees and RESIDENT SERVICE MAINTENANCE ORDERS. Remember that the Mutual is obligated to pay GRF for these shareholder responsible charge that GRF bills to the shareholder on behalf of the mutual to be reimbursed.

The pro-forma Annual Disclosure Information and approved budget for 2017 will be included in the GRF NEWS to be delivered in first part of November. These are important documents for you to read and retain in your records as they provide information on your rights and privileges living in a community interest development. Please look for them and pull them out for reference.

Respectfully submitted,



Susan Ferraro, CFO

Mutual 12

1012 Seal Beach Mutual No. Twelve
 Budget Comparison - Mutuals
 09/30/2016

P.O. Box 2069
 Seal Beach CA 90740

Actuals	Sep Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
65,156	65,156	0	7210000	Trust Maintenance Costs	586,404	586,404	0	781,870	195,466
65,156	65,156	0		GRF Trust Maintenance Fee	586,404	586,404	0	781,870	195,466
2,387	2,685	298	6420000	Total Trust Maintenance Costs	20,333	24,165	3,832	32,219	11,886
9,355	6,355	(3,000)	6423000	Utilities	51,042	57,195	6,153	76,261	25,219
3,602	3,589	(13)	6424000	Electricity	31,979	32,301	322	43,067	11,088
				Water					
				Trash					
15,345	12,629	(2,716)		Total Utilities	103,354	113,661	10,307	151,547	48,193
253	253	0	6430000	Professional Fees	2,277	2,277	0	3,037	760
1,086	547	(539)	6434000	GRF Management Fee	9,286	4,923	(4,363)	6,563	(2,723)
118	127	9	6435000	Legal Fees	1,062	1,143	81	1,519	457
				Bank Service Fees					
1,457	927	(530)		Total Professional Fees	12,626	8,343	(4,283)	11,119	(1,507)
53	0	(53)	6474000	Outside Services	53	0	(53)	0	(53)
10,429	9,980	(449)	6475000	Janitorial Services	93,862	89,820	(4,042)	119,762	25,900
3,345	1,695	(1,650)	6475500	Landscap. Maint. - Contract	12,658	15,255	2,597	20,340	7,682
2,223	845	(1,378)	6475505	Landscap. Maint. - Extras	25,534	7,605	(17,929)	10,143	(15,391)
257	253	(4)	6477100	Landscap. Maint. - Trees	1,052	2,277	1,225	3,037	1,985
411	506	95	6477200	Painting	1,503	4,554	3,051	6,075	4,572
60	1,207	1,147	6477300	Pest Control	4,075	10,863	6,788	14,482	10,407
878	344	(534)	6477400	Structural Repair	3,570	3,096	(474)	4,122	562
0	0	0	6512000	Miscellaneous Services	391	0	(391)	0	(391)
4,396	5,040	644	7552000	Escrow Expense - W/O	40,717	45,360	4,643	60,478	19,761
6,111	0	(6,111)	7552200	Service Maintenance-Standard	30,620	0	(30,620)	0	(30,620)
(6,111)	0	6,111	5394000	Maintenance Replacements	(30,620)	0	30,620	0	30,620
				Transfers from Funded Reavs					
22,053	19,870	(2,183)		Total Outside Services	183,415	178,830	(4,585)	238,439	55,024

1012 Seal Beach Mutual No. Twelve
 Budget Comparison - Mutuals
 09/30/2016

P.O. Box 2069
 Seal Beach CA 90740

Sep Actuals	Sep Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
289	63	(226)	6720000	Taxes & Insurance	1,245	567	(678)	759	(486)
11,359	9,465	(1,894)	6730000	State & Federal Taxes	102,229	85,185	(17,044)	113,579	11,350
11,648	9,528	(2,120)		Property & Liability Insurance	103,474	85,752	(17,722)	114,338	10,864
50,503	42,954	(7,549)		Total Taxes & Insurance	402,869	366,586	(16,283)	515,443	112,574
1,112	1,112	0	7620000	Contributions to Capital	10,007	10,008	1	13,343	3,336
23,486	23,486	1	7675000	Appliance Reserve From Assessments	211,370	211,374	5	281,826	70,457
17,773	17,773	0	7677000	Roofing Reserve From Assessments	159,958	159,957	(1)	213,277	53,319
42,371	42,371	1		Infrastructure Reserve From Assessments	381,335	381,339	5	508,446	127,112
158,029	150,481	(7,548)		Total Contributions to Capital	1,370,607	1,354,329	(16,278)	1,805,759	435,152
				Total Expenses					

The Mutual Administration Director's Comments for October, 2016

Daylight Savings Time Change Sunday, November 6, 2016

Take care where you park in your Community

- Red Curb – No parking anytime
- Green Curb – Parking not to exceed 15/30 minutes as marked
- Yellow Curb – Loading and unloading ONLY
- Blue Curb – Disabled person parking ONLY
- Unpainted Curb – Parking permitted unless posted otherwise

Speed limit is 15/25 miles per hour as posted, drive responsibly, STOP at all Stop signs, watch out for other drivers, Leisure World Busses, and golf carts

There is a chill in the air - Fall is here!

With the holiday season rapidly arriving and with cooler fall temperatures here, many of us enjoy the warmth and light offered by a candle. Candles are decorative, come in many pleasing aromas, and can offer ready and simple light during power outages and emergencies. BUT, the use of candles has also resulted in the following statistics (as provided by the U.S. Fire Administration):

If you use a candle, please make sure to follow the following candle safety tips:

- Consider using battery-operated or electric flameless candles and fragrance warmers, which can look, smell, and feel like real candles – without the flame.
- If you do use candles, ensure they are in sturdy metal, glass or ceramic holders, and placed where they cannot be easily knocked down.
- Avoid using candles in bedrooms and sleeping areas.
- Extinguish candles after use and before going to bed.
- Keep candles at least 12 inches from anything that can burn.
- Keep candles out of the reach of children and pets.
- Set a good example by using matches, lighters, and fire carefully.
- Never use a candle where medical oxygen is being used. The two can combine to create a large, unexpected fire.
- **Always use a flashlight – not a candle – for emergency lighting.**
- Never put candles on a Christmas tree.
- When using in-home worship, do not place lit candles in windows where blinds and curtains can close over them, or pass handheld candles from one person to another. To lower the risk of fire, candles should be used by only a few designated adults.
- **And NEVER leave burning candles unattended!**

➔ **Remember! Candle fires are PREVENTABLE. The top six days for home candle fires are:**

- Halloween
- Thanksgiving
- December 23
- Christmas Eve
- Christmas Day
- New Year's Day

In the event of a fire, remember time is the biggest enemy and every second counts!

Mutual Administration Director: J. Hopkins 10/16

EMERGENCY PREPAREDNESS COORDINATOR'S REPORT

1. THE GREAT SHAKE-OUT IS OCTOBER 20 AT 10:20 A.M. THE FLYERS ARE POSTED IN THE LAUNDRY ROOMS TO REMIND SHAREHOLDERS OF THE EVENT.
2. THE BUILDING CAPTAINS HAVE ALL BEEN GIVEN MATERIALS REGARDING THE SHAKE-OUT TO DISPERSE TO THE SHAREHOLDERS IN THEIR RESPECTIVE BUILDINGS. ONCE COMPLETED THE SURVEY FORMS WILL BE LOGGED ONTO THE SUMMARY SHEETS AND KEPT BY THE BUILDING CAPTAINS.
3. I LOOK FORWARD TO THE COOPERATION OF ALL SHAREHOLDERS TO PARTICIPATE IN THE DRILL OR PRACTICE A SAFETY DRILL IN THEIR UNITS.
4. I HAVE LOCATED A GENERATOR PACKAGE MADE BY GOAL ZERO WHICH WILL BE VITAL TO THE MUTUAL IN THE EVENT OF AN EMERGENCY. IT IS THE YETI 1250 MODEL WHICH IS CHARGED BY AC AND CAN ALSO BE FULLY CHARGED BY SOLAR PANELS, WHICH I FEEL IS AN ABSOLUTE NECESSARY ACCESSORY. IN ADDITION, I WOULD LIKE TO PURCHASE THE MINI

GENERATOR WHICH IS ALSO CHARGED BY AC OR SOLAR PANELS AND A 8 LIGHT PACKAGE. THE LIGHTS CAN BE USED AS OVERHEAD OR SEARCH LIGHTS. WITH THE YETI 1250 THE MUTUAL DOES NOT HAVE TO WORRY ABOUT GASOLINE OR PROPANE STORAGE. THE GENERATOR IS EASILY TRANSPORTED WITH ITS WHEELS AND HANDLE. WHEN FULLY CHARGED THE YETI 1250 WILL HOLD THE CHARGE FOR 3 TO 4 MONTHS. THE MINI YETI HOLDS A CHARGE FOR 3 TO 6 MONTHS. THE ADDED BENEFIT OF THESE GENERATORS IS THAT THEY CAN BE USED INSIDE OF A UNIT IF NECESSARY AS OPPOSED TO PROPANE OR GASOLINE GENERATORS. THIS CLEAN ENERGY WILL BE ENVIROMENT FRIENDLY. THE ESTIMATED COSTS OF THE GENERATORS AND ACCESSORIES IS \$2713.99 INCLUDING SALES TAX. THIS IS A SPECIAL COSTCO PRICE AS OPPOSED TO PURCHASING DIRECTLY FROM GOAL ZERO ON LINE WHICH WOULD BE APROXIMATELY \$500 MORE. THE SALES REPRESENTATIVE IS GOING TO THROW IN TWO \$130 EXTENSION CORDS IN THE PACKAGE.

5. THE LAST ITEM TO DISCUSS IS THE SMOKE DETECTOR INVENTORY. THE PARCEL DIRECTORS

HAVE THE INVENTORY SHEETS TO BE GIVEN TO THE BUILDING CAPTAINS TO FIND OUT WHICH UNITS NEED SMOKE DETECTORS TO BE INSTALLED. THERE WILL BE NO CHARGE TO THE SHAREHOLDERS. THE INVENTORY NEEDS TO BE COMPLETED BY NOVEMBER 4, 2016.

THANK YOU. GARY SPRAGUE

REPORT OF EXECUTIVE COMMITTEE ON MANAGEMENT CONTRACT

October 13, 2016

The committee has continued reviewing the historical Minutes of Seal Beach Mutual No. Twelve to be able to establish the actions taken by the Board of Directors and its Executive Committee at that time to execute the Mutual Administration Contract with the Golden Rain Foundation.

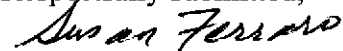
Based upon this research, on September 29, 2016 the Executive Committee made request to Randy Ankeny, Executive Director for the Golden Rain Foundation for the following:

1. Provide a copy of the initial Mutual Administration contract between Seal Beach Mutual No. Twelve and the Golden Rain Foundation, dated in late 1963.
2. Provide an electronic copy of the Golden Rain Foundation Minutes of the board of Directors for the period January 1, 1963 to December 31, 1967.
3. Provide a copy either electronic or in print of the contract version of the Mutual Management Agreement that was used to prepare Policy 9300 Mutual Management Agreement and subsequently retyped in September 1988.

Randy acknowledged the request and advised that it would take a couple of weeks to research and retrieve. This week, on Tuesday, 10/11 the committee received printed copies of the Minutes of the Board of Directors of Golden Rain Foundation from 1963 to 1967. As time permits, the committee will review and report. Randy will continue to search for the other requested documents.

Further, the Executive Committee met at the office of Mrs. Jodi Hopkins, Mutual Administration Director on October 7, 2016 to review mutual documents known to be retained in her office. We learned that the documents on file are the Mutual 12 corporate Minutes that have not yet been scanned into the archived records, and are from recent years.

Respectfully submitted,


Susan Ferraro

Chairperson, Executive Committee

Seal Beach Mutual No. Twelve

October 11, 2016

To All Dog Owners in Mutual Twelve:

This letter is being written because it is important that all pet owners be familiar with and abide by your Mutual Pet Ownership Policy.

Pet Ownership Policy 7501 includes the following:

1. The pet must be on a **leash not longer than six feet** and under the control of, and accompanied by, a resident and/or adult agent of the resident pet owner and/or responsible adult.
 - a. While traversing the streets or sidewalks of the Mutual Corporation, while making ingress and egress to or from the resident's apartment, at all times, the resident pet owner and/or responsible adult must have in evidence and in plain view a **plastic waste bag and/or a poop scoop**.
 - b. The resident pet owner shall immediately, and forthwith, **remove any pet waste** deposited by the pet in all common areas where said pet is permitted.
2. Fine and payment for clean up by the janitorial service may be imposed.
3. Resident pet owners are required to **control noise and odor** caused by a pet.

Governing Document Compliance Policy 7585.12 includes the following:

1. The Mutual Corporation may enforce **any** violation of the "Governing Documents." Remedies include the imposition of a fine in accordance with the Mutual's Violation Fine Schedule. The Fine Schedule, Policy 7585.12.1, allows the Mutual to impose a fine of \$25 for each violation and \$25 for each day a violation continues.

We anticipate and appreciate that you will abide or continue to abide by the regulations set forth by your Mutual Board. If you have any questions concerning this matter, please contact the Mutual Administration Department at (562) 431-6586, ext. 374.

Respectfully,

On Behalf of Seal Beach Mutual Twelve Board of Directors

cc: Mutual Board
Corporate Files

Seal Beach Mutual No. Twelve
P.O. Box 2069, Seal Beach, CA 90740

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Patio Regulations – Mutual Twelve Only**

All patios must be maintained by the shareholder in a clean state and be free of obstacles to emergency personnel and equipment. A 36" clear pathway for entrance and exit is required in compliance with applicable fire codes. The area both inside and outside of a door or window of a sleeping room must be kept clear for emergency exit. Expanded bedrooms must have a safe bedroom window or door emergency exit to the outside as well.

Patios will be periodically inspected. Failure of shareholder to correct inspection violations is subject to Policy 7585.12 Governing Document Compliance Corrective Measures and Fines.

- A.** Upon moving into your apartment, items may remain on the patio for up to thirty (30) days for storage purposes, thereby providing ample time to put things away.

After the initial 30-day move-in period, the following items may not be stored or placed in or on any patio (enclosed or unenclosed):

- 1)** Any type of unauthorized container used for long-term storage. **(Authorized containers include sheds constructed by a contractor with a GRF Building Permit, or additional storage authorized with a Policy 7480.12.1 Architectural Standards – Approval Form (Mutual 12).**
- 2)** Cardboard boxes.
- 3)** Charcoal or highly flammable items, including old newspapers.
- 4)** Refrigerators or freezers in non-working condition.
- 5)** Gasoline-operated equipment or gas cans.
- 6)** Electric tools on a permanent basis.
- 7)** Extension cords strung across patio, or extended use of extension cords.
- 8)** Charcoal barbeques, hibachis, etc. (see Policy 7427.6G, Barbeques – Usage).

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Patio Regulations – Mutual Twelve Only****B. ENCLOSED PATIOS**

After the initial 30-day move-in period, **An enclosed patio is not another room, it remains a patio that is surrounded to provide added privacy for the shareholder.** ~~(The following items are acceptable for placement or storage on enclosed (only) patio. (note: "(only)" to be underlined and bold in policy))~~

- 1) **A Refrigerator or a freezer in working condition may be placed on enclosed (only) patio.**
- 2) ~~One extension cord with one item connected to it.~~
- 3) ~~A washer or a dryer or a stacking washer and dryer set installed inside the patio storage cabinet.~~
 - a) ~~A permit must be obtained for the installation of these appliance(s), and all codes relating to electrical and, if applicable, plumbing and ventilation must be adhered to.~~

C. UNENCLOSED PATIOS

After the initial 30-day move-in period, **The following items may not be stored or placed on unenclosed patios (an open patio, visible to passersby and with no expectation of privacy :**

- 1) Permanent shelving, either free-standing or affixed to the exterior wall for storage.
- 2) Laundry hung for airing or drying.
- 3) Unleashed pets or pets in cages.

D. Vacation Unit: OCCASIONAL OCCUPANCY or UNOCCUPIED UNIT:

If the event the patio becomes a mess **safety or health concern in the sole discretion of the Board**, the Recreation **Physical Property** Department will be notified to clean the patio and send the invoice to the shareholder or responsible party. If the invoice is not paid, it will be settled at the time of escrow.

(Nov 07)

(Amended by MU 12 Board 10/13/16)

MUTUAL OPERATIONS

PHYSICAL PROPERTY

AMENDMENT DRAFT BY BOARD

Patio Regulations – Mutual Twelve Only

E. PAINT

All areas of unenclosed patios must be painted with the same color, brand and quality paint as the rest of the building including any approved sheds or approved constructed storage.

- 1) Exception: Patio ceilings may be painted WHITE only (VISTA PAINT #00), with VISTA 1900 Weather Master premium 100% acrylic exterior paint, when both of the following conditions are met prior to commencement of painting:**
 - a. Shareholder must use a licensed painter who is registered with the Physical Property Department.**
 - b) Shareholder to obtain Board approved Authorization with a Policy 7480.12.1 Architectural Standards – Approval Form (Mutual 12). The approval form to include the licensed painter name, the paint color, and specify the brand of paint being used.**

Reminder: Painting can only be done during normal working hours Monday –Friday 8:00 a.m. to 5:00 p.m. (See Policy 7402.12 Working Hours- Contractors, Vendors and Shareholders.

The shareholder is solely responsible for the cost of painting the patio ceiling and for any and all subsequent repair and maintenance of the painted ceiling.

F. FLOOR COVERING

Floor covering on patios, as well as interior flooring, requires a GRF Building Permit.

G. SPAS AND HOT TUBS

Jacuzzi's, hot tubs and spas are prohibited.

H. PATIO FURNITURE

Only furniture that is designed for patios may be placed on a patio.

MUTUAL ADOPTION

AMENDMENTS

TWELVE: 02-09-06
(Nov 07)

11-08-07

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Garden Areas, Trees and Shrubs – Mutual Twelve Only****Garden Area Size**

Shareholders are permitted to have a garden area in front of their units, but must maintain the garden area in a manner considered to be an enhancement of the appearance of the Mutual. The maximum garden area allowed for one side of a building is 48 inches from the main stucco structure or measure from the roof support post, but not the added bay window stucco structure. The garden area may conform to the width of the majority of other units on the same side of the building, but may not exceed 48 inches. Certain plants, bushes and shrubs are not permitted in the garden area (see Garden Use, ~~Items 1 and 2~~, and Gardening, Item 2). The 48-inch width includes any decorative edge blocks (which may not exceed six inches in width). All plants must be kept trimmed 12 inches from the building to allow inspectors, maintenance people or painters access to the building for inspections, repairs or painting and to facilitate rodent control.

- a. Resale/Transfer: Upon the resale or transfer of the shareholder's stock, the garden area must conform to the size of the adjoining garden areas on the building, not to exceed 48 inches. All items not permitted under Gardening, Item 2, shall be removed from the garden area at the seller's expense.

Construction Permit: When a shareholder hires a contractor that is approved by the Golden Rain Foundation to modify the exterior structure of the main foundation, the contractor must add a 12-inch exterior apron to the main foundation structure. The contractor may be required to conform the garden area to match the width of the adjoining units in the building, not to exceed 48 inches. At that time, all items not permitted under Gardening, Item 2, shall be removed from the garden area at the shareholder's expense.

- b. Shareholders: Shareholders may submit a written request to the Board of Directors to adjust their garden area to match the adjoining units on the building, not exceeding 48 inches. If approved, shareholder shall remove all items not permitted under Gardening, Item 2, from the garden area at the shareholder's expense.

Garden Use

Shareholders may plant the greenery of their choice in their garden areas, except for non-permitted items. Trees or other plants which have invasive root growth and the potential to damage the Mutual structures and walkways are prohibited. Vines are not permitted to climb on any structure, trees or light pole. If a trellis is used, it must be free-standing and be kept

(Nov 11)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Garden Areas, Trees and Shrubs – Mutual Twelve Only**

12 inches below the eaves and 14 inches from the face of the building (so as not to deface the building structure and to allow access for inspection for maintenance, such as painting). If there is any offending growth, it will be removed by the Mutual at the shareholder's expense if the shareholder fails to maintain the appearance of the garden area in a manner consistent with this policy.

- 1.** Fertilization and plant pest control in the garden area is the financial responsibility of the shareholder. Watering the gardening area is also the shareholder's responsibility. Shareholders may have a sprinkler system installed in their garden area if it meets approved City codes and is connected to the shareholder's gardening faucet pipe outlet.
- 2.** Sprinkler heads must be so installed as not to spray water on the building structure (contact your Mutual Director for requirements).
- 3.** Approximately once a month, gardeners will remove weeds, trim the plants and rake the flower beds. The gardeners will trim all plants that extend outside the garden area line. The following plants should not be in the garden area: baby tears, wild mint or plants of the spiderwort family (**gardener will remove these items because they can spread onto the lawn and kill the grass or the plants in other garden areas**).
- 4.** Roses are ~~trimmed~~ **pruned** in December/January by gardeners, except for red-flagged garden areas. If a shareholder wishes to maintain their own garden,
- 5.** Red flags can be obtained from the Parcel Director (the gardeners will not cultivate a garden area with red flags).
- 6.** Carport garden areas are Mutual property and shareholders are not permitted to plant plants in those areas.
- 7.** Shareholders may not put potted plants, tools or any other items on top of or around the SCE electrical transformer structures, and may not create a garden area around its deco block structure. This also applies to the flat steel plates that cover the cable/phone cellars.
- 8.** **Garden areas may not be paved for patio use. Mutual 12 shareholders did not approve the By-Law amendment that would have allowed paving common area adjacent to the separate interest for patio use. Portable outdoor furniture may be used on the lawn but may not be left out over night or when it interferes with mowing or other maintenance.**

(Nov 11)

Page 2 of 7

(Amended by MU 12 Board 10/13/16)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Garden Areas, Trees and Shrubs – Mutual Twelve Only**

9. **Garden hardscape as detailed below must be authorized by the Board on a Policy 7480.12.1 Architectural Standards – Approval Form.**
- a. **Small (1" to 3") stone pebbles may be used to cover the garden area when Board approved. Glass pebbles are specifically prohibited.**
 - b. **NO pebbles aggregate, gravel or any hard substance that includes pieces smaller than 1' may be spread, strewn or placed in the garden.**
 - c. **When the Policy 7480.12.1 form is accompanied by a plan or sketch and approved by the Board, pavers (not interlocking), may be placed randomly as decorative feature or in sections interspersed with areas of soil or pebbles when a plan or sketch presented to the Board along with the approval form is approved by the Board.**
 - d. **When the Policy 7480.12.1 form is accompanied by a plan or sketch and approved by the Board, a few (five or less) larger rocks of appropriate size for our small gardens may be placed in the garden area as decorative features.**
 - e. **The only soft covering permitted in flowerbed areas is landscape cloth under approved hardscape.**
 - f. **Poured concrete is expressly forbidden in the garden area.**
 - g. **Shareholders with hardscape installed prior to 10/13/16 may apply for Board approval or waiver until sale or transfer. Application does not assure approval.**
 - h. **Shareholders may be required at any time and at their expense to remove unapproved or deteriorated hardscape. It will be removed at shareholder expense upon sale or transfer.**
 - i. **All garden hardscape will be removed at sale or transfer unless the buyer or successor agrees to keep and maintain it.**

MUTUAL OPERATIONS

PHYSICAL PROPERTY

AMENDMENT DRAFT BY BOARDGarden Areas, Trees and Shrubs – Mutual Twelve Only

10. Border material; The Policy 7480.12.1 Architectural Standards – Approval Form is required for any change in border material whether from the original Mutual scalloped border or a previously changed border.
11. Shareholders may place permitted plants in pots in the garden area in front of their apartment. The following rules apply. Any use of pots or potted plants must be reasonable.
- a. Every outside pot must be placed directly on a flat concrete paver larger than the pot. No saucers may be placed under pots due to the possibility of standing water attracting mosquitoes bearing West Nile Virus.
 - b. Pots placed on scaffolding or arranged on top of other pots or plants are not permitted. Log or branch sections may not be used as stands or decoration due to probably termite or other infestation.
 - c. Potted plants and other decorative items may not be placed on the apron, walkway or beyond the bordered garden area.
 - d. Pots may not be lowered into the ground for stability or any other reason. Top-heavy potted plants must be removed from the premises.
 - e. Pots must be sturdy and attractive. For example, ceramic pots are usually attractive; nursery pots are not. When pots become broken or deteriorated, plants must be repotted or removed from the premises.
 - f. Individual potted plants must fit within the garden area according to rules for other plants. Overgrown potted plants must be removed from the premises. The 6' height limit includes flowers, foliage, and stalks. If plants in the ground fill the garden area, they must be removed as needed to provide space for potted plants.
 - g. No part of a potted plant or other object may extend into the 3' wide emergency access area or interfere with access to any part of the premises.
 - h. All removals of pots and or plants are at shareholder expense.

(Note: Items placed within the separate interest (building footprint) or in the garden area including but not limited to pots, ceramics and other decorative accessories are shareholder responsibility. Neither the Mutual nor its employees are responsible for theft or breakage.)

(Nov 11)

Page 4 of 7

(Amended by MU 12 Board 10/13/16)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Garden Areas, Trees and Shrubs – Mutual Twelve Only****Turf Uses**

4. The turf areas consist of all the ground areas located outside of the garden area allowed for each unit. The walkway entrance shall not have plants planted on either side or any type of potted plant placed on the walkway. The garden areas next to carport walls and the tree plots are the responsibility of the Mutual. **EXCEPTION:**

~~If a tree has a plot of dirt around it and it is in front of the shareholder's unit. The shareholder may submit a request to the Board of Directors, in writing, to plant **only** colorful flowers in the plot of dirt and maintain them year round (bushes and canisters or pots are not permitted). The flowers must be maintained at least three inches within the tree plot area and the tree plot area cannot be expanded by the shareholder. Also, the flowers should not grow more than approximately 14 inches in height. If the shareholder does not maintain the flowers, the flowers will be removed at the shareholder's expense.~~

Trees - Planting, Care and Removal

1. Trees are the responsibility of the Mutual, including planting, care and removal. Trees may be planted in common areas only, not in a shareholder's garden area. Trees must be on the list of approved trees and the Board of Directors must pre-approve the planting. Replacement or new trees may be planted in select locations at the Mutual's expense.

~~EXCEPTION: Shareholders may submit a request, in writing, to the Board of Directors to have a tree planted by the gardeners at the shareholder's expense. All planting of trees must be done by **Board** approved professional gardeners. The shareholder may generally choose the planting site if approved by the Board and the gardeners after considering, among other criteria, the existing sprinkler system, adequate space for roots, proper clearance from structures, etc.~~

Board-approved trees are selected, as needed, by the gardener **arborist** and picked up from a nursery and delivered as part of the cost of planting.

2. Pruning or "lacing" (thinning) is performed on a scheduled basis. Root control will be done, as needed, to limit intrusion of roots under walkways, garden areas or buildings. Broken branches, wind-caused or otherwise, will be removed by the gardeners.
3. Due to disease, falling branches, leaning dangerously, or other cause, a tree may need to be removed. In most cases, a professional arborist will be asked to inspect the tree

(Nov 11)

(Amended by MU 12 Board 10/13/16)

MUTUAL OPERATIONS**PHYSICAL PROPERTY****AMENDMENT DRAFT BY BOARD****Garden Areas, Trees and Shrubs – Mutual Twelve Only**

and give an opinion. The gardening supervisor may also be consulted before an arborist is called.

- Specifications and a bid process will be used for the removal of trees, except for some very small trees. In order to reduce expenses, tree removal may be coordinated with other Mutuals requiring the same. Small trees with obvious problems may be removed by the gardeners upon approval of the Board of Directors.

Gardening

- Perennial flowers do well in this climate and soil and there are many colorful flowers and plants that will provide beauty in your garden area. REMINDER: young plants and flowers need protection from rabbits.
- The following flowers or plants may *not* be planted in flower beds or ~~approved tree wells~~. Other plants or flowers may be added to this list in the future by the Board of Directors. Call your parcel director to confirm if a plant is acceptable.

Baby Tears	Citrus or fruit of any kind	Trees of any kind
Bamboo	Ferns	Wild Mint
Bird of Paradise	Hibiscus	
Cactus	Ivy	
Cedar-type bushes	Spiderwort	

Also prohibited: Any large or long-leaf plants that cannot be contained in the garden area.

NOTE: Plants grow with time and it is important to keep them trimmed. Plants should never be allowed to rub against the building structure, stucco or deco blocks.

Trees Approved for Placement in Narrow Green Belts

Maintenance and improvement of the Mutual 12 Urban Forest will be based on the findings and inventory contained in the TREE INVENTORY Prepared for Leisure World Mutual 12 Seal Beach by James Komen – Class One Arboriculture Inc. June 14 2015.

COMMON NAME	BOTANICAL NAME
Brisbane box	Tristania conferta
Melaleuca (pink)	Melaleuca nesophila

Note: ~~Other trees may be approved hv~~

(Nov 11)

MUTUAL OPERATIONS

PHYSICAL PROPERTY

AMENDMENT DRAFT BY BOARD

Garden Areas, Trees and Shrubs – Mutual Twelve Only

Ornamental plum _____ Prunus blireiana
 Pine (fern) _____ Podocarpus gracilior

Trees Approved for Placement in Larger Greenbelts

COMMON NAME	BOTANICAL NAME
Bottle brush	Brachychiton populneum
Brazilian pepper	Schinus terebinthifolius
Cajeput tree	Melaleuca leucadendron
California pepper (yearly spraying)	
Camphor tree	Cinnamonum camphora
Carrotwood	Cupania anacard
Elm (evergreen)	Ulmus parvifota
Idaho locust	Robinia ambigua idahoensis
Kaffir plum	Harpephyllum ca
New Zealand Christmas tree	Metrosideros
Rusty leaf fig	Ficus rubiginosa
Memosa (silk tree)	Albizia julibrissin
Tipu tree	Tipuana tipu

Note: Other trees may be approved by Board

Placement shall be considered with respect to the sewer line

MUTUAL ADOPTION

AMENDMENT(S)

TWELVE: 10-11-01

05-8-03, 11-10-11

(Nov 11)

(Amended by MU 12 Board 10/13/16)

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
September 6, 2016**

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:35 p.m. on Tuesday, September 6, 2016 in the Physical Property Conference Room

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Directors Anderson, Findlay and Carson.

Absent was: Secretary Sprague

Also present: 1 shareholder

NEW BUSINESS:

There were no building permits for Board action.

President Gillon distributed a Vacant Unit list and requested the Board Members to review and update.

Following a discussion, upon MOTION made by Director Findlay and seconded by President Gillon it was:

RESOLVED: To pay Pinnacle Landscape Co. an amount not to exceed \$2000 for sprinkler lateral line and sprinkler heads broken during Jurado concrete work on the swale replacement. The charge to be paid out of the Landscape Extras operating expense account.

The MOTION passed.

The Board discussed the 72F sewer pipe repair invoice that is combined with re-pipe submitted by the contractor, Alpha Master. The Board requested that President Gillon talk with Inspector Salazar to get a breakdown on the detail of the costs billed prior to payment approval.

Following a discussion on the need for sprinkler repairs, as the anticipated cost is within in the allowed emergency expense, the Board approves President Gillon to authorize the repairs as needed.

Following a discussion on 76E repipe, upon MOTION made by Director Findlay and seconded by President Gillon, it was:

RESOLVED: On 76E to do no repiping at this time, unless there is a leak or breakage.

The **MOTION** failed (3 yes votes, 3 no votes)

The Board discussed extending the retaining wall at Building 73 on St. Andrews to keep rain from washing away the soil around a large pine tree. The Board approves President Gillon to obtain quotes for the cost.

ADJOURNMENT:


There being no further business, President Gillon adjourned the regular meeting at 2:33 p.m. and called for a 5 minute break before an Executive Session immediately following to discuss legal matters and member concerns.

RE-ADJOURNED at 3:38 pm. to discuss 63L restoration and remediation of water leak damage and mold found in closet. Upon discussion and **MOTION** made by President Gillon and seconded by Director Findlay, it was:

RESOLVED: To pay for mold cleanup and restoration in Unit 63L and authorize the President to sign invoices for cleanup, if the restoration company treating the mold finds the mold was caused by the roof leak in that unit.

The **MOTION** passed.

ADJOURNED AT 3: 43 P.M to continue Executive Session.



Attest:

Susan Ferraro, Acting Secretary
SEAL BEACH MUTUAL NO. TWELVE
/sdf

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
September 12, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:40 p.m. on Monday, September 12, 2016, in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, Secretary Sprague, and Directors Findlay, Carson, and Anderson. CFO Ferraro was absent. Also present was Building Inspector Salazar.

The purpose of the meeting is to review and make recommendations on and/or approve GRF Building Permits.

Following a discussion on Unit 57-B, and upon a MOTION duly made by Director Findlay and seconded by Secretary Sprague, it was

RESOLVED, To approve the Change Order #1 for Unit 57-B with an email from Physical Property Inspector Salazar, stating the Boards concern regarding proceeding prior to the Boards approval and President's signature.

The MOTION passed.

Inspector Salazar presented a Mutual Twelve Vacant Unit List for review prior to inspections.

Inspector Salazar advised that Hutton will not guarantee painting over the vault at Unit 65-B if it is not stripped of current paint. The Board told Inspector Salazar to have Hutton strip the vault and prepare it however is needed so that Hutton paint will stick to the vault and the Hutton paint warranty will cover the painted vault.

Following a discussion on Unit 76-E, and upon a **MOTION** duly made by Director Anderson and seconded by Director Findlay, it was

RESOLVED, To rescind the exclusion of Unit 76-E from the **Resolution** made on August 17, 2016, and not re-pipe this unit.

The MOTION passed.

Following a discussion on Unit 34-L, and upon a **MOTION** duly made by Director Findlay and seconded by Director Carson, it was

RESOLVED, To approve the permit for Unit 34-L remodel and authorize the President to sign the permit.

The MOTION passed.

Following a discussion on Unit 59-B, and upon a **MOTION** duly made by Director Findlay and seconded by President Gillon, it was

RESOLVED, To approve the permit for Unit 59-B remodel and authorize the President to sign the permit.

The MOTION passed.

Following a discussion on Unit 76-A, and upon a **MOTION** duly made by Vice President Fluharty and seconded by Director Carson, it was

RESOLVED, To accept the permit for Unit 76-A, and authorize the President to sign the permit.

The MOTION passed.

Following a discussion on Unit 76-D, and upon a **MOTION** duly made by Director Anderson and seconded by Director Carson, it was

RESOLVED, To accept the permit for Unit 76-D for Heat Pump, as corrected by Inspector Salazar regarding completion date of 10/12/16, and the Heat Pump location centered as per Mutual Policy.

The MOTION failed. Findlay, Gillon, Sprague **Yes**.

Following a discussion on Unit 76-D, and upon a **MOTION** duly made by Director Anderson and seconded by Director Carson, it was

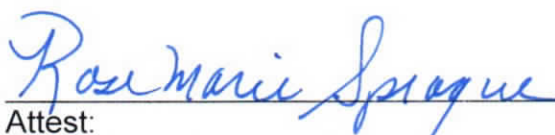
RESOLVED, To waive Policy 7499.12 and to accept Unit 76-D air conditioner to be installed to the side by Unit 76-C air conditioner with the completion date of 10/12/16, changed by Inspector Salazar and authorize the President to sign the permit.

The MOTION passed. Findlay, Gillon – **NO**.

The meeting was adjourned to Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 4:07 p.m.



Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
SESSION #1
September 13, 2016**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 2:00 p.m. on Tuesday, September 13, 2016, in Clubhouse Four, Section B.

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, and Directors Findlay, Anderson, and Carson. Also present were Project Manager Rudge, and 54 shareholders.

The purpose was a Town Hall Meeting to give Mutual Twelve shareholders an opportunity to participate in the decision of whether to adjust the 2017 budget for replacing all the buildings water distribution systems.

ADJOURNMENT

President Gillon adjourned the meeting at 3:35 p.m.



Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
cd:9/21/16

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
SESSION #2
September 13, 2016**

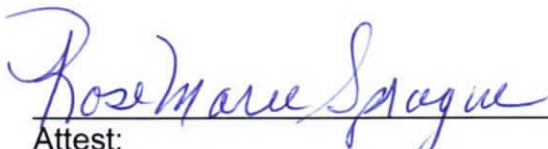
The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 6:32 p.m. on Tuesday, September 13, 2016, in Clubhouse Four, Section B.

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, and Directors Findlay, Anderson, and Carson. Also present were Project Manager Rudge, and 22 shareholders.

The purpose was a Town Hall Meeting to give Mutual Twelve shareholders an opportunity to participate in the decision of whether to adjust the 2017 budget for replacing all the buildings water distribution systems.

ADJOURNMENT

President Gillon adjourned the meeting at 7:50 p.m.



Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
cd:9/21/16

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
September 19, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:34 on Monday, September 19, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Findlay, Anderson, Carson
Also present: Inspector Salazar
Two Shareholders

The purpose of the meeting is to Review and or Approve GRF Building Permits, Invoice Approvals, Policy 7425.12 Review.

Following a discussion on 76E and on **MOTION** duly made by President Gillon, and second by Director Carson, it was:

RESOLVED: To approve the change order #2 for 76E to tile the shower and authorize the President to sign the change order.

The Motion passed

Discussion on 72F of issues with the completion of construction of the unit.

Discussion on 57B Director Findlay to meet with Inspector Salazar to resolve issues.

Discussion on 62F Inspector Salazar to address Shareholder's issue.

Discussion on 8J Vice President Fluharty to address Shareholder's issue.

Inspector Salazar left the meeting at 2:22 p.m.

The Board reviewed Policy 7425.12. Director Findlay will continue to draft revisions to the Policy 7425.12 for the Board review.

The meeting was adjourned to Executive Session. There were no Motions made in Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 3:20 p.m.

Rose Marie Sprague

Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
September 26, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:34 on Monday, September 26, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague. Directors, Findlay, Carson, Anderson

Also present: Inspector Salazar
One Shareholder

The purpose of the meeting is review and/or approve GRF permits, Mutual and Shareholder issues.

Discussion on 75C. President Gillon advised that the Executor of 75C had the ceilings scraped and carpet removed before being tested for asbestos.

Following a discussion on 75C and on **MOTION** duly made by President Gillon and second by Director Findlay it was:

RESOLVED, That the permit for 75C be signed by the President and Inspector Salazar in order to establish a paper trail.

The Motion passed.

Discussion on permit for 40G satellite dish mounting.

Following a discussion and on **MOTION** duly made by Director Findlay and second by CFO Ferraro it was:

RESOLVED, To approve the permit for satellite dish mounting at 40G and direct the President to sign the permit.

The Motion passed.

Discussion on 6E.

Following a discussion on 6E and on **MOTION** duly made by President Gillon and second by Director Findlay it was:

RESOLVED, That all costs for labor and repairs for 6E be billed to the Shareholder due to the fact that their air conditioner caused the damage. The Motion passed.

Discussion on 63L roof leak.

Following a discussion and on **MOTION** duly made by President Gillon and second by Secretary Sprague it was:

RESOLVED, To pay Trust One invoice #769 in the amount of \$1920.00 and #763 in the amount of \$2026.06 for repairs to 63L caused by a roof leak to be charged to the Emergency Reserve Fund.

The Motion passed.

The Board discussed the need for rain gutter and down spouts cleaning for the Fall.

Following a discussion and on **MOTION** duly made by Director Findlay and second by CFO Ferraro it was:

RESOLVED, To go out to bid for rain gutter cleaning including down spouts, work to be completed before Thanksgiving and Inspector Salazar to obtain quotes with bid specifications to include broom sweeping the roof in selective areas.

The Motion passed.

Inspector Salazar left the meeting at 2:57.

Discussion on revision to policy 7415.12. CFO Ferraro presented a draft of changes to the policy.

Discussion on dog letter approval.

Following a discussion and on **MOTION** duly made by President Gillon and second by Vice President Fluharty it was:

RESOLVED, To approve the final draft of the dog letter and send it to all registered dog owners in Mutual 12.

The Motion passed.

President Gillon discussed the Komen Arborist contract.

The Board reviewed changes to Policy 7495.12.

Following a discussion on Kress invoice and on **MOTION** duly made by President Gillon and second by Vice President Fluharty it was:

RESOLVED, To pay Kress invoice #127416 for \$5400.00 for copper repiping in 74D, 74E, and 74F with correction removing 46A and 46L if CFO Ferraro finds the invoice has not been paid.

The Motion passed.

The meeting was adjourned to Executive Session. There were no Motions made in Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 4:14



Attest:

Rose Marie Sprague, Secretary
SEAL BEACH MUTUAL NO. TWELVE
/RMS

MINUTES OF THE EMERGENCY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE
Wednesday, September 28, 2016
Physical Property Conference Room

CALL TO ORDER:

The Emergency Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 10:01 PM on Wednesday, September 28, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, CFO Ferraro, Directors Anderson, Carson, and Findlay.

MOTION made by President Gillon, and seconded by Director Anderson.

RESOLVED: To approve the permit for 72C flooring install and authorize the President to sign.

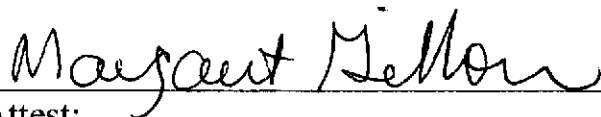
The motion was Carried.

Motion made by CFO Ferraro, and seconded by Director Findlay.

RESOLVED: To approve the permit for 45D install HVAC and authorize the President to sign.

The motion was Carried.

ADJOURNMENT: President Gillon adjourned the meeting at 10:15 AM.



Attest:

Margaret Gillon, President

SEAL BEACH MUTUAL NO. TWELVE

/MMG

MUTUAL TWELVE

**GOLDEN RAIN MONTHLY
SUMMARIES FOR**

OCTOBER 2016

(See information attached.)



AUGUST 2016-2017 MONTHLY SUMMARIES

ITS Committee Meeting • Monday, August 29, 2016 (October 3, 2016)

1. Old Business:

- a) Telephone System): The Committee concurred to approve the new Golden Rain Foundation Auto Assistant Tree.
- b) Digital Alert System: The Committee concurred to discuss and determine the uses for the new Digital Alert System at the next ITS Committee meeting; the Committee recommended it be addressed at the next Publications Committee meeting.
- c) Mutual Websites Management: The Committee requested the Executive Director provide a rough draft of the Mutual Websites Management Policy, including costs, at the next ITS Committee meeting.

2. New Business:

- a) Internet Café: The Committee concurred to refer the Internet Café project to the Recreation Committee.
- b) Digital Billboards in Clubhouses: Committee moved to purchase three 40" LG TVs, three Chromecasts, and three TV wall brackets for the Clubhouses Three, Five (Café area), and Six with the change in the proposed amount of \$1,441.92 to \$1,139.94 including the labor fees for the installation of six units, and not exceeding the total amount of \$1,400. The ITS Systems Analyst will provide a quote for a 70" TV for Clubhouse Two.
- c) Taking Off the Old AtHomeNet Website: The Committee concurred to request the ITS Systems Analyst determine the amount of time needed to re-develop the Mutual websites in WordPress. Additionally, the Committee and the ITS Systems analyst concurred to remove all content from the previous AtHomeNet LWSB website and replace all links to Mutual websites and the new WordPress LWSB website.

Special Recreation Committee Meeting • Wednesday, August 30, 2016

1. Old Business:

- a) Draft 2017 Budget, Cost Center 35, Library: Committee moved to Accept 2017 Budget assumptions for the Cost Center 35, as presented, and forward to the Finance Committee.
- b) Draft 2017 Budget, Cost Center 49, Janitorial: Committee moved to Accept 2017 Budget assumptions for the Cost Center 49, as presented, and forward to the Finance Committee.

Special Finance Committee Meeting • Tuesday, August 30, 2016

1. Old Business:

- a) Draft 2017 Budgets for Cost Centers 20, 22, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 45, 46, 48, 49, 51, 52, 53, 54, 55, 56, 60, 65, 70, 74, 75, 79 ADRC and MAC: Recommended to GRF BOD approval of 2017 budgets for Cost Centers 20, 22, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 45, 46, 48, 49, 51, 52, 53, 54, 55, 56, 60, 65, 70, 74, 75, 79 ADRC and MAC.



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- b) Review of Second Draft of the Reserve Study: The Committee concurred to review the second draft of the Reserve Study at a future meeting.

2. New Business:

- a) Amend Policy 5115-31, Finance Committee: Committee moved to recommend GRF BOD approve amendment of Policy 5115-31, Finance Committee to include “*Oversee all matters pertaining to Finance; Purchasing; Insurance (Excluding Workers Compensation); Investments; Reserve Study; Capital; Incoming Producing Leases; Fees and Management Agreements.*”

Strategic Planning Ad Hoc Committee Meeting • Tuesday, September 6, 2016 (October 4, 2016)

1. Old Business:

- a) Rebranding: The Committee concurred to narrow the presented mission and vision statements options at the next Committee meeting.

2. New Business:

- a) Clubhouse Two Multiuse and Picnic Area: No action was taken regarding these items.

Security, Bus & Traffic Committee Meeting • Monday, September 7, 2016 (October 5, 2016)

No Action taken.

Physical Property Committee Meeting • Monday, September 12, 2016 (October 10, 2016)

1. Old Business:

- a) Chair’s Report: Recommended Facilities Director obtain costs to repair west side of Annandale Drive, across from carport five.
- b) Movement Study, St. Andrews Gate: Project Coordinator advised that Requests for Proposal will be sent out; bids will be presented at the next Physical Property meeting.
- c) Movement Study, CAMUTCD: Project Coordinator advised that plan to request bids is being coordinated with Urban Crossroads.
- d) Paving Project: Recommended the Finance Committee approve funding of \$600,000 toward year one of the paving project.
- e) Vehicle Charging: Committee concurred to remove the item from the agenda.
- f) Amphitheater Bathrooms: Recommended Finance Committee approve funding, in the amount of \$50,350, for non-budgeted refurbishment of the Amphitheater’s ten restrooms, to be forwarded to the GRF BOD for approval.



- g) Pedestrian Gate off North Gate Road: Recommended Finance Committee approve non-budgeted funding, from Capital funds, not to exceed \$30,000.
- h) Additional Parking, Clubhouse One: The Committee voted to postpone discussion of this item.
- i) Landscaping at Administration and the Amphitheater: Recommended Finance Committee approve funding, in the amount of \$3,340 (\$2,840 plus \$500 contingency) and approve Spectrum Care Landscaping to perform landscaping work at the Administration Building and the Amphitheater.

2. New Business:

- a) Contractor Requirements: The Committee concurred to propose revisions to the contractor's requirement and review at the next Committee meeting, to be accepted by the Presidents' Council.
- b) Additional Concrete at Clubhouse Three: The Committee concurred to this agenda item at the next Committee meeting.
- c) Clubhouse One Golf Cart Parking: The Committee concurred to review this agenda item at the next Committee meeting.
- d) SCE Easement Request: Recommended to the GRF BOD for approval.
- e) Clubhouse Four Reserve Items: Recommended to the Finance Committee approval of funding, in the amount of \$16,345, for Huff-Cor to replace the wall divider covering, to be forwarded to the GRF BOD for approval; recommended to the Finance Committee approval of funding, in the amount of \$7,945, for Golden State Flooring to replace the carpet, to be forwarded to the GRF BOD for approval; recommended to the Finance Committee approval of funding, in the amount of \$22 500 for Hutton Painting to paint the interior, within approximately 10 business days, to be forwarded to the GRF BOD for approval; recommended to the Finance Committee approval of funding, in the amount of \$9,221 for S & K to replace the drapery at the dais, to be forwarded to the GRF BOD for approval.
- f) Amphitheater Parking Lot, North Wall: The Committee concurred to review this agenda item at the next Committee meeting.
- g) Close-off Golf Cart Traffic at Alley: The Committee concurred to move forward with the project.
- h) Chair Area around Post Office: The Committee concurred to review this agenda item at the next Committee meeting.
- i) Building Five, New Concrete on South Entry: The Committee concurred to invite a traffic engineer to present a proposal to increase parking at Building Five and Clubhouse Six at an upcoming Committee meeting.

2. New Business

- a) Fence Replacement at Golden Rain Road & St. Andrews Intersection: The Committee concurred to address the engineering costs, to be provided by the Facilities Director, at the next Committee meeting.



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- b) Clubhouse Four Bid Opening for Floor Replacement: Recommended to the GRF BOD approval of contract with Bixby Plaza Carpets, in the amount of \$79,422, for Clubhouse Four floor replacement.

Mutual Administration Committee Meeting • Tuesday, September 13, 2016 (October 11, 2016)

1. Old Business:

- a) Pet Policy: Concurred to accept President Damoci's offer to revise Policy 7501-Pet Ownership, extricating the Mutual references
- b) Board of Directors Reference Guide: Recommended to the GRF BOD acceptance of the Board of Directors Reference Guide
- c) Bereavement Work Book: Recommended to the GRF BOD approval of the Bereavement Work Book for distribution to shareholder/members, with the amendments of removing "scooter" and changing "cart" to "car" on page 8, under topic #16, "Car, golf cart, scooter, RV and all vehicle disposal".

2. Policies:

- a) Policy 1201-33, Photo ID Cards: Recommended to the GRF BOD amendment of Policy 1201--33, Photo ID Cards, to increase the cost of the first lost ID card from \$10 to \$20 and increase the cost of any subsequent lost ID card from \$15 to \$30.
- b) Policy 5536.1-33, Guest Passes: Recommended to the GRF BOD amendment of Policy 5536.1-33, Guest Passes, to establish a \$20 fee to replace a lost caregiver pass and a \$10 fee to replace a lost realtor's service pass; tentative amendment at the September GRF BOD meeting with final adoption in November.
- c) Policy 5061-31, Fees: Recommended the GRF BOD the tentative amendment of Policy 5061-31, Fees to increase the Co-Occupant Setup Fee from \$50 to \$100, increase the Certificate Preparation Fee from \$150 to \$250, increase the Escrow Transfer Fee from \$350 to \$500 and establish a \$75 fee for Powers of Attorney and Court Orders and establish a fee of **\$5 for additional maps requested**; tentative amendment at the September GRF BOD meeting with final adoption in November.

Architectural Design & Review Committee Meeting • Tuesday September 13, 2016 (October 11, 2016)

1. Old Business

- a) Correspondence: Committee Chair Hopewell and Committee members Reed and L. Stone will review the trees off Nassau Drive, prompted by correspondence from a shareholder/member in Mutual 9.
- b) Holiday Decorations: Recommended to the GRF BOD approval of a 2-year contract with Magical Holiday Designs, in the amount of \$33,750.



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- c) Logo: The Committee concurred to direct staff to forward recommended changes of the logo to graphic artist Trevor Ali for modification, to be reviewed at an upcoming Committee meeting.
- d) Clubhouse Four, General Renovations: Recommended to Physical Property Committee to accept a bid package, at a future meeting, to replace the glass cases in the foyer of Clubhouse four with decorative veneer stone (as selected for the back wall of the dais). Approved staff recommendation to replace the doors on the west side of the Clubhouse, to be accomplished in-house.
- e) Establish a Tree Approval Sub-committee: Subcommittee members appointed are Susan Hopewell, Chair, Joy Reed and Linda Stone.
- f) Main Gate Landscape: The Facilities Director will provide a proposal for the selection of a contractor of Main Gate landscaping at a future meeting.

2. Staff Report:

- a) Onsite Sales Office, Administration Planter Area: Recommended to the Tree Approval sub-committee selection of the plants for placement at the Astrolabe/Sun Dial and a water feature for the area.

Publications Committee Meeting • Wednesday, September 14, 2016 (October 12, 2016)

1. Old Business

- a) Profiles and Spadea: The Committee concurred to direct the Publications Manager to obtain a quote for a least 30 hardcover copies of Profiles.

2. New Business

- a) Clings on Buses: Voted to accept the use of "cling" advertisement on Leisure World buses, upon GRF BOD approval of a policy pertaining to the use, to be provided by the Publications Manager.
- b) Newspaper Advertising Rates 2017: Recommended to the GRF BOD approve proposed 2017 newspaper advertising rate increase of 7%, resulting in approximately \$16,500 in additional annual revenue.
- c) Digital Ads: Voted to approve Publication Manager's request to use digital advertising for online GRF Newspaper to increase value and distribution.
- d) Digital Alert System: The Committee concurred to refer the Digital Alert System back to the ITS Committee for further review and research.

3. Policies

- a) Adopt Policies 2865-36, PSAs and 286-35, Bilingual Advertising: The Committee concurred to refer these policies to the Policy Re-write sub-committee for further review.



Recreation Committee Meeting • Wednesday, September 14, 2016 (, 2016)

1. Old Business

- a) Table Tennis Club Correspondence: Committee moved to approve to allow the Tennis Club to place its logo within the assigned space. None of the other items are allowed to be placed outside of the space assigned to the Tennis Club.
- b) Additional Gym Equipment: Committee moved to deny a request for additional gym equipment purchase in Clubhouse Six.
- c) Draft 2017 Budget, Cost Center 35: Committee concurred to review draft 2017 budget for Cost Center 35 at the next Committee meeting.
- d) Amend Draft 2017 Budget, Cost Center 40: Recommended to the Finance Committee to amend the GL Account #6481500 (Community Entertainment – Recreation) of Cost Center 40 to reduce monthly dances to 3 times a month, which would lower the annual cost of the community entertainment by \$7,000.
- e) Draft 2017 Budgets for Cost Centers 45, 46, 48, 49, 51, 52, 53, 54 and 56: Recommended to Finance Committee approval of 2017 budgets for Cost Centers 45, 46, 48, 49, 51, 52, 53, 54 and 56.

2. New Business

- a) Clubhouse Three Lobby Clean-up: Committee moved to direct the Recreation Department staff to present a clean-up plan, achievable by November 1, 2016, at the September Committee meeting.
- b) Jigsaw Puzzle Placement: Moved to deny a request for jigsaw puzzles placement in various locations of Leisure World.
- c) Amphitheater Rules: The Recreation Manager advised the Committee that a memo to each group of performers was sent asking them to adhere to established standards during Amphitheater shows.
- d) Drone Service Club Bylaws: The Committee concurred to refer the Drone Service Club bylaws to the Recreation Manager for approval.
- e) Internet Café Concept: The Committee concurred to direct the Executive Director to provide a general concept plan at the September Committee meeting.
- f) Use of Rooms before Scheduled Meeting Time: The Committee concurred to direct the Recreation Manager to address the issue.



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- g) Adopt Policy, Amphitheater Dancing: Moved to recommend the GRF BOD adopt a policy to limit the amphitheater dancing to the upper platforms east and west of the stage.
- h) Use of Radio-controlled and/or Remotely-controlled Vehicles: Moved to prohibit the use of radio-controlled and remotely-controlled vehicles upon/within/above Trust Property, unless approved by the Executive Director of Golden Rain Foundation Board of Directors, in an emergency situation. These vehicles include, but are not limited to: cars, toys, drones, helicopters, and airplanes.
- i) Golf Course Sub-Committee: The Committee concurred to refer golf course and lake issues to the Executive Director, recommended a consultant be sought, and follow up with the Recreation Manager.

Executive Committee Meeting • Friday, September 15, 2016 (October 14, 2016)

1. Old Business

- 1. a) Change to Employer Maximum Contribution to the 401(k) Plan
Moved to recommend the GRF BOD rescind the Executive Committee's previous action recommending decreasing the employer maximum contribution from 4% to 3% to the Golden Rain Foundation 401(k) plan.
- b) Salary Survey: The Committee reviewed the salary survey provided by the Human Resources Director.

2. New Business

- a) Mutual Sixteen Candidates: The Committee concurred to hold a Special GRF BOD meeting to interview the candidates for the Mutual Sixteen GRF Representative vacancy on Monday, September 26, 2016 at 10:00 a.m. Further, the committee concurred on the format of the meeting.

3. Policies

- a) Rescind Policy 5101-30, Limitation of Term – Standing Committee Chairman: Committee moved to recommend the GRF BOD rescind Policy 4101-30, Limitation of Term – Standing Committee Chairman.

4. Sub Committee Report

- a) Emergency Preparedness Sub-committee Safety/Emergency Coordinator will present a flowchart of contacts in the event of a disaster for shareholders and seek to identify a single story building appropriate to hold the post-Shake Out table top exercise.

Finance Committee Meeting • Tuesday, September 20, 2016 (October 18, 2016)

1. Financials

- a) Accept August 2016 Financial Statements for Audit: Moved to recommend the GRF BOD accept the August 2016 Financial Statements for audit.



2. Old Business

- a) Accept Reserve Study: Moved to recommend the GRF BOD accept of the Reserve Study, dated September 6, 2016.

3. New Business

- a) CheckFreePay Corporation: Moved to recommend the GRF Board accept the CheckFreePay Application and Appointment Agreement for Payment Services and authorize the President to sign the Corporate Agent Verification Application and Appointment Agreement for Payment Services.
- b) Refurbishment of Amphitheater Restrooms: Moved to recommend the GRF Board approve non-budgeted funding to refurbish the Amphitheater restrooms, in an amount not to exceed \$53,000, materials charged to cost center 45. Refer to the Architectural Design & Review Committee for color selection of restroom partitions.
- c) Pedestrian Gate at Northwood Road: Moved to approve non-budgeted request for placement of pedestrian gate, not to exceed \$30,000 from Capital funds and refer to Physical Property Committee for exact location of gate.
- d) Landscaping at Administration and the Amphitheater: Moved to approve the non-budgeted request for the installation of new landscaping at the Administration Building and Amphitheater area, not to exceed \$4,000, from operating budget, cost center 79; work to be performed by Spectrum Care Landscaping.
- e) Wall Dividers, Clubhouse Four: Moved to increase Reserve funding for placement of wall dividers in the main assembly area of Clubhouse Four, ID Asset 0904, in the amount of \$16,345.
- f) Round Table Replacement, Clubhouses Two and Three: Moved to approve non-budgeted funding or the purchase of fifty 60" tables for Clubhouses Three and Four, in the amount of \$5,701.86, from G/L 6410020-52 and 6410020-53, Equipment Expense; vendor is SchoolsIn.
- g) Holiday Decorations: Moved to recommend the GRF BOD approve non-budgeted expense, in the amount of \$18,000 per year and a one-time purchase of a storage box (\$350) for a total of \$36,350, to enter into a contract with Magical Holiday Designs, from G/L 6481500-40, Community Entertainment.
- h) Benches for Building Five: Moved to approve non-budgeted funding for the purchase of three benches for the patio area outside of Conference Room B in Building B, not to exceed \$3,000, from G/L 6410020-55, Equipment Expense.
- i) Replacement of Workstations for Library Staff: Moved to approve non-budgeted funding for the purchase of two staff workstations at the Library, not to exceed \$5,300, from cost center 35; vendor is Talimar Systems, Inc.



4. Staff Report: Director of Finance

- a) Investment Recommendation: Moved to maintain financial ladder and use \$850,000 from maturing CDARs for the purchase of another 52-week CDAR at .45%.
- b) Liquidity: The Committee concurred to direct staff to leave liquid assets, in the amount of \$350,000, with BNY Mellon.

RECAP OF GOLDEN RAIN FOUNDATION BOARD ACTIVITY OF SEPTEMBER 27, 2016

Approval of Minutes

MOVED and duly approved to accept the minutes of the August 23, 2016 Golden Rain Foundation (GRF) Board of Directors (BOD) meetings, as amended.

Rescind Previous GRF BOD Action – Publication of GRF Board Minutes

MOVED and duly approved to rescind the previous GRF BOD action of July 26, 2016 to discontinue publication of the GRF BOD minutes in the Leisure World News.

Approve Appointment of GRF Representative for Mutual Sixteen

MOVED and duly approved the appointment of Suzanne Fekjar to represent Mutual Sixteen on the GRF BOD.

Rescind Policy 5101-30, Limitation of Term – Standing Committee Chairman

MOVED and duly approved to refer Policy 5101-30, Limitation of Term – Standing Committee Chair back to the Executive Committee for further consideration.

Accept August 2016 Financials for Audit

MOVED and duly accepted the August 2016 Financial statements for audit.

Accept Reserve Study, dated September 6, 2016

MOVED and duly approved to accept the Reserve Study, dated September 6, 2016, that includes the assumptions provided by the Finance Committee and utilizes Funding Plan #3, as indicated in the summary report.

Approve 2017 Operating Budget

MOVED and duly approved the 2017 Operating Budget of \$11,473,518 or \$144.69 per apartment, per month, an increase of \$0.54, per apartment, per month, over the 2016 operating budget.

Accept CheckFree Pay Application and Appointment Agreement

MOVED and duly approved to accept the CheckFreePay Application and Appointment Agreement for Payment Services in order to continue providing Southern California Edison payment services for shareholder/members and authorized the President to sign the two documents.



Approve Permit Fees – Physical Property Department – FINAL VOTE

MOVED and duly approved Physical Property Department permit fee of a minimum of \$25 or 1% of the project cost, whichever is greater, on all permits required by the Mutuals, to be effected January 1, 2017, pending the minimum 30 day (30) day posting and comment period. Final review and action was taken by the Board, taking into consideration three (3) pieces of correspondence received from shareholder/members pertaining to the topic.

Amend Policy 5115-31, Finance Committee

MOVED and duly approved to amend 5115-31, Finance Committee to exclude Workers' Compensation from the purview of the Finance Committee and add Fees as included in the purview of the Finance Committee.

Approve the Board of Directors' Reference Guide for distribution

MOVED and duly approved the Board of Directors' Reference Guide for distribution.

Approve Bereavement Workbook

MOVED and duly approved the Bereavement Workbook.

Amend Policy 1201-33, Photo ID Cards

MOVED and duly approved to **tentatively** amend Policy 1201-33, Photo ID Cards, to reflect an increase in the fee to replace a lost ID card (1st loss and replacement), to \$20, pending a minimum 30-day notification to the membership, and a final decision on November 22, 2016.

Amend Policy 5061-31, Fees

MOVED and duly approved to **tentatively** amend Policy 5061-33, Fees, to reflect an increase in Co-Occupant Setup fees, from \$50 to \$100; an increase in the Certificate Preparation Fee, from \$150 to \$250; an increase in the Escrow Transfer Fee, from \$350 to \$500; and the establishment of new fee, Power of Attorney and Court Orders, \$75 and new fee for additional maps, \$5, pending a minimum 30-day notification to the membership, and a final decision on November 22, 2016.

Amend Policy 5536.1-33, Guest Passes

MOVED and duly approved to refer Policy 5536.1-33, Guest Passes back to the Mutual Administration Committee for further consideration.

Southern California Edison (SCE) Easement Request

MOVED and duly approved to award an easement to SCE to relocate lines on Trust Property, per requested dated August 3, 2016, Service Order #TD1015088 and authorize the President to sign the Grant of Easement.

Refurbishment of the Amphitheater Restrooms

MOVED and duly approved to generally refresh ten (10) Amphitheater restrooms, per the estimate dated September 9, 2016, at a cost no to exceed \$50,350, funding from cost centers 45 and 74, work to be conducted by the Service Maintenance Department and final color pallet and materials selection to be evaluated by the Architectural Design Review Committee.



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2017 Proposed Increases in Newspaper Advertising Rates

MOVED and duly approved a 7% increase in the News Advertising Rates, effective 2017.

Replace Amphitheater Stage Risers

MOVED and duly approved to the purchase of new Amphitheater Stage Risers, from vendor Stage Right, in the amount of \$10,270.80, from the approved capital portion of the budget.

Holiday Decorations

MOVED and duly approved to a two (2) year contract with Magical Holiday Designs, for the lease and installation of holiday decorations at the Administration Building, the Medical Center, Clubhouse Six and the Security/Front Entrance, in the amount of \$33,750 and authorize the President to sign the contract.

Amend Policy 3050-37, Security Functions

MOVED and duly approved to refer Policy 3050-37, Security Functions, back to the Security, Bus & Traffic Committee for further review.

Adopt Policy 1927.1-37, Fines for Parking Rules Violations on Trust Property

MOVED and duly approved to refer Policy 1927.1-37, Fines for Parking Rules Violations on Trust Property, back to the Security, Bus & Traffic Committee for further review.

Adopt Policy 1927.2-37, Parking Rules Violation Panel

MOVED and duly approved to refer Policy 1927.2-37, Fines for Parking Rules Violations on Trust Property, back to the Security, Bus & Traffic Committee for further review.

Rescind Policies 1909-37, 1909.1-37, 1909.2-37, Restricted Speed Zones

MOVED and duly approved to rescind Policies 1909-37, 1909.1-37, and 1909.2-37, Restricted Speed Zones.

The minutes of the Board meeting will be published in the *Golden Rain News* upon approval at the next Board meeting.