

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL EIGHT  
July 24, 2017**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Eight was called to order by President Thompson at 1:33 p.m. on Monday, July 24, 2017, in the Administration Building Conference Room A, followed by the *Pledge of Allegiance*.

**ROLL CALL**

Present: President Thompson, Vice President/CFO Berg, Secretary Park, and Director Kline

Absent: Director Winslow

GRF

Representative: Mr. McGuigan was absent

Guests: Fourteen Mutual Eight shareholders

Staff: Ms. Hopkins, Mutual Administration Director  
Mr. Bristow, Security Services Director  
Mr. Hurtado, Building Inspector  
Ms. Day, Recording Secretary

**INTRODUCTION**

President Thompson welcomed the staff and guests to the meeting.

### **GUEST SPEAKERS – Mr. Bristow**

Security Services Director Bristow discussed with the Board the new changes that will be happening in Security as well as the improvements that will be coming in the future.

Mr. Bristow left the meeting at 2:00 p.m.

### **MINUTES**

President Thompson asked if there were any corrections to the June 26, 2017, Regular Meeting minutes. A correction was noted on page 6: the third paragraph, second line, the semi-colon should be removed. A correction was noted on page 9: the tenth paragraph, on the third line it should read "...at the Mutual's...." The minutes were approved as corrected.

### **BUILDING INSPECTOR**

Building Inspector Hurtado updated the Board on activity in the Mutual (attached).

Inspector Hurtado left the meeting at 2:07 p.m.

### **UNFINISHED BUSINESS**

The Board members discussed amending Policy 7406 – Encroachment onto Common Areas for Exclusive Private Use of Shareholder.

President Thompson discussed the Addendum to Occupancy Agreement and asked the Board members to read and familiarize themselves with the document.

## **NEW BUSINESS**

Ms. Hopkins gave an update on the Carport 102 fire.

The Board discussed amending Policy 7505.08 – Maintenance Responsibility (attached). Upon a MOTION duly made by Director Kline and seconded by President Thompson, it was

RESOLVED, To amend Policy 7505.08 – Maintenance Responsibility on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

President Thompson asked for a motion to rescind Policies 7301 – Audit Expense, 7302 – Capital Accounts, 7320 – Patronage Refunds, 7332 – Billings to Mutuals, 7334 – Investment Records, 7337 – Financial Reports, and 7340 – Accounts Receivable. Upon a MOTION duly made by Director Kline and seconded by Secretary Park, it was

RESOLVED, To rescind Policies 7301 – Audit Expense, 7302 – Capital Accounts, 7320 – Patronage Refunds, 7332 – Billings to Mutuals, 7334 – Investment Records, 7337 – Financial Reports, and 7340 – Accounts Receivable on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Secretary Park and seconded by Vice President/CFO Berg, it was

**NEW BUSINESS (continued)**

RESOLVED, To ratify the phone poll taken on June 27, 2017, to approve the purchase of emergency preparedness items, including moving of sheds, equipment, etc., at a cost of \$1,500.

The MOTION passed.

Recording Secretary Day left on break at 3:06 p.m. to 3:21 p.m.

The Board members discussed the Building Captain Responsibilities (attached). Upon a MOTION duly made by Director Kline and seconded by Vice President/CFO Berg, it was

RESOLVED, To adopt the Building Captain Responsibilities list.

The MOTION passed.

Following a discussion, it was the consensus of the Board members to postpone action until the bids for the trimming of the Mutual trees can be sent out.

Following a discussion on the Emergency Information Report flyer, the Board postponed action until the next Board Meeting.

President Thompson called a break at 3:35 p.m. to 3:45 p.m.

Vice President/CFO discussed the budget information for 2017-2018.



**NEW BUSINESS (continued)**

Secretary Park stated that he will be taking over the website duties. He discussed some of the changes he would like to implement.

President Thompson stated that Items j through n will be carried over to the next Board Meeting due to time constraints.

**MUTUAL ADMINISTRATION DIRECTOR**

Ms. Hopkins presented her updated Mutual Administration activities (attached).

**GRF REPRESENTATIVE**

Mr. McGuigan was absent.

**CHIEF FINANCIAL OFFICER'S REPORT**

Vice President/CFO Berg submitted her report (attached). Following a discussion, it was the consensus of the Board members to donate \$100 to the Y Service Club.

**DIRECTORS COMMENTS**

There were no Director comments.

**SHAREHOLDER COMMENT**

One shareholder made a comment.

**ADJOURNMENT**

There being no further business to conduct, President Thompson adjourned the meeting at 4:05 p.m. and announced an Executive Session would follow to discuss member issues.



Attest, K.C. Park, Secretary  
SEAL BEACH MUTUAL EIGHT  
Cd:7/25/17  
Attachments

(These are tentative minutes, subject to approval by the Board of Directors at the next Regular Board of Directors Meeting.)

**NEXT MEETING: REGULAR BOARD MEETING**  
**MONDAY AUGUST 28, 2017 AT 1:30 p.m.**  
**ADMINISTRATION BUILDING CONFERENCE ROOM A**

**In order to view the Minutes, Agendas, etc., for Mutual 08, please follow these directions:**

1. Go to LWSB website at: <http://www.lwsb.com>
2. Go across the black bar at the top of the webpage to the category called "Mutuals"
3. Scroll down to Mutual 08, click on Mutual 08
4. You are now on the website for MU 08

**You will see Minutes at the top and in the bottom also. Click on Minutes or what you want to view.**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF JULY 24, 2017**

07/24/17      RESOLVED, To amend Policy 7505.08 – Maintenance Responsibility on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To rescind Policies 7301 – Audit Expense, 7302 – Capital Accounts, 7320 – Patronage Refunds, 7332 – Billings to Mutuals, 7334 – Investment Records, 7337 – Financial Reports, and 7340 – Accounts Receivable on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To ratify the phone poll taken on June 27, 2017, to approve the purchase of emergency preparedness items, including moving of sheds, equipment, etc., at a cost of \$1,500.

RESOLVED, To adopt the Building Captain Responsibilities list.

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(08) EIGHT**

INSPECTOR: **George Hurtado**

MUTUAL BOARD MEETING DATE: **July 24, 2017**

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
186F	walkin closet, flooring	yes	03/29/17	11/15/17	no		LW Décor
182D	heatpump	yes	04/03/17	07/15/17	no		Greenwood
199I	heat pump	yes	04/24/17	06/03/17	no		Alpine
189B	heat pump	yes	04/24/17	06/01/17	no		Alpine
184K	400sq.ft. remodel,bath,kitchen	yes	03/30/17	09/25/17	no		Kang
191D	can lights	yes	05/08/17	06/30/17	no		Bergkvist
203I	deco blocks, screen door	yes	05/11/17	06/30/17	no		Bergkvist
186A	skylight	yes	05/19/17	06/30/17	no		Skylights Plus
181I	abatement	yes	05/11/17	06/20/17	no		Universal
197D	carport cabinet	yes	05/24/17	07/05/17	no		Handyman
197G	carport cabinet	yes	05/24/17	06/05/17	no		Handyman
197E	carport cabinet	yes	05/24/17	07/05/17	no		Handyman
189F	ADA shower	yes	05/24/17	07/06/17	no		Nu kote
191C	ADA shower	yes	06/01/17	07/15/17	no		Nu Kote
186C	windows	yes	05/31/17	07/31/17	no		Los Al Builders
198K	carport cabinet	yes	06/14/17	07/25/17	no		Handyman
198A	carport cabinet	yes	06/14/17	07/25/17	no		handyman
184L	cabinets, counters, shower	yes	06/19/17	06/30/17	no		Ogan
181D	dishwasher	yes	06/13/17	08/24/17	no		Ogan
182I	heat pump	yes	07/11/17	08/17/17	no		Yes
177C	windows, flooring	yes	06/28/17	09/10/17	no		Shik Builders
190A	carport cabinet	yes	06/28/17	08/10/17	no		Handymann
189D	heat pump	yes	06/12/17	09/30/17	no		Greenwood
198G	drop beam, bedroom remodel	yes	03/27/17	08/31/17	no		Los Al Builders
185K	kitchen skylight	yes	02/14/17	07/20/17	no		Mamuschia
ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
204D			06/06/17	06/08/17	06/20/17		
182F		05/30/17	06/14/17	06/14/17	06/30/17		
187K			06/14/17	06/19/17	06/29/17		
202A			05/25/17	05/25/17	06/07/17		
179G		05/04/17	06/28/17	06/29/17	07/12/17		

Pre-Listing Inspection NBO = New Buyer Orientation

Final COE Inspection ROF = Release of Funds

## INSPECTOR MONTHLY MUTUAL REPORT

**MUTUAL: (08) EIGHT**

**INSPECTOR: George Hurtado**

**MUTUAL BOARD MEETING DATE: July 24, 2017**

CONTRACTS									
CONTRACTOR				PROJECT					
John's Landscape				Mutual gardening					
So Cal Fire Protection				laundry room fire extinguishers					
Empire Pipe and Supply				Mutual sewer cleaning					
Fenn				termites and pests					

SPECIAL PROJECTS								
CONTRACTOR			PROJECT					

APARTMENT VISITS							

## VARIOUS

MUTUAL OPERATIONS**AMEND POLICY****RESIDENT REGULATIONS****Maintenance Responsibility – Mutual Eight Only**

WHEREAS, The Occupancy Agreement in Seal Beach Mutual Eight contains a provision under Article 11, Repairs, paragraph (b), whereby the Corporation shall (among other things) provide and pay for all necessary repairs, maintenance and replacements, except as specified in clause (a) of this Article. Clause (a) of Article 11 of the Occupancy Agreement stipulates that ~~E~~even though all expansions or permanent fixtures and appliances to the unit become Mutual property when attached to the building, under the Mutual Corporation's residential permit for alterations or additions, the owner/shareholder agrees not to look to the Golden Rain Foundation or the Mutual Corporation for reimbursement for the cost of the addition or the alteration, ...." and

WHEREAS, That any repairs, maintenance, or replacement of any cosmetic items, hardware, fixtures, and other non-standard additions and/or alterations (except permitted construction of interior and exterior walls, ceilings, and roofing) to the original building structure be the responsibility of, and all charges and costs for the maintenance, repair or replacement of same be paid by the owner/shareholder originally applying for the addition or alteration permit, and to the successor owner/shareholder of that unit.

Cosmetic items and non-standard additions and/or alterations shall include, but not be limited to, all glass, etched or paned windows, non-standard doors, decorative non-standard window/door framing or molding, skylight domes, brick or other facing material, non-standard electrical fixtures and lights, all non-standard flooring including carpeting, wood flooring of any kind, counters made of non-standard materials, non-standard added appliances and plumbing fixtures, non-standard bathroom fixtures, and non-standard cabinetry, ceiling fans, heat pumps, wall heaters, and screens and windows in patios.

Additionally, standard Service Maintenance repairs are performed without cost to the owner/shareholder, if such services do not result from negligence on the part of the owner/shareholder. Repairs include those which are necessary to maintain functionality of electricity, plumbing, and standard appliances.

Additionally, the Mutual will replace all standard smoke detectors and smoke detector batteries, the **10-year type**, at no cost to the owner/shareholder. This will include remodels except at the time of the construction when it is the owner/shareholder's **cost**.

THEREFORE BE IT RESOLVED, That a copy of this resolution, together with a list of all such cosmetic and non-standard additions and/or alterations added to the original unit building, be attached to the escrow agreement between the existing owner/shareholder and the successor owner/shareholder in order to inform all new successor owner/shareholders of such items, and of their obligation for the ongoing

**MUTUAL OPERATIONS****AMEND POLICY****RESIDENT REGULATIONS****Maintenance Responsibility – Mutual Eight Only**

maintenance, repair, and replacement of such items at their expense, and

BE IT FURTHER RESOLVED, That the existing owner/shareholder, upon the resale or sale of the unit, shall obtain a one-year warranty on each non-standard appliance and provide all warranties in the escrow packet. The cost of said warranty shall be equally shared with the new owner/shareholder.

BE IT ALSO RESOLVED, that if the owner/shareholder requests, Mutual Eight will pay 50 percent of the following standard items if they are over *20 years old*: countertops, ovens, cooktops, sinks, and toilets. This applies to refrigerators after *10 years*.

The Mutual will pay 50 percent of a Hi-Boy toilet cost when it is installed based on the need of the owner/shareholder.

**In the event of failure of a lighting ballast to the original bedroom/den soffit and kitchen light fixtures, a standard LED light fixture (supplied by the Purchasing Department) shall be installed at the Mutual's cost.**

**All units shall have SmartBurners installed at the Mutual's cost, per Policy 7426.08 – SmartBurners. If the standard stove top is not present in the unit, the Mutual will provide some other fire safety option, when reasonable. Consideration of fire safety is first choice when replacing standard stove top types. Deviation from a Mutual standard stove top requires approval from the Building Inspector in regard to fire safety.**

All other standard items (bath fans, shower doors, sinks, standard toilets, etc.) are replaced by the Mutual *ONLY* when they are non-functional and irreparable.

**MUTUAL ADOPTION**

EIGHT: 09-23-13

**AMENDMENTS**

02-23-15



**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Audit Expense – All Mutuals Except Five, Fifteen, Sixteen and Seventeen**

WHEREAS, in the past the audit expense has been charged to the year when the expense was billed and not for the year for which the audit was made

THEREFORE, BE IT RESOLVED that the audit expense be hereafter charged to the expenses for the year for which the audit was made. The audit expense for 1969 shall be charged to 1969 expenses.

**MUTUAL ADOPTION:****RESCIND**

ONE	04-30-70	
TWO	04-16-70	
THREE	04-20-70	
FOUR	04-06-70	
FIVE	04-03-70	Rescinded 10-19-16
SIX	04-24-70	
SEVEN	05-15-70	
EIGHT	04-09-70	
NINE	05-20-70	
TEN	03-30-70	
ELEVEN	04-02-70	
TWELVE	03-30-70	
FOURTEEN	03-26-70	
FIFTEEN:	04-02-70	Rescinded 07-21-14
SIXTEEN	04-09-70	Rescinded 02-07-2017
SEVENTEEN	N/A	

(Mar 17)



**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Capital Accounts**

Legal opinion from Attorney W. A. Williams in letter dated 28 Oct 70 to the Controller:

"One of the unfortunate aspects of each Mutual at Leisure World is the fact that it was set up as a general corporation in its inception. This, of course, requires it to be controlled by the general corporation laws for the State of California.

With respect first to dividends, it would be unlawful for the declaration of any kind of dividend out of these funds as, in my opinion, they constitute a paid-in surplus. Paid-in surpluses cannot be used for the payment of dividends except to shares entitled to preferential dividends. None of the shares in the Mutual Corporations qualify as shares entitled to preferential dividends. I would disagree with the position that the funds are available for patronage dividends. The only funds that I would view as available for patronage dividends are those funds paid in by the members as payments in excess of the budget and remaining at the end of the year. A liability can attach to the director and the shareholder receiving those payments if they are not authorized by law. California Corporation Code holds a liability of shareholders for receipt of an unauthorized dividend in Corporation Code 1510. Illegal declaration of dividends can constitute a misdemeanor in the State as set forth in the Penal Code for the State of California.

The only source of dividends that can be made is from earned surplus or out of net profits earned during the preceding accounting period which is not to be less than six months or more than one year. In this latter instance, such dividends can be declared despite the fact that the next assets of the corporation may be less than the stated capital unless there are liquidation preferences on some share, a problem which we do not have.

The fact that these funds, however, cannot be used for dividends does not prevent their use for proper corporate purposes, particularly the establishment of reserve accounts, and I see no reason why the funds cannot be used for reserve account needs or as you have indicated, by transfer within the capital accounts. However, these funds must be clearly designated in that the original stated capital must be set forth and the paid-in surplus must be also clearly identified. It cannot be shown as an earned surplus at any time. Actually, an earned surplus could occur if the payments of the resident exceed the budget requirement set forth at the beginning of the year.

The Board of Directors will have the power to take the necessary steps for transfer of capital funds so long as those steps are within the framework of the restrictions I have indicated."

(Oct 70)

**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Patronage Refunds****I. Legal Basis**

The Articles of Incorporation provide, under Article II for Mutuals 1 through 5, and Article III for Mutuals 6 through 16, that the Board of Directions may make refunds to stockholders as provided by the Bylaws and Occupancy Agreement. The Occupancy Agreement, under Article 3, provides that the corporation agrees that it will refund or credit to the member at the end of each fiscal year his proportionate share of such sums as have been collected in anticipation of expenses which are in excess of the amount needed for expense of all kinds, including reserves, in the discretion of the Board of Directors. The procedure recommended by FHA for such refund is stated in Section 2.

**II. Refund Procedure**

1. Mutual Boards should consider patronage refunds only at the close of a fiscal year.
2. A standard form of the resolution to be adopted by the Board is available for use.
3. The payment of any refund should be subject to two contingencies:
  - a. Completion of the audit, showing that the funds are available for payment.
  - b. The resolution, together with the statement of the auditors that the funds are available, should be submitted to FHA for approval prior to the payment of the refund.

**III. Suggestions**

Questions concerning the form to be used and the processing for FHA approval should be directed to the Executive Director.

Revised: 20 July 77

**RESCIND**

FIVE: 11-18-16

SIXTEEN: 02-07-17

(Jul 77)

**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Billings to Mutuals**

1. Billings to the Mutuals are generated by the Golden Rain Foundation. Any profit or loss is allocated back to the Mutuals at the year's end. There are basically three types of billings:

- A. SROs or service repair orders issued by the Service Maintenance Department for the Mutuals' maintenance needs and all community facility-related service costs.

Maintenance persons bill their work time to a corresponding area. Rates per hour charged by these departments are computed on a basis intended to recover wages, employer's taxes, depreciation of equipment, supplies, and other expenses. These rates are subject to periodic studies. Changes in rates result when increased costs exceed budgeted income.

- B. Administration, recreation, and maintenance of common areas and facilities not charged in item 1, warehouse facilities, property management, transportation, security, and shop repair, are billed to the Mutuals on a pro-rata basis according to the number of apartments. Each month, the Mutual receives a billing covering one-twelfth (1/12) of its budgeted expense.

- C. Billings for expenses paid by Golden Rain Foundation on behalf of the Mutuals and shared expenses:

- a. If it is a bill from an outside vendor specifying more than one Mutual, the Golden Rain Foundation pays it and bills the Mutuals.
- b. Shared expense, such as water charges and street lighting.

2. Mutuals are billed directly by outside vendors for their individual expenses.

Amended: Jul 87

Amended: Aug 00

Aug 00)

**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Investment Records**

Records of investments, time certificates of deposit and bank pass books and/or reconciliations are available for inspection at any time by the Mutual Directors. Mutual Directors desiring general information should call the Mutual Accountant for an appointment. No appointment is necessary, of course, if an unannounced audit is made.

Reissued Jul 87

**RESCIND**

FIVE: 11-18-16

(Nov 16)

**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Financial Reports****I. Monthly Reports**

The Accounting Department, under the direction of the Golden Rain Foundation Controller, prepares and distributes monthly financial reports to each Mutual Director. These reports consist of a balance sheet, an operating statement, which compares income and expenses to budget, detailed balances of the various reserve accounts, reconciliations of bank accounts, and the statements of cash receipts and disbursements of both the agency and the general accounts.

**2. Annual Financial Statement**

The Controller's Department prepares and distributes a preliminary year-end statement. Any necessary adjustments to this statement are made on completion of the audit. A copy of the annual statement is sent to each Mutual Director.

**3. Inquiries About Financial Statements**

The Controller is very willing to answer all questions pertaining to either the monthly financial statements or the published annual financial statements. However, it should be realized that the Controller's schedule is heavy, and that the established regulatory procedure is to request an appointment through the Chief Financial Officer or Treasurer of each individual Mutual corporation.

Reissued Jul 87

(Jul 87)

**MUTUAL OPERATIONS****RESCIND MUTUAL EIGHT****ACCOUNTING AND FISCAL****Accounts Receivable**

This position is responsible for maintaining tenant Accounts Receivable records, including Golden Rain Foundation annual dues, on a current basis. All inquiries regarding tenant delinquencies should be referred to this office.

**RESCIND**

FIVE: 11-18-16

SIXTEEN: 02-07-17

## **Building Captain Responsibilities Mutual Eight**

1. Welcome new shareholders.
2. Encourage Co-Captains to be involved.
3. Notify the assigned Director of the building of any physical property problems i.e. outages of walk lights, carport lights or issues, laundry room malfunctions or problems, sidewalk trip hazards, etc.
4. Notify the assigned Director of any deaths, shareholders moving to assisted living, family, etc. and all shareholder moves that create a vacant, unoccupied or seasonal use apartment.
5. Notify the assigned Director of any person(s) living in the building who appear unauthorized.
6. Notify Security immediately and any Director of suspicious persons loitering or suspicious actions around the buildings, carports, plazas or general areas.
7. Be a contact person for shareholders concerns and questions.
8. Circulate the monthly Board Meeting minutes, ensuring they are passed around. Mark with an 'X' any vacant or unoccupied apartment before the minutes start around the building.
9. Assist in passing out any literature/flyers from the Board of Directors, approved by the BOD.
10. Have a representative from your building attend meetings and seminars relating to Emergency Information, fire drills, disaster planning. The Building Captain may want to be the person selected but sometimes another shareholder has the interest or may reside in another building.

Building Captain of building #\_\_\_\_\_is \_\_\_\_\_

Phone # \_\_\_\_\_

Your Assigned Director of Building #\_\_\_\_\_ is \_\_\_\_\_.

Phone number is \_\_\_\_\_ Email is \_\_\_\_\_

6/20/17

# Mutual Administration Director's Report

## July 2017 Election Results Term 2017-2018

Mutual	President	GRF Directors
ONE	Saundra Luther-Stark	Richard Stone Leah Perrotti
TWO	Myrna Baker	Paul Pratt Paula Snowden
THREE	Carol Ginthner	Linda Stone
FOUR	Bob Slater	Joy Reed
FIVE	Dr. Betty Coven	Wayne Gould
SIX	Tom Dowd	Susan Hopewell
SEVEN	Sue Rotter	Kathleen Rapp
EIGHT	Camille Thompson	Steven McGuigan
NINE	Debra Schnauffer	Antonio Doderio
TEN	Ruthann Arlart	Ronde Winkler
ELEVEN	Phil Mandeville	Mary Ruth Greer
TWELVE	Margaret Gillon	Carole Damoci
FOURTEEN	Lee Melody	Barry Lukoff
FIFTEEN	Jackie Dunagan	Patrick Anderson
SIXTEEN	Al Grenrock	Susanne Fekjar
SEVENTEEN	Pete Hayes	Perry Moore

Mutual	# of Units	# of Estates at time of Election	Total # of Ballots Received	Total % of Members Voting	Total Votes Cast for Write-in Candidates Who Accepted Nomination	Total Votes Cast for Abstention Only	Total Votes Cast for Quorum Only
ONE	844	10	316	37%	0	11	2
TWO	864	22	400	47%	0	10	3
THREE	432	14	212	50%	0	1	1
FOUR	396	5	221	56%	3	2	2
FIVE	492	13	210	43%	22	2	2
SIX	408	9	204	51%	0	1	2
SEVEN	384	8	236	63%	0	0	1
EIGHT	348	6	187	54%	0	2	1
NINE	384	5	187	49%	134	9	1
TEN	276	4	159	58%	0	1	0
ELEVEN	312	No election this year; annual meeting only					
TWELVE	452	8	210	47%	0	5	0
FOURTEEN	328	5	239	73%	0	4	6
FIFTEEN	502	8	300	60%	0	0	1
SIXTEEN	60	0	36	60%	0	1	0
SEVENTEEN	126	7	77	64%	0	4	0

Mutual	Bylaw Amendment	Yes	No	Abstain	Passed
FIVE	Remove FHA, Eliminate Parcels, Eliminate Cumulative Voting & Institute Staggered Terms <i>Kaiser</i>	174	21	13	YES
NINE	Measure No. 1 - Eliminate Parcels <i>Rabkin</i>	118	32	36	NO
	Measure No. 2 - Institute Staggered Terms	110	36	40	NO
TEN	Measure No. 1 - Notice of Meetings <i>Rabkin</i>	140	1	18	YES
	Measure No. 2 - Proxies	125	15	19	YES
	Measure No. 3 - Secret Ballot	130	11	18	YES
	Measure No. 4 - Removal of Director	133	7	19	YES
	Measure No. 5 - Board Action without Meeting	117	24	18	YES
	Measure No. 6 - Annual Budget Report	141	1	17	YES
FIFTEEN	Eliminate cumulative voting and FHA requirement <i>Roseman/Zweig</i>	238	33	28	YES



**CFO Report, Mutual 8: 7-24-17**

Good Afternoon, thank you for coming to our meeting. For the month ending June 30, 2017, Mutual 8 is in sound fiscal health. Maintenance, Structural Repairs, Pest Control, and water were a little over budget, but not significantly. Year-to-date Legal Fees are over budget and expected to continue. Tree trimming will most likely also be over budget in the second half of the year.

The 2018 budget template was received last Thursday and materials have been sent, as requested, to our professional Reserve Analyst. The budget committee consists of the President, Clarence Fuqua, and myself. By the general Mutual meeting in August, most budget work should be completed.

I would also like to receive Board approval to donate \$100.00 to what was formerly known as the Wisemen. They are now known as the Y's-Club due to the many women joining. We have been using them to provide services to the Mutual and our members. It's a noteworthy service and can receive donations.

I have also renewed the Mutual's membership in the Community Association Institute. This organization provides instructional materials and education for the leaders of communities such as Leisure World.

Thank you again for all your support and helpfulness.

Ruth G. Mullins Berg, PhD. RN, CPNP-R  
562-936-1274. [rgmullins@sprintmail.com](mailto:rgmullins@sprintmail.com)

**Financial Overview**

**Month (July 24, 2017)**

**Income**

**This month**

**Year-to-Date**

**Total current income & contributions to capital  
(Including Regular Assessment, Reserve Funding, service income, & Interest Income)**

**Actual: 5,324      budget: 4,136**

**Actual: 29,144      Budget: 24,816**

**Variance: 1,188**

**Variance: 4,328**

**Excess income after off-budget items: 20,183**

**Expenses**

**(including Trust Maintenance, Utilities, Professional fees, Outside services, Taxes, insurance,  
Contribution to Reserves, Depreciation)**

**Actual: 114,931      Budget: 113,527**

**Actual: 692,876      Budget: 681,162**

**Variance: (1,404)**

**Variance: (11,714)**

**Annual unused budget: 669,417**

**Restricted reserves**

**Appliance: 29,782.47**

**Painting: 21,180.64**

**Roofing: 1,672,825.92**

**Total: 2,040,464.92**

**Emergency Reserve: 50,775.04**

**Infrastructure: 265,900.85**

**Total Net Worth & Liabilities: 4,632,637.09**

**BNY Mellon**

**Total market value plus accrued income: 1,259,083.05**

**Income this month: 2,536.85**

**Income year-to-date: 27,808.01**

**Bonds matured: 0**

**Bonds bought: Pending Purchase: 56,068.00 -- Contra Costa Ca Wtr (50 shares)**

P.O. Box 2069  
Seal Beach CA 90740

Jun Actual	Jun Budget		2017 Y-T-D Actual	2017 Y-T-D Budget
82,688	82,688	Carrying Charges	496,130	496,128
26,699	26,700	Reserve Funding	160,192	160,200
<b>109,387</b>	<b>109,388</b>	<b>Total Regular Assessments</b>	<b>656,321</b>	<b>656,328</b>
836	790	Service Income	4,744	4,740
2,187	1,506	Financial Income	10,034	9,036
2,302	1,840	Other Income	14,367	11,040
<b>5,324</b>	<b>4,136</b>	<b>Total Other Income</b>	<b>29,144</b>	<b>24,816</b>
<b>114,711</b>	<b>113,524</b>	<b>Total Mutual Income</b>	<b>685,465</b>	<b>681,144</b>
50,352	50,352	GRF Trust Maintenance Fee	302,112	302,112
8,809	8,161	Utilities	42,538	48,966
(376)	1,135	Professional Fees	13,140	6,810
21,247	20,101	Outside Services	125,487	120,606
8,202	7,078	Taxes & Insurance	49,408	42,468
26,699	26,700	Contributions to Reserves	160,192	160,200
<b>114,931</b>	<b>113,527</b>	<b>Total Expenses Before Off-Budget</b>	<b>692,876</b>	<b>681,162</b>
<b>(220)</b>	<b>(3)</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>(7,411)</b>	<b>(18)</b>
2,175	0	Depreciation Expense	12,772	0
<b>(2,395)</b>	<b>(3)</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>(20,183)</b>	<b>(18)</b>
(640)	0	<b>Restricted Reserves</b>		
2,167	0	Appliance Reserve Equity	29,782	0
6,667	0	Painting Reserve	21,181	0
1,449	0	Roofing Reserve	1,672,826	0
11,550	0	Emergency Reserve Equity	50,775	0
	0	Infrastructure Reserve	262,701	0
<b>21,192</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>2,037,265</b>	<b>0</b>

President's Report  
Board of Directors  
July 2017

Special thank you to returning and new shareholders who attended the Board Meeting at 1:30P 7/24/17. Yes, we encourage shareholders to come at the beginning of the meeting and speak to the Board about any business they feel is important. Then, a few leave and go about their day. That is fine! Most stay for the meeting but if you can't stay, please come just at the beginning for comments section.

Also very deep appreciation to all the shareholders who have tried to adjust to the smoke smell, soot, lookie-loos, noise and commotion after Carport 102 fire. Special thanks to Carports 102 and 103 car owners who have lost their spaces and try to find a place to park on Oakmont, etc. This has been awful. Buildings 177, 178, 179, 180 and 181 are all impacted. Your patience and tolerance has been noticed.

Carport Fire: Seven cars and one golf cart were lost to the fire on 7/2/17. On Thursday 7/27/17 the plan is to remove all the vehicles after a final inspection from the Carport 102. We might find out how the fire started in the next months. We know where it started but not how. The Orange County Fire Authority and the Golden Rain Fire Inspectors/Adjusters are working well together.

The carport will be fenced off after the cars are removed. By August 14, 2017 we hope to allow shareholders into the carport spaces 1-12 to retrieve their belongings. All affected shareholders receive written and email communication at least. We have to remove debris, burned up cabinets, burned overhangs, etc before we can allow shareholders into the structure. Carport

spaces 13-24 need to be very careful with their cabinets. Please be cautious because the backside of your carport especially by the roof may be destroyed.....Yes, I assume the entire carport will be unavailable while the building inspectors do their job.

The carport damage is partial, not a total at all. Once the debris and cars are removed, building inspected by GRF and City of Seal Beach, we will fix the damage.

The contents of the cabinets and golf carts appear to be covered under personal belongings with the HO-A insurance policies.

Everyone is required to carry insurance here in MU08 per policy 7701 found in our website. It is a case by case situation when claiming for replacements. The automobiles were covered by the shareholders' auto policies.

Get insurance coverage for your apartment and your automobile if you have neglected to do so. Please check about your coverage with your insurance professional. Carport 102 is an example very close to home...

More new information:

1. We can no longer use the phrase 'Emergency Preparedness' because it implies MU08 is preparing for each shareholder in the event of an emergency. We are not 'preparing for you'. You are preparing for yourself. We have to tell each shareholder that individually you must take care of your own safety, including water, food and first aid in an emergency. This is a big change from the last decade. Please figure out how to have your medicines in a good location to retrieve in a disaster. Never let your prescription bottles go down to almost empty. We will be

sending out more information in the next two months. "Things have changed".

2. I bought a little fire extinguisher at the GRF Store way down at the corner of LW. This little store will soon be in Building 5 on the first floor next to the Security Office by early August. The fire extinguisher cost \$5.15. That's a bargain!

3. Mutual Statistics: 71 extra guest passes issued to shareholders in MU08, 12 registered caregivers in the Mutual, 39 dogs, 14 cats, 2 others and 7 Service or Emotional Support dogs registered. We had two more new shareholders coming into the Mutual in June. Welcome! We are nearing \$60,000,000 in sales for 2017 in all Leisure World this June. Yes, we know it's a great place to live.

4. Your Board of Directors will be finishing the Budget for 2017-2018 by September. Aside from grass, trees, painting and patching, here are some of the issues we are looking at for the future. We like to do maintenance in Mutual 08 and save for the replacements in our reserve system.

Here are the hot topics for Physical Properties prepared by Mr. Winslow. This is not a complete list. Give us your ideas.

- ❖ repair and redoing driveways, sidewalks and lighting
- ❖ repair of roofs and termite damage. Reroofing starts in 2020 with the oldest roofs.
- ❖ plumbing including snaking all drains, fixing leaks
- ❖ inspecting drain systems with flushing and cameras.
- ❖ replacing all lighting with LED lights inside apartments
- ❖ adding SmartBurners to all stovetops by 2020.
- ❖ maintaining and replacing washers and dryers in laundry rooms, refrigerators, stovetops, ovens etc if the apartment has standard appliances.

- ❖ maintenance and replacement of solar panels and inverters for laundry room electricity.
- ❖ painting all buildings
- ❖ trimming of 315 trees including the 60' high ones!
- ❖ repair of sprinklers and draining systems within MU08.

What did we forget? Please call, email your Director and come to the August 28th meeting in Admin Building, upstairs.

Last, we are letting our Webmaster retire! H/She has worked hard for over two and a half years. It's time for a deserved retirement party! Director KC Park is assuming the role of Webmaster with our new WordPress site. We encourage you to start looking at the website for policies, information and all types of links to Leisure World bulletins, announcements, etc.

If you don't use the website/internet, please ask your emergency contact to go online and check for you once in awhile. Ask your children to check online. It's open to all the world to look at with the new system. We will not be sending you the link to the Minutes any more. You can check on our website to see the Minutes when they are posted. Agendas are also posted on the site. Our Website is:

**lwsb.com** Go across the black bar at the top of the webpage to Mutuals,  
scroll down to Mutual 08,  
click on Mutual 08  
and you are on the website for MU08. You will see Minutes at the top and in the bottom also. Click !!

Again, please do not expect MU08 to email you a link for the Minutes of the meetings anymore. The system has changed.  
Thank you. Camille Thompson, President MU08

**Important Notice:**

**Effective with this email, and until further notice, Mutual 8 will stop sending emails to shareholders with the direct link to Mutual 8's Board Meeting Minutes.**

However, you can access the minutes yourself, by using the following link to the **LWSB Mutual 8 website**: <http://www.lwsbmual08.com/>

**The Minutes may be accessed by clicking on the Minutes tab** on the black navigation bar. (This navigation bar is located on the top of the website). (Note: current and archived issues of the Mutual 8 Board Meeting Minutes are posted on this navigation bar.)

Additionally, every month, the most current Minutes are also posted in the Bulletin Board section of the Mutual 8 website. The GRF Information Technology Services staff has been, and will continue to be responsible for posting Mutual 8's Minutes (and Agendas) on the Mutual 8 Website.

(As always, current minutes are posted in the Laundry Rooms and another copy of the minutes is hand-routed to individual apartments.)

**Please note that effective with this email to Mutual 8 Shareholders, the email address for the Mutual 8 webmaster (mutual8webmaster@gmail.com) will no longer be active. This is the last email to individual shareholders with the direct link to the Mutual 8 Board Meeting Minutes.**

We want to thank our current Webmaster for starting the site and helping it through its second big transition. Please email KC Park, Board of Directors, if you have any questions. And thanks again to everyone who has helped us through stage 1 and stage 2 of our webpage!!

Camille Thompson, President  
thompsonrain23@gmail.com

KC Park, Board of Directors  
562-296-8324  
park.kee-chul@sbcglobal.net





## MUTUAL EIGHT

### SUMMARY REPORT – REVISED

Monday, July 24, 2017

Action/Request	Person Responsible
<b>1. New Business –</b>  RESOLVED, To amend Policy 7505.08 – <u>Maintenance Responsibility</u> on a preliminary basis until the 30-day posting period is completed.	Physical Property Building Inspector Service Maintenance Recording Secretary
<b>2. New Business –</b>  RESOLVED, To rescind Policies 7301 – <u>Audit Expense</u> , 7302 – <u>Capital Accounts</u> , 7320 – <u>Patronage Refunds</u> , 7332 – <u>Billings to Mutuels</u> , 7334 – <u>Investment Records</u> , 7337 – <u>Financial Reports</u> , and 7340 – <u>Account Receivables</u> on a preliminary basis until the 30-day posting period is completed.	Finance Department Diane Schultze Recording Secretary
<b>3. New Business –</b>  RESOLVED, To ratify the phone poll taken on June 27, 2017, to approve the purchase of emergency preparedness items, including moving of sheds, equipment, etc., at a cost of \$1,500.	Finance Department Diane Schultze
<b>4. New Business –</b>  RESOLVED, To adopt the Building Captain Responsibilities list.	Board