

BUILDING/UNIT _____

BUILDING CAPTAIN _____

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOURTEEN
June 20, 2017**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Melody at 1:04 p.m. on Tuesday, June 20, 2017, followed by the *Pledge of Allegiance*, in Building Five, Conference Room.

SHAREHOLDER COMMENTS

Several shareholders made comments or introduced themselves.

ROLL CALL

Present: President Melody, Vice President Jorgenson, CFO Faucett, Secretary Simon, and Directors Stefun, Moore and Shaddow

GRF
Representative: Mr. Lukoff

Guests: Twenty-six shareholders of Mutual Fourteen

Staff: Ms. Hopkins, Mutual Administration Director
Mr. Black, Building Inspector
Mrs. Aquino, Recording Secretary

President Melody welcomed staff members and guests.

MINUTES

President Melody asked if there were any corrections to the May 18, 2017, Special Meeting minutes. There being no corrections, the minutes were approved as written.

President Melody asked if there were any corrections to the May 18, 2017, Organizational Meeting minutes. There being no corrections, the minutes were approved as printed.

President Melody asked if there were any corrections to the May 31, 2017, Special Meeting minutes. There being no corrections, the minutes were approved as written.

SECRETARY/CORRESPONDENCE

Secretary Simon received two pieces of correspondences.

PRESIDENT'S REPORT

Mr. Melody presented his report (attached).

BUILDING INSPECTOR'S REPORT

Inspector Black presented his report (attached).

Following a discussion, and upon a MOITON duly made by Vice President Jorgenson and seconded by Director Stefun, it was

RESOLVED, To approve the aluminum awnings
for Unit 5-H and Unit 12-B.

The MOTION passed unanimously.

BUILDING INSPECTOR'S REPORT (continued)

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Director Stefun, it was

RESOLVED, To reject the patio request for Unit 3-A.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Director Stefun, it was

RESOLVED, To approve the patio request and aluminum awnings for Unit 17-D and Unit 17-E.

The MOTION passed unanimously.

The Board discussed the upcoming fire/health safety inspections. A special meeting will be held to discuss the scheduling for inspections, on June 30, 2017, at 9:00 a.m. Building 5, Conference Room B.

Inspector Black left the meeting at 1:31 p.m.

GRF REPRESENTATIVE'S REPORT

Mr. Lukoff submitted his report (attached).

MUTUAL ADMINISTRATION DIRECTOR'S REPORT

Ms. Hopkins presented her report (attached).

UNFINISHED BUSINESS

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Vice President Jorgenson, it was

RESOLVED, To ratify amended/posted Policy 7490.pb.14 – Performance Payment Bond.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Director Shaddow, it was

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION passed with one “no” vote (Stefun).

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Stefun, it was

RESOLVED, To ratify rescinded/posted policies 7301 – Audit Expense; 7302 – Capital Accounts; 7304 – Financing Capital Projects; 7305 – Depreciation-Straight Line Method; 7310 – Mutual Budgets; 7320 – Patronage Refunds; 7331 – Impounds; 7332 – Billing to Mutuals; 7333 – Income Items and Their Distribution; 7334 – Investment Records; 7335 – Cash Disbursements; 7336; – Shareholders' Interest 7337 – Financial Reports; 7340 – Accounts Receivable, and 7341 – Cashier Service.

The MOTION passed unanimously.

UNFINISHED BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Vice President Jorgenson, it was

RESOLVED, To rescind Policy 7311.14 – Authorization for Landscape/Grounds and Expenses on a preliminary basis until the 30-day posting period is completed.

The MOTION passed with one “no” vote (Stefun).

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by Director Shaddow and seconded by Secretary Simon, it was

RESOLVED, To list the selling price for Unit 48–J at \$219,900 and to authorize the President to submit all offers to the Board by e-mail, and to submit a vote by phone poll only.

The MOTION passed unanimously.

Following further discussion on the listing price of Unit 48–J, and upon a MOTION duly made by Director Shaddow and seconded by Secretary Simon, it was

RESOLVED, To amend the previous MOTION to state as follows; To list the selling price for Unit 48–J at \$219,900 and to authorize the President to accept the full price offer without a Board vote; submit all offers to the Board by e-mail, and to submit a vote by phone poll only.

NEW BUSINESS (continued)

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Director Shaddow and seconded by Secretary Simon, it was

RESOLVED, To purchase nine new corkboards to be placed in the Laundry Rooms including tax and shipping, at a cost not to exceed \$120.

The MOTION passed unanimously.

The Board discussed the 2018 Budget Planning Project. Following a discussion, it was the consensus of the Board to submit to Mr. Ankeny that the Mutual anticipates working on roofing, and re-piping as projects in 2018.

Following a discussion, and upon a MOTION duly made by Director Shaddow and seconded by Director Stefun, it was

RESOLVED, To set a policy allowing the number of vehicles per unit for Mutual 14 shareholders.

The MOTION failed with 5 “no” votes (Jorgenson, Simon, Faucett, Moore, Shaddow) and 1 abstention (Stefun).

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Stefun, it was

RESOLVED, To amend Policy 7210.14 – Annual Elections on a preliminary basis until the 30-day posting period is completed.

The MOTION failed.

NEW BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Stefun, it was

RESOLVED, To amend the Bylaws regarding candidate eligibility, and to place the amendment on the ballot for the next Annual Shareholders' meeting.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Vice President Jorgenson and seconded by Director Shaddow, it was

RESOLVED, To amend Policy 7210.14 – Annual Elections on a preliminary basis until the 30-day posting period is completed.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To amend Policy 7425.14 – Landscape, Garden, and Common Area on a preliminary basis until the 30-day posting period is completed.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Vice President Jorgenson and seconded by Secretary Simon, it was

NEW BUSINESS (continued)

RESOLVED, That 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 Mutuals cost.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by CFO Faucett, it was

RESOLVED, To reject the following resolution recommendation from GRF as follows;
RESOLVED, That according to Policy 7510.14, if there is a question of financial eligibility, Mutual Fourteen is NOT to be contacted by the Stock Transfer Office in the event of a non-qualifying financial issue.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To send a letter to the Golden Rain Foundation to state that Policy 7510.14 – Eligibility Requirements, and all Mutual Fourteen policies, are to be followed as written.

The MOTION passed unanimously.

CHIEF FINANCIAL OFFICERS REPORT

CFO Faucett presented his financial report (attached).

COMMITTEE REPORTS

Landscape

President Melody presented his report (attached).

Emergency Information Committee

Director Shaddow presented her report (attached).

Caregivers

Secretary Simon presented her report (attached).

Pets

Director Moore presented her report (attached).

DIRECTORS COMMENTS

Several Directors made comments.

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Stefun, it was

RESOLVED, To appoint Kurt Bourhenne as an
Advisory Director for the 2017-2018 term of
office.

The MOTION passed unanimously.

ANNOUNCEMENT

The Board will hold a special meeting on Friday, June 30, 2017, at 9:00 a.m. in Building 5 Conference Room B.

SHAREHOLDER COMMENTS

Several shareholders made comments.

ADJOURNMENT

President Melody adjourned the meeting at 4:02 p.m. and announced that there would be an Executive Session following the meeting to discuss member issues.

Attest, Susan Simon, Secretary
SEAL BEACH MUTUAL FOURTEEN
ka:6/21/17
Attachments

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

**NEXT MEETING: Tuesday, July 18, 2017, at 1:00 p.m.,
in Building 5, Conference Room B**

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF JUNE 20, 2017**

06/20/17 RESOLVED, To approve the aluminum awnings for Unit 5-H and Unit 12-B.

RESOLVED, To reject the patio request for Unit 3-A.

RESOLVED, To approve the patio request and aluminum awnings for Unit 17-D and Unit 17-E.

RESOLVED, To ratify amended/posted Policy 7490.pb.14 – Performance Payment Bond.

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To ratify rescinded/posted policies 7301 – Audit Expense; 7302 – Capital Accounts; 7304 – Financing Capital Projects; 7305 – Depreciation-Straight Line Method; 7310 – Mutual Budgets; 7320 – Patronage Refunds; 7331 – Impounds; 7332 – Billing to Mutuals; 7333 – Income Items and Their Distribution; 7334 – Investment Records; 7335 – Cash Disbursements; 7336; – Shareholders' Interest 7337 – Financial Reports; 7340 – Accounts Receivable, and 7341 – Cashier Service.

RESOLVED, To rescind Policy 7311.14 – Authorization for Landscape/Grounds and Expenses on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To list the selling price for Unit 48-J at \$219,900 and to authorize the President to submit all offers to the Board by e-mail, and to submit a vote by phone poll only.

RESOLVED, To amend the previous MOTION to state as follows; To list the selling price for Unit 48–J at \$219,900 and to authorize the President to accept the full price offer without a Board vote; submit all offers to the Board by e-mail, and to submit a vote by phone poll only.

RESOLVED, To purchase nine new corkboards to be placed in the Laundry Rooms including tax and shipping, at a cost not to exceed \$120.

RESOLVED, To amend the Bylaws regarding candidate eligibility, and to place the amendment on the ballot for the next Annual Shareholders' meeting.

RESOLVED, To amend Policy 7210.14 – Annual Elections on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To amend Policy 7425.14 – Landscape, Garden, and Common Area on a preliminary basis until the 30-day posting period is completed.

RESOLVED, That 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 Mutuals cost.

RESOLVED, To reject the following resolution recommendation from GRF as follows; RESOLVED, That according to Policy 7510.14, if there is a question of financial eligibility, Mutual Fourteen is NOT to be contacted by the Stock Transfer Office in the event of a non-qualifying financial issue.

RESOLVED, To send a letter to the Golden Rain

**BOARD OF DIRECTORS
MUTUAL FOURTEEN**

June 20, 2017

Foundation to state that Policy 7510.14 – Eligibility Requirements, and all Mutual Fourteen policies, are to be followed as written.

RESOLVED, To appoint Kurt Bourhenne as an Advisory Director for the 2017-2018 term of office.

DRAFT

Presidents Report

June 20, 2017

Hello everyone. Welcome to the first regularly scheduled board meeting of the new year. We have already had 2 special meetings, one on May 18th following the Annual Election, and another on May 31st. For those who didn't attend, the minutes have been posted and are circulating. The 17/18 board has much work to do as you can see from today's agenda.

I would like to thank the Neighbor 2 Neighbor group for their outstanding job of planning, purchasing and serving at our Annual Luncheon and also coming in under budget. They were also able to deliver many lunches to shareholders who were unable to attend the annual meeting. Neighbor 2 Neighbor has also agreed to plan, purchase and serve at the annual picnic scheduled for Saturday, August 26, 2017. The budget for the picnic will be on next month's agenda.

I am sad to say that lately we have been having a conflict between shareholders with regard to parking. It should be understood that the only assigned parking in M14 is the carport assigned to each shareholders unit. All other parking is on a "first come, first served" basis. It doesn't matter if a parking place is next to your unit, it's not yours. Please be advised that we will be putting out a notice stating this and everyone will be requested to call Security and their Building Director should they be confronted by an unfriendly shareholder claiming parking places as their own. No one should have to defend their right to legally park wherever they so choose.

As reported in my comments at the May 18th special meeting, the Mutual is continuing in its attempt to resolve the issues regarding

Mechanic's Liens from Roofline Supply and Kellie Vaughn, our previous roofing contractor and their supplier. The Mutual will be attending a mediation later this week with them, and GRF, in the hope of reaching a satisfactory solution.

As also mentioned in that report, Mutual 14 exercised its option to purchase unit 48-J in accordance with the Mutual By-laws. The purchase has been completed and at today's meeting the board will discuss and vote on the asking price. The unit will be offered on the MLS as a sale by Mutual 14, offering a 3% commission to the buying agent. This will save the mutual 2 1/2% of the final selling price in commissions.

It is unfortunate that I am once again need to address the "fake news" still circulating. We do NOT set selling prices of units. We DO allow snowbirds. The President DOES NOT control the board. The President DOES NOT vote on any motion except to break a tie and this has only occurred twice in the last 2 years. Please do not participate in the "fake news". Ask your building director or your corporate officers.

As we celebrate the summer solstice tomorrow, I wish everyone a happy and safe summer.

Respectfully submitted,

Lee Melody, President

Notice for Mutual 14 Residents



PARKING SPACES CAN NOT BE RESERVED.
THE ONLY ASSIGNED PARKING IS YOUR
CARPORT SPACE.

ALL OTHER PARKING SPACES ARE FOR
MUTUAL 14 RESIDENTS AND THEIR GUESTS.

Please follow all Mutual 14 policies or fines may be imposed.

By: Mutual 14 Board of Directors

ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
14-15L		08/05/16					
14-2J		08/10/16					
14-51C			11/28/16	12/02/16	12/13/16		
14-31D		12/20/16			05/24/17		
14-44G		12/22/16					
14-32C		04/11/15		05/08/17	05/23/17		
14-12E		04/11/17	06/01/17	06/06/17	06/16/17		
14-4B		04/07/17	04/12/17	04/12/17			
14-48J				05/24/17	05/31/17		
14-17C			6/14*/17				

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

CONTRACTS		
CONTRACTOR		PROJECT
Fenn Pest Control		termite and pest control - new contract ineffect 7/1/17
Bright View Landscape.	Landscape:	on going landscape
Roofing Standards	Roofing:	completed all buildings. bldgs. 18,24, 20, 21, 25, 26 22 and 54 for 2017- contract signed, will walk these buildings for skylights and stovehoods
Advance Painting		Painter is almost complete with interior and exterior touch ups due to roofing
John Nelson Plumbing	Re-piping :	Spreadsheet and contract being put together now for bldgs. 2,3,4,5,12,13,17,16,15,20,25 and 26, 3 of these bldgs. Have laundry rooms to do in 2017. will have to inspect these buildngs for a complete contract fixture count
Concrete :		three areas in the mutual that need attention, 3F, 17D and 25A. Total approximate sq. 570sq.ft. @ 10.25 per sq. = 5842.50 best option. Keep in mind if there are pole lights, sweeps should be re-piped.

Shareholder and Mutual Requests	
14-13C - skylight order	
5/31/17 - special meeting, appliances, pest control	
14-32G - skylight issue	
14-29A - attic access	
14-23F - inspection	
14-13E - meet with adjuster (water damage)	
6/13/17 post for interior paint touch ups due to roofing	
6/16/17 inspect bldgs. 13 and 19 for paint touch ups	
6/20/17 - BOD meeting	
14-5H - BOD approval for awing	
14-12B - BOD approval for awing	
14-17D - patio approval BOD approval	
14-17E - patio approval BOD approval	
14-2A - patio approval BOD approval	

Seal Beach Mutual 14
GRF Representative's Report
June 20, 2017

During the last 30 days all of the Mutuals and half of the GRF Board was up for election. Due to these elections, nearly all regular committee meetings were cancelled so there is nothing special to report to you. As you can see at our table we have the same people representing us as last year. The GRF Board saw 3 changes in representatives. Mutuals 5, 9 and 15 sent new directors to our board.

The new board elected Linda Stone from Mutual 3 as president of the foundation. The vice-presidents position went to last years president Carole Damoci from Mutual 12. Joy Reed of Mutual 4 was returned to the office of corporate secretary and yours truly was elected Treasurer.

Serving on either the GRF or your Mutual board is a great honor. It reflects the collective judgement of your neighbors in your integrity and your abilities. But this community has a major challenge: People willing to serve on Mutual and GRF boards. Mutual 11 had no director run for the position, forcing Mary Ruth Greer to generously postpone her retirement and continue to serve until a replacement can be found. Under our by-laws, if there is no director elected from a mutual, the GRF board must pick someone to represent those shareholders. And that chosen director does not have to live in that particular mutual. This is already the case for Mutual 16.

Admittedly, being on a board of a condo or co-op is no picnic. There are many decisions to be made, disputes to settle, finances to keep track of and late night telephone calls for leaky pipes. So why do so many people decide to serve on a board—some for years at a time? Even though it's easy to lose sight of them under the pressure and responsibility, there are benefits to being on a board.

One of the better-known benefits of volunteering is the impact on the community. Volunteering allows you to connect to your community and make it a better place. Even helping out with the smallest tasks can make a real difference to the lives of people and organizations in need.

Seal Beach Mutual 14
GRF Representative's Report
June 20, 2017

And volunteering is a two-way street: It can benefit you as much as the cause you choose to help. Dedicating your time as a volunteer helps you make new friends, expand your network, and boost your social skills.

Volunteering is a great way to meet new people, especially if you are new to an area. It strengthens your ties to the community and broadens your personal support network, exposing you to people with varying interests, neighborhood resources and activities. Did you know that Volunteering combats depression? Volunteering keeps you in regular contact with others and helps you develop a solid support system, which in turn protects you against depression. And did you know that volunteering makes you happier? By measuring hormones and brain activity, researchers have discovered that being helpful to others delivers immense pleasure. Human beings are hard-wired to give to others. The more we give, the happier we feel. Volunteering also provides a sense of purpose. Older adults, especially those who have retired or lost a spouse or partner, can find new meaning and direction in their lives by helping others. Whatever your age or life situation, volunteering can help take your mind off your own worries, keep you mentally stimulated, and add more interest to your life. Volunteering also helps you stay physically healthy. Studies have found that those who volunteer have a lower mortality rate than those who do not. Volunteers are less likely to develop high blood pressure, and have better thinking skills. Volunteering can also lessen symptoms of chronic pain and reduce the risk of heart disease.

Mahatma Gandhi said

“The best way to find yourself
is to lose yourself
in the service of others.”

There are many wonderful things that will never be done if you do not do them, and volunteering for me, is one such thing.

Respectfully Submitted

Barry Lukoff

Mutual Administration Director's Report June 2017

SPOTLIGHT ON ENTERTAINMENT Year of the Tribute

The 2017 Amphitheater Season, Leisure World's free summer music series, kicks off on June 29. Shows are held on the stage of the 2,500-seat Amphitheater at the Administration complex and starts at 8 p.m. until September, when they start at 7:30 p.m.

Amphitheater, Thursday Night Show schedule:

1. June 29 Desperado: The Premier Eagles Tribute Band
2. July 6 Garratt Wilkin and the Parrotheads: A Celebration of Jimmy Buffett's Music
3. July 13 Kenny Metcalf as Elton John
4. July 20 The Bird Dogs present The Everly Brothers Experience
5. July 27 Rumours: The Ultimate Fleetwood Mac Tribute
6. August 3 The Garth Guy featuring Dean Simmons The Ultimate Garth Brooks Tribute Show
7. August 10 Stayin' Alive: Tribute to the Bee Gees
8. August 17 The Temptations Revue
9. August 24 Gregory Wolfe as Rod Stewart
10. August 31 December '63: Tribute to Frankie Valli & the Four Seasons
11. September 7 America's Diamond Live featuring Jay White
12. September 14 The Highwaymen Live: A Tribute to Johnny Cash, Willie Nelson & Waylon Jennings

Free Summer Service ~ GRF Minibus service is available for the summer Amphitheater season. A bus will run from 6:30 p.m.-7:55 p.m., making five stops at the Amphitheater.

Flag down the bus from any curb ~ Passengers can flag down the blue-and -white busses from any curbside location along the path of the route. Pick up a copy of the Spotlight and see pages 26 and 27 for the route.

Home Delivery ~ minibuses will be available for boarding about 15 minutes before the show ends. Following the concert, minibus drivers will transport passengers to any safely accessible location near their LW homes. If buses become full, the driver will return to pick up remaining passengers.

Amphitheater Movies ~ All movies start at 8:30 p.m.

1. July 7 The Magnificent Seven
2. July 21 Sully-Miracle on the Hudson
3. August 1 Miss Peregrine's Home for Peculiar Children
4. August 11 Jack Reacher
5. August 18 Queen of Katwe
6. August 25 Deepwater Horizon

Come out and enjoy the summer nights in your community

MUTUAL OPERATIONS

ADOPT DRAFT POLICY

PHYSICAL PROPERTY

Performance/Payment Bond – Mutual Fourteen

RESOLVED, Performance/Payment Bonds – permits for any construction work valued at more than \$10,000 to be performed in Mutual Fourteen shall require a Performance/Payment Bond that shall provide sufficient funds to Mutual Fourteen to complete work in the event it is not completed by the date stated in the permit for any reason, if:

1. The contractor has not been completing more than \$100,000 in contracts in Leisure World Seal Beach per year, for the last three years.

DRAFT

MUTUAL ADOPTION

FOURTEEN:

(Draft created 05-19-17 cd)

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen****A. Carport Use**

1. Carports are to be used for parking of self-propelled land vehicles in operating condition; e.g., car, truck, motorcycle, scooters, golf carts, and a power wheel chair may occupy your carport. Stored items may include 2 bicycles, 2 tricycles, 1 broom, 1 ladder, 1 step stool, 1 shopping cart or wagon, and 1 dolly or hand truck. Vehicles and stored items belonging to a shareholder must not infringe upon another shareholder's space.
 - a. Any vehicle without proof of current valid State registration may not be parked in Mutual Fourteen at any time.
 - b. Any vehicles without a Seal Beach Leisure World decal on windshield or pass displayed may not be parked on Mutual property.
 - c. All parking permits must be displayed on dashboard of vehicle identifying Mutual Fourteen building and unit number.
 - d. Vehicles in violation are subject to immediate tow away at owner's expense.
2. Current fire regulations prohibit the storage of fuel, oil or any combustible materials in the carport areas.
3. All vehicles when parked in the carports must be headed in and must not protrude outward beyond drip line.
4. Mechanical repairs on vehicles are not permitted to be performed in a carport, except for simple flat tire repair or jumping of a battery.
5. In accordance with Seal Beach Municipal Code 9.20.010, any vehicle leaking oil, antifreeze, or any other hazardous material is prohibited from parking in a Mutual carport or on a Mutual street or driveway.
6. In the absence of an authorized vehicle for parking, the carport floor space may NOT be used as a storage area, whether free-standing or in a container. Boats or trailers of any size or kind may not be parked in the carport.
7. If a carport is found to be in violation by the Director, a notice will be given to the shareholder to seek compliance. The material(s) stored in violation must be removed within ten days of a verbal and/or written notice to the shareholder. If the shareholder fails to cure the regulation violation(s) the board will have service maintenance remove and/or correct the items in violation and charge the expense to the shareholder. All

MUTUAL OPERATIONS

AMENDED POLICY DRAFT

SHAREHOLDER REGULATIONS

Carport Regulations – Mutual Fourteen

items removed will be considered to have been abandoned and therefore will not be returnable at a later date.

B. Carport Assignments

1. Carport assignments are controlled by the Mutual Corporation and a record of assignments is kept in the Stock Transfer Office of the Golden Rain Foundation.
 - a. Any vehicle parked in a carport must bear a current vehicle decal issued by the Golden Rain Foundation Security Department, ~~except as stated in Section 2 a. and 2 b. 2.~~ **or guest pass or permit signed by a Mutual Fourteen Director and placed on the vehicle's dashboard lower left corner.**
2. Carport space may not be rented to or used by anyone who is not a shareholder of Mutual Fourteen and a member of the Golden Rain Foundation.
 - a. ~~The carport assignee may allow temporary, short-term parking of a vehicle used by a house guest. A temporary parking permit must be filled out and signed by a Director and placed on the vehicle's dashboard lower left corner (permits available at Stock Transfer).~~
 - b. A shareholder temporarily using the assigned carport of another shareholder for less than one month must obtain a temporary parking permit to be filled out and signed by a Director and placed on the vehicle's dashboard lower left corner (permits available at Stock Transfer).
 - 1) Rentals intended for longer than a month shall be registered with Golden Rain Foundation by the completion of a Rental Form filed with the GRF Stock Transfer Office, with copies to the Mutual Corporation and to Security.
 - 2) A shareholder temporarily using the assigned carport of another shareholder for less than one month need only notify a Director and have a note containing the date, shareholder's name and unit number on the dashboard or in a location visible from the outside.
 - 3) The rental is only temporary and is valid only so long as both participating parties agree.
 - 4) The rental is automatically terminated by the transfer of ownership of either party's unit.

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen**

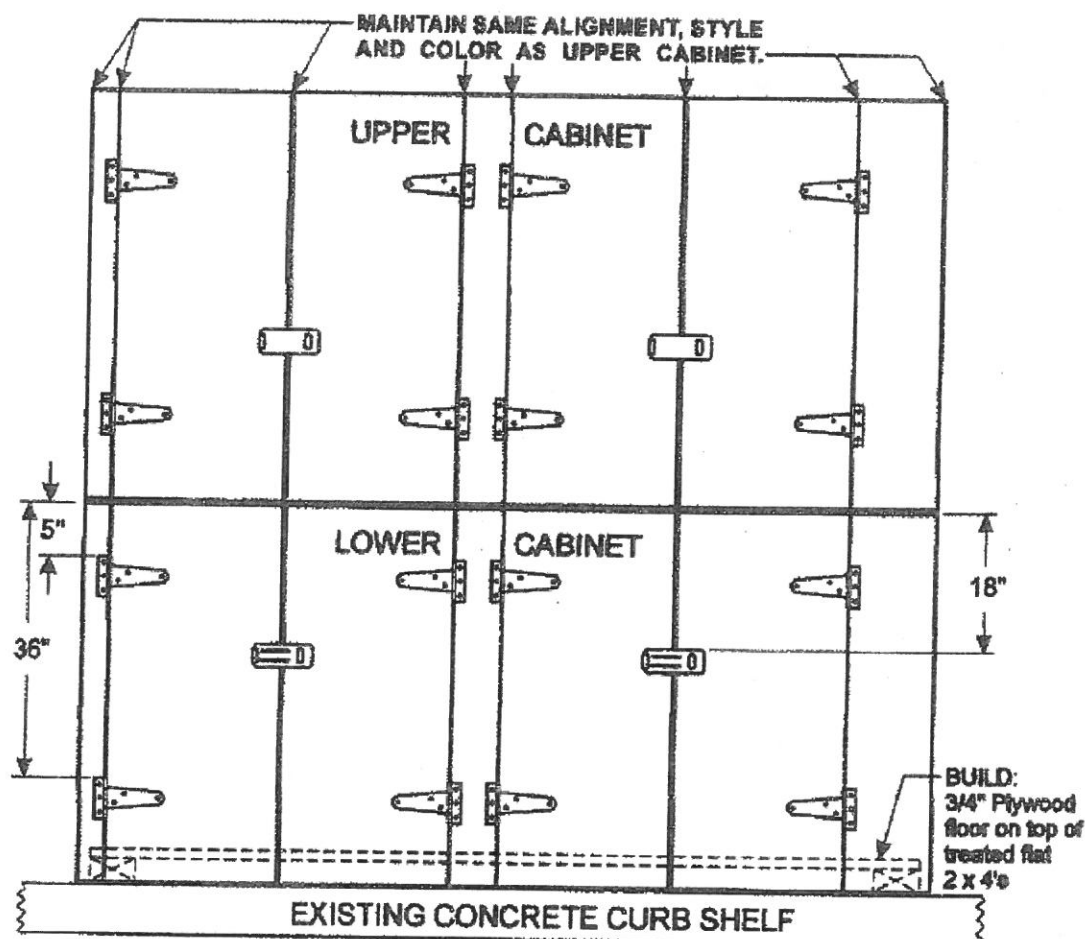
- 5) At all times, the Mutual Corporation retains the authority to revoke and cancel a carport rental agreement at its discretion.
3. Cars or self-propelled land vehicles parked in a carport in violation of the carport policy herein stated may be towed without further notice in accordance with Policy 7582, Towing, provided that two directors sign the directive for towing.
- C. Carport Maintenance
 1. Shareholders may take reasonable steps to protect their vehicles from damage caused by birds or wild animals.
 - a. Wildlife-friendly methods of discouraging bird nesting and droppings, including hanging of CD or DVD discs, metal or wooden slants to block perches, wire, fishing line or store-bought deterrents are allowed.
 2. Carports shall be maintained by the Shareholder by removing unsightly oil, anti-freeze coolant, grease, and emission spots.
 - a. Shareholders shall remove all oil spots upon discovery. If shareholder fails to remove the spot(s), the shareholder shall be notified of the spill and be given ten business days to have the spot(s) cleaned up. If the shareholder does not remove the spot(s), the Mutual Corporation shall have them removed at the expense of the shareholder.
 - b. Shareholders may request or use any professional spot and oil removal group of their own or may request that Mutual Fourteen commission the removal and authorize charging the fees to their unit at any time, with or without notification to remove.
- D. Secondary Carport Storage Cabinets
 1. Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet with the approval of the Board of Directors and a permit from the GRF Physical Property Department. A licensed contractor or handyman* shall build the cabinet per the dimensions and specifications shown on page 5. Paint and hardware must match the existing cabinet. Shareholders are responsible for maintaining and repairing any damage to the carport cabinets.

*Policy 7401, Contractor License, states that the Mutual will not permit an unlicensed individual to perform work in the Mutual that costs more than \$500.

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen**

2. Shareholders that install a secondary carport storage cabinet without the prior written approval of the Board of Directors and a permit from the GRF Physical Property Department will be subject to the Fine Schedule. If a shareholder installs or constructs a secondary carport storage cabinet that is not in compliance with the specifications shown on page 5, the Mutual Board of Directors may issue written notice of the violation and the shareholder shall have ten days to “cure” the violation (the “Cure Period”). If shareholder fails to cure the violation within the Cure Period, the Mutual Board of Directors may fine the shareholder pursuant to the Fine Schedule shown below.
3. Any vehicle parked in a carport with secondary cabinets installed must not extend beyond the carport drip line. Secondary cabinets are non-standard items and may need to be removed at the seller’s expense upon the sale or transfer of the unit.

DRAFT

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****SHAREHOLDER REGULATIONS****Carport Regulations – Mutual Fourteen****NOTES:**

1. Lower cabinet will vary from 46 1/2" TO 48" in height. Build accordingly.
2. Lower cabinet front must be flush with existing concrete curb shelf.
3. Block all areas between upper and lower cabinet to prevent rodent intrusion.
4. Install 4' long standard size wheel stop and secure with two 5/8" Zinc plated Hex head bolts and Zinc plated Fender washers, use appropriate concrete anchors. (Solid plastic stops are preferable) Adjust distance for specific vehicle.

MATERIALS:

1. HASP = Masterlock No. 704DPF - Big Paint Store - \$6.50 ea.
2. HINGES = Stanley, SKU-218272 Heavy Duty Gate Hinge - Hardware Source - \$2.49 ea.
3. Use quality 3/4" exterior plywood on front, doors and sides with the same or better finish as the top cabinets and caulk where needed.
4. Prime and paint all visible surfaces, inside and out.

MUTUAL ADOPTION

FOURTEEN: 02-11-72

AMENDMENTS09-23-88, 11-10-99, 12-08-99, 08-23-11, 09-27-11,
04-24-12, 11-27-12, 04-23-13, 08-16-16, 01-17-17

(Draft created 05-18-17 cd)

MUTUAL OPERATIONS**RESCIND**

ACCOUNTING AND FISCAL

Authorization for Landscape/Grounds Expenses – Mutual Fourteen

~~Sprinkler valves can fail and require replacement at any time. When needed, the gardening company is replacing failed valves with brass valves which should outlast the plastic ones in place. Since valve failure is unpredictable (a valve can last one year or 10 years), and because the Landscape/Grounds Committee Chair needs to have the valves replaced as soon as possible to continue proper irrigation, the Landscape/Grounds Committee is authorized to spend up to \$1,000 per project without obtaining advance approval of the Board of Directors. The Landscape/Grounds Committee shall report all expenditures up to \$1,000 to the Board of Directors, in writing, at the next Board meeting. All expenditures exceeding \$1,000 shall come to the Board of Directors for approval.~~

~~This policy confirms the resolution made on June 9, 1993.~~

~~Informal bids for gardening work shall be sought by the Landscape/Grounds Committee to ensure that the Mutual is getting the lowest pricing possible for expenses outside the regular contracted service.~~

MUTUAL ADOPTION

FOURTEEN: 22-Feb-11 (see Policy 7425.14)

(Feb 11)

AMENDED POLICY DRAFT

STOCKHOLDERS MEETINGS

Annual Elections – Mutual Fourteen Only

In accordance with State Law and the Mutual Bylaws, the following policy is established for the general election of directors to the Mutual Board of Directors.

1. Candidates

a. Candidate Eligibility

In accordance with the Mutual Bylaws, all shareholders in good standing are eligible to run for election to the Mutual Board of Directors. "Good Standing" means that the shareholder is not delinquent in the payment of monthly or special assessments in an amount equal to or greater than one month's assessment for a period of time greater than 30 days.

b. Notification of Nominations for Election of Directors

The Mutual Board of Directors shall place a notice in the *Golden Rain News* and in the Mutual laundry rooms not less than 90 days prior to the annual meeting that any shareholder of the Mutual in good standing may place his/her name into nomination for the election of directors.

c. Self-Nomination by Shareholders

Mutual shareholders who wish to nominate themselves as a candidate for election to the Mutual Board of Directors must do so in writing not more than 90 days or less than 60 days prior to the annual meeting date.

d. Nominations from the Floor

Candidates may be nominated from the floor during the annual meeting, but the candidate must be present at the Annual Meeting to accept the nomination. There is no provision in the Mutual Bylaws allowing for write-in candidates on the ballots.

e. Equal Access to Clubhouse Facilities

(draft created on 6-13-17 ka)

AMENDED POLICY DRAFT

STOCKHOLDERS MEETINGS

Annual Elections – Mutual Fourteen Only

Equal access to clubhouse facilities shall be provided at no cost to all candidates, including those that are not incumbents, and to all shareholders advocating a point of view, including those that are not endorsed by the Mutual Board of Directors, for purposes reasonably related to the election. The clubhouses are subject to availability by reservation only on a first-come, first serve basis.

2. Election Process

- a. The Golden Rain Foundation will provide a contracted vendor to assume all election services, including inspector(s) of election, who will be directed to conduct the election in accordance with this policy, state law and all applicable codes.
- b. If the Golden Rain Foundation does not provide a contracted vendor to assume all election services, then Section 3 will be prepared and processed by the Mutual Corporation or Golden Rain Foundation in accordance with this policy, state law and all applicable codes.

3. Election Materials

a. Notice Letter

The only items that may be included with the notice letter in the ballot packet are the mail-in secret ballot, voting instructions, candidates' personal statements (if submitted), and mailing instructions for the Mutual annual election. This ballot packet shall be sent to each Mutual shareholder no later than 30 days prior to the Annual Meeting. One ballot packet shall be sent per apartment.

b. Candidate's Personal Statement

Each candidate may submit a one-page personal statement (preferably typed) containing information relevant only to his/her own personal background, work experience and goals to the Stock Transfer Office before the announced deadline for insertion and mailing along with the election materials. A candidate statement may not include derogatory language toward other candidates or groups of candidates.

c. Secret Ballots Returned By Mail

(draft created on 6-13-17 ka)

AMENDED POLICY DRAFT

STOCKHOLDERS MEETINGS

Annual Elections – Mutual Fourteen Only

The mail-in secret ballot, or proxy form if applicable, is required to be mailed to the "Inspectors of the Election" for proper verification and validation, and must be received before 4:00 p.m. on the day before the annual meeting.

The mail-in secret ballot is irrevocable once it is validated by the inspectors of election.

The mail-in secret ballot or proxy form, if sealed and properly mailed, will be opened the day of the annual meeting by the inspectors of the election.

4. Inspectors of the Election

a. Qualifications and Number of Inspectors

An inspector of the election may not be a member of the Mutual Board of Directors, or a candidate for the Mutual Board of Directors, or related to a member of the Mutual Board of Directors, or under contract to the association for any compensable services.

b. Observers of the Election Appointed By the Board of Directors

There shall be three (3) observers of the election appointed by the Mutual President thirty (30) days before the annual meeting day. The Board may also appoint alternative observers of the election. The observers of the election may appoint and oversee additional assistant observers of the election in any number deemed to be reasonable by the Mutual Board of Directors. The observers may be seated near the ballot counters, but they must be quiet and respectful if asking a question on procedures.

c. Inspector of the Elections - Duties

1. Determine the number of shareholders entitled to vote and the voting power of each.
2. Determine the authenticity, validity and effect of proxies, if any.
3. Receive mail-in ballots and proxy forms.
4. Open mail-in ballots and proxy forms at the annual meeting.
5. Hear and determine all challenges and questions in connection to the right to vote.
6. Count and tabulate all votes.
7. Determine the results of the election.
8. Perform his or her duties expeditiously, impartially, and in good faith at all times.

(draft created on 6-13-17 ka)

AMENDED POLICY DRAFT

STOCKHOLDERS MEETINGS

Annual Elections – Mutual Fourteen Only

5. Voting

a. Qualification for Voting

Votes may be cast by mutual shareholders in good standing:

- 1) By ballot in person on the day of the annual meeting; or
- 2) By using the mail-in secret ballot; or
- 3) By using the mail-in proxy form.

b. Cumulative Voting

~~In accordance with the Mutual Bylaws, voting will be “cumulative.” Each apartment is entitled to one ballot. Each ballot is allotted nine votes (the same number of votes as the number of directors on the Board). The nine votes may be cast in any fashion, i.e. all nine may be cast for one candidate, one vote may be cast for each of the nine candidates, or the votes may be divided amongst any number of candidates in any combination that totals nine votes is permitted. Ballots that are turned in with more than nine votes are considered invalid and are not counted.~~

In accordance with the Mutual Bylaws, members shall be entitled to the number of votes equal to the number of vacancies. Members shall not cast more than one vote per candidate. A vote for a candidate shall be indicated by the symbol “X” or any other affirmative symbol on the ballot.

c. Voting by Secret Ballot

All ballots shall be prepared in a manner consistent with providing and ensuring that the shareholder’s vote will be by “secret ballot.”

6. Actions by Mutual Boards when a Contracted Vendor is Retained for Elections

- a. Each Mutual may appoint observer(s) who may make their observations to its respective Mutual Board.

(draft created on 6-13-17 ka)

AMENDED POLICY DRAFT

STOCKHOLDERS MEETINGS

Annual Elections – Mutual Fourteen Only

b. Each Mutual Board shall validate its own election.

7. **Actions by Shareholders**

When ballots are received in the mail from the election company, shareholders may not go door-to-door in the Mutual to collect ballots or offer their assistance with voting.

Any shareholder of Mutual Fourteen that allegedly intimidates or bullies another shareholder, or forges the signature of another shareholder on a ballot shall be requested to appear before the Mutual Fourteen Board of Directors in Executive Session to answer the charges or allegations. If criminal acts, such as voter fraud or elder abuse, have been committed, the Golden Rain Foundation Security Department and the Seal Beach Police Department shall be notified and appropriate action shall be taken.

MUTUAL ADOPTION

AMENDED

FOURTEEN: 02-22-11

01-24-12,

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****PHYSICAL PROPERTY****Landscape, Garden, and Common Area – Mutual Fourteen****1. PURPOSE**

- A. This policy is adopted so that the Mutual's Garden & Common Area will present an environment that enhances the ambiance of its surroundings and thus add to the enjoyment of the cooperative living style. It will outline the responsibilities of the shareholder and of the Mutual in accomplishing this goal.
- B. If a shareholder does not adhere to the requirements of Policy 7425.14, the Mutual will advise the shareholder, in writing, of the problem(s) to correct. If not corrected, within 10 business days, the Mutual will make the correction(s) at the expense of the shareholder. *(Refer to Appendix A – Shareholder Garden – Notice to Comply Letter.)*

2. GRANDFATHERING POLICY EXEMPTION:

- A. All plants and trees that are currently in shareholders' garden areas as of January 1, 2014, may remain, with the exception of trees and plants that have invasive root growth which will cause damage to Mutual structures, plumbing, and walkways.

B. Property Resale/Transfer Garden Extensions

- 1. When notice of intent to withdraw, sell or transfer has been completed, the garden area must be brought back to compliance with the Mutual's garden policy prior to listing the unit for sale at the seller's expense.
- C. Plants and trees that have grown into Mutual walkways and common area must be trimmed to comply with this garden policy.

3. SHAREHOLDER RESPONSIBILITY:

- A. Shareholders are responsible for the care of their garden area, including watering, plant pest control, and fertilizing. Sprinklers may be added within the garden area. Sprinkler installation and maintenance expenses are the responsibility of the shareholder. *(Installation must be attached to the shareholder's water system and faced away from all building structures.)* Garden areas are to be kept tidy and free of blight.

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****PHYSICAL PROPERTY****Landscape, Garden, and Common Area – Mutual Fourteen**

Note: Any tree or plant in the garden area will be removed, at the expense of

the shareholder, if deemed by the Physical Property Inspectors and/or Landscape/Grounds Committee to have roots that will cause damage to the building infrastructure, plumbing, walkways, lawn area, or retaining walls after the shareholder receives a 10-day written notice to comply. The shareholder has the right to appeal to the full Board, in writing, by contacting the President of the Mutual within that same 10-day period. *(Refer to Appendix A – Shareholder Garden – Notice to Comply Letter.)*

4. MUTUAL 14 RESPONSIBILITY:

- A. Routine trimming of shrubbery, along with cultivating and weeding are included in the landscape contract. Rose bushes are pruned annually, usually in January. All other requests to the Landscape/Grounds Committee constitute a cost to the shareholder. *(Refer to Section 5,R,1 Service Requests)*

5. GARDEN AREA REGULATIONS:**A. Private Upkeep:**

1. Shareholders may take care of their own garden area if they so desire. Shareholders may obtain a red flag from their Director, which will alert contracted gardeners not to work in that area. If area growth does not comply with this policy, the shareholder will be notified and given an opportunity to comply within 10 business days; otherwise gardeners will be instructed to trim to compliance.

B. Plants in the Ground:

1. Shareholders may plant greenery of their choice, with the exception of plants that are prohibited. Plants which have invasive root growth and the potential to damage the mutual structures, plumbing, and walkways are prohibited. *(Refer to Plant, Vine, and Tree Restrictions Section - 5.I)*

C. Plants in Pots:

1. Permitted plants in decorative pots are allowed *(above ground)* in the garden areas. Plants must be kept trimmed and in a healthy state. *(Use of cement pavers, blocks, or other root barriers underneath is required.)* *(Refer to Plant, Vine, and Tree Restrictions Section – 5.I)*

MUTUAL OPERATIONS

AMENDED POLICY DRAFT

PHYSICAL PROPERTY

Landscape, Garden, and Common Area – Mutual Fourteen

D. Hanging Plants:

1. Due to Physical Property regulations, nothing can hang from fascia or eaves, ~~or be attached to the outside walls.~~ **Artwork currently on the outside walls will be grandfathered in as recommended by the Architectural Committee. Future artwork will be approved on a case by case basis.** ~~however~~ Hanging plants are allowed over the garden area if on plant stands/shepherd hooks and are to be kept trimmed and in a healthy state.

E. Vines in the Ground:

1. Vines that climb or cling to structures are prohibited.

F. Vines in Pots:

1. Climbing or espalier plants in pots are allowed (*above ground*) but must be confined to a free-standing trellis that is clear of the building. Vines are not permitted to climb or cling to any fixed mutual structure. (*Use of cement pavers, blocks, or other root barriers underneath is required.*) (*Refer to Plant, Vine, and Tree Restrictions Section – 5.1*)

G. Trees in the Ground:

1. The limited planting area around shareholders' units does not allow for the planting of trees in the ground. Dwarf citrus trees are an exception and may be planted in the ground but must and will be trimmed at least one foot from the buildings and below the roofline and may not overhang onto the lawns or sidewalks.

H. Trees in Pots:

1. Trees in pots are allowed (*above ground*) but cannot have roots extend through the pot into the soil of the garden area, and cannot come into contact with the unit walls or exterior décor. (*Use of cement pavers, blocks, or other root barriers underneath is required.*)

Note: Shareholders with potted fruit trees are required to keep the fruit that has fallen to the ground picked up and ripe fruit picked so as not to attract rodents. For any non-compliance, resident will be notified and given an opportunity to comply within 10 business days; otherwise the potted fruit tree will be removed by the Mutual at owner's expense. (*Refer to Plant, Vine, and Tree Restrictions Section – 5.1*)

I. Plant, Vine, and Tree Restrictions:

1. All plants, vines, and trees must be trimmed back so as not to touch or deface the structure and remain at least 12 inches below the eaves to allow access for

MUTUAL OPERATIONS**AMENDED POLICY DRAFT**

PHYSICAL PROPERTY

Landscape, Garden, and Common Area – Mutual Fourteen

inspection for maintenance (*i.e. painting*). These requirements aim to deter termites and rodents.

2. Plants, vines, and trees on end units may not be in excess of 8 feet in height and must be at least 12 inches below the eaves.
3. Removal of any offending growth will be completed by the Mutual at the resident's expense if the resident does not maintain the standards. **In addition**, any plant in garden areas, if deemed by the Physical Property Inspector and/or Landscape/Grounds Committee, whose roots are damaging the building infrastructure, plumbing, walkways, lawn area, or retaining wall, must be removed at the expense of the resident and the damages repaired at the expense of the shareholder after notification period.

Note: Plants grow with time, and it's important to keep them trimmed. Plants must never rub against the building structure, stucco, or deco blocks. All non-conforming plantings will be cut back by the Mutual at shareholder's expense after the shareholder receives a 10-day written notice to comply. (*Refer to Appendix A – Shareholder Garden – Notice to Comply Letter.*)

J. Inanimate Objects:

1. Free-standing, inanimate objects are permitted within the garden area.

K. Fencing:

1. Garden fencing must be within the garden area. The complete responsibility for maintaining a fenced garden lies with the shareholder. (**All fencing over 18' inches must be approved by the Board.**)

L. Walkways:

1. As required by law, potted plants may not inhibit the 36" entry requirement.
2. Because there is a need for mowing machines to have continuous access between units, potted plants may not be lined up along the walkways beyond the garden area leading down to the sidewalks.

M. Transformer/Vault/Meter Panel Areas:

1. Edison pad mount transformers, cable vaults, and telephone vaults must be kept accessible and any objects on them must be easily removable. Meter panels may not be obstructed.

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****PHYSICAL PROPERTY**Landscape, Garden, and Common Area – Mutual Fourteen

N. Growth Encroachment:

1. All growth must be kept trimmed away from buildings and must not interfere with mowing machines. Any plant that hangs over the mow strip into the common area, and interferes with mowing machines, must be trimmed to be enclosed entirely in the shareholder's garden area.

O. Removal:

1. Removal of large shrubs, bushes, trees, or landscaping items in shareholders' garden areas will be at shareholders' expense. *(Shareholders have the option of doing their own trimming, hiring their own gardener, or contracting with the Mutual's landscape/garden company.)*

P. Cost of Garden Area Items:

1. All cost of plants, pots, trellises or any other items in the garden area is the responsibility of the shareholder, including replacements due to damage incurred during required maintenance to the structure. Efforts will be made to eliminate damage to the shareholder's personal property if possible.

Q. Trees, Plants, Flowers, and Bushes That May NOT Be Planted In the Ground:

1. The following may not be planted in the ground in garden areas. All trees plus the following plants: Asparagus Fern; Baby Tears; Bamboo; Bird of Paradise; Boston Fern; Bougainvillea; Cactus (large); Cedar-type Bushes; Hibiscus; Ivy; Palm Tree (large); Poinsettia; Spiderwort; and Wild Mint. *(They may however be planted in pots.)* Other plants may be added to this list in the future by the Board of Directors if necessary. If the shareholder has any doubt as to what may be planted, contact your Director to confirm if a plant is acceptable. *(Refer to General Garden Area Regulations --Section 5)*

R. Service Requests:

1. Contact your Mutual Director for gardening requests or sprinkler service. Please refrain from requesting work directly from the gardeners. Gardeners are not employees of the Mutual or of GRF. They receive their work orders from the supervisor of the landscape service which the Mutual hires.

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****PHYSICAL PROPERTY****Landscape, Garden, and Common Area – Mutual Fourteen**

- S. Shareholder Notification Process for Non-Compliance:
1. If shareholder does not adhere to the requirements of this landscape policy, the Mutual will advise the shareholder, in writing, of the problem(s) to correct. If not corrected, within 10 business days, the Mutual will make the correction(s) at the expense of the shareholder. The shareholder has the right to appeal, in writing, all such decisions to the full board, within that same 10-day period. *(Refer to Appendix A – Shareholder Garden – Notice to Comply Letter.)*

6. GARDEN AREA SIZES**A. Garden Size:**

1. Requests for garden alignments changes will be considered by the Board of Directors on a site-specific basis. All same side unit shareholders must agree to the changes.
2. The Board of Directors will give special space consideration to end units with utility structures, attached laundry facilities, or odd garden configurations.
3. If a garden area is to be converted into a patio by any means (concrete, tiles, stones, etc), before work begins, it must be approved by the Board and a permit obtained.

B. Property Resale/Transfer - Garden Extensions:

1. When notice of intent to sell or transfer has been completed, the garden area must be brought back into compliance with the Mutual's garden policy at the seller's cost.

7. MOWING AND EDGING**A. In general:**

1. Block, brick, or concrete must border each garden area.

8. MUTUAL COMMON AREA**A. Common Area Maintenance & Use:**

1. The maintenance of all Mutual common areas (including carport garden areas) is the responsibility of the Mutual Board of Directors and/or Landscape/Grounds Committee. Shareholders are not permitted to place, install, hang, remove, or relocate plants or any other landscaping materials in the common area and around common area trees without Board approval. *(This includes lawn furniture.)*

MUTUAL OPERATIONS**AMENDED POLICY DRAFT****PHYSICAL PROPERTY****Landscape, Garden, and Common Area – Mutual Fourteen**

2. Common area trees will be removed due to age or disease and replaced with approval from the Board of Directors. When making a recommendation for tree removal, pertinent facts shall be supplied to the Board, by the Landscape/Grounds Committee Chair. Some of the facts include whether the tree is diseased, whether the tree can be treated without excessive expense, whether the tree's roots are threatening to invade the sewers or concrete, and whether the tree is growing in such a way that it is unsightly and, therefore, displeasing to the surrounding neighbors.
 3. Each year, some of the Mutual's trees will require trimming. The Landscape/Grounds Committee, working with an arborist, shall prepare a list of those trees to be trimmed, to be presented to the Board for approval.
- B. Shareholder Notification Process – Courtesy Notification:
1. Removal and replacement of trees, plants, and flowers in the common area are the responsibility of the Mutual. When possible, and as a courtesy, residents in the immediate area will be notified when changes will occur. *(Immediate area is defined as those units that face the location of the item or have view of the item from their unit.) (Refer to appendix B - Shareholder Courtesy Notification Letter.)*
 2. Shareholders may appeal to the full Board any decision to remove plants, flowers, and decorative items from common areas.

MUTUAL OPERATIONS

AMENDED POLICY DRAFT

PHYSICAL PROPERTY

Landscape, Garden, and Common Area – Mutual Fourteen

APPENDIX A – Shareholder Garden – Notice to Comply Letter

**Seal Beach Leisure World
Shareholder Garden – Notice To Comply**

Date: _____

Dear Shareholder, Unit #: _____

It has come to the attention of your Board of Directors, by way of your Grounds/Landscaping Committee, that the plantings or other items within your garden area or adjacent to your garden area are not in compliance with Mutual Policy 7425.14 – Landscape, Garden & Common Area (*attached*)

Specifically:

If you do not have this situation corrected within the next 10 business days from the date of this notice, or file an appeal with the Board, the Mutual will, either by trimming or removal, correct the situation and you will be billed for this work.

Thank you for your cooperation in this matter.

Mutual Board of Directors

MUTUAL OPERATIONS

AMENDED POLICY DRAFT

PHYSICAL PROPERTY

Landscape, Garden, and Common Area – Mutual Fourteen

APPENDIX B – Shareholder Courtesy Notification Letter

**Seal Beach Leisure World
Shareholder Courtesy Notification**

Per Policy 7425.14, the removal & replacement of trees, plants, and flowers in the common area are the responsibility of the Mutual; however, as a courtesy, shareholders in the immediate area are being notified when the common area near their unit will be affected. *(Immediate area is defined as those units that face the location of the item or have view of the item from their unit.)*

Description of Project:

Project Start Date:

Reason for Project: (Check all that apply)

Does not conform to policy regulations

Diseased plant or tree

Root invasion

Plant or tree has outgrown allowable height or space

Unauthorized planting

Area beautification

Other (specify _____)

**Contact your Mutual Director with any questions. Thank you.
Mutual Fourteen, Board of Directors**

MUTUAL FOURTEEN
FOURTEEN: 04-10-02

AMENDMENT(S)
09-28-04, 01-11-11, 05-20-14, 08-24-15

Mutual 14 CFO Report

June 20, 2017

At the end of May the board borrowed \$169,000 from the Roofing Reserve to pay for the purchase of the unit 48J share of stock. According to our accounting rules this amount must be paid back to the reserve within 12 months. We will use the money from the sale of 48J after repairs are completed to refund the reserve.

Thus far this year we are under budget on electricity and water by \$10,180 and smaller amounts on other items. But we are over budget on legal fees and structural repairs by \$18,339. The budget variance after all budgeted items is \$3,846 over budget.

We have already discussed our planned projects for 2018 during New Business and our budget committee will begin planning the entire budget in the month ahead.

Jack Faucett
CFO

P.O. Box 2069
 Seal Beach CA 90740

May Actual	May Budget		2017 Y-T-D Actual	2017 Y-T-D Budget
76,040	76,040	Carrying Charges	380,202	380,200
34,391	34,391	Reserve Funding	171,953	171,955
110,431	110,431	Total Regular Assessments	552,155	552,155
1,122	1,296	Service Income	5,696	6,480
1,019	1,000	Financial Income	3,393	5,000
3,786	3,050	Other Income	22,564	15,250
5,927	5,346	Total Other Income	31,653	26,730
116,358	115,777	Total Mutual Income	583,809	578,885
47,458	47,458	GRF Trust Maintenance Fee	237,290	237,290
10,151	8,551	Utilities	32,575	42,755
7,634	1,309	Professional Fees	12,601	6,545
96	66	Office Supplies	191	330
10,523	17,240	Outside Services	93,575	86,200
7,908	6,763	Taxes & Insurance	39,469	33,815
34,391	34,391	Contributions to Reserves	171,953	171,955
118,161	115,778	Total Expenses Before Off-Budget	587,654	578,890
(1,802)	(1)	Excess Inc/(Exp) Before Off-Budget	(3,846)	(5)
3,986	0	Depreciation Expense	19,057	0
(5,789)	(1)	Excess Inc/(Exp) After Off-Budget	(22,903)	(5)
		Restricted Reserves		
(8,455)	0	Appliance Reserve Equity	8,719	0
2,928	0	Painting Reserve	47,776	0
5,717	0	Contingency Operating Equity	123,035	0
(549,313)	0	Roofing Reserve	683,465	0
6,427	0	Infrastructure Reserve	127,373	0
(542,696)	0	Total Restricted Reserves	990,368	0

16

LANDSCAPE REPORT

JUNE 20, 2017

With the elections in May, our CFO Jack Faucett, who served admirably as our Landscape Chairman for the past year, asked to be replaced as Chairman. The board overwhelmingly requested that I serve for the new board year. With this change in chairmanship, we also have changed the Landscape Committee. As previously announced, your board members form the committee. Any questions, comments and suggestions should be submitted to your Building Director. The Building Directors, in turn, will send them to Susan Simon, the board Secretary who will organize them and forward them to me. All non-emergency items will be discussed with our landscapers Briteview on a weekly basis. Eric Soderholm, who served as chairman and was on the committee for the past 3 years. is an important member of the committee. He, too, will share all information with the landscapers on a weekly basis.

All gardens will be attended to on a monthly basis. All lawns will be mowed and cared for on a weekly basis. Everyone should understand that we have 10.5 acres of lawns and over 350 gardens to be attended to. No landscape company is perfect. But, Briteview, in your board's opinion, has done an outstanding job. If you don't believe it, take a walk between Mutual 12 and Mutual 14 along buildings 33 to 52, over to 54 and down to building 12. Look and you will see Mutual 12 on one side and Mutual 14 on the other. If you do this, you will agree that Mutual 14 is looking good. By the way, Mutual 12 is cared for by our old gardeners, Pinnacle.

As a side note I had the opportunity to show the owner of our laundry equipment leasing company around Mutual 14, I was pleasantly surprised to hear her say and I quote "I am amazed at how beautiful your landscaping looks".

Understanding that everyone in M14 is not happy and our landscapers cannot accommodate 328 apartments with individual requests, every shareholder is free to hire their own gardener, as some do, as long as the landscape policy isn't violated.

Respectfully submitted,

Lee Melody

Landscape Chairman

Emergency Prep 2017

The emphasis this year will be on educating our shareholders on what to expect during an emergency.

GRF is revamping their plans and will publish a manual. GRF must have emergency plans for their employees, that is who they will be responsible for in the event of a natural disaster. NOT US! Each mutual will be on it's own. Given that fact, individual shareholders will need to be aware of what they need to have on hand in case of an emergency.

As a mutual we will have plans in place. Saying that does not mean the very people who are in charge may be able to help or will be here on property at the time of a disaster. It is imperative that each shareholder has his or her own plan and supplies.

Please do not become complacent thinking that we have a health care center on site. They have stated that they will not be helping us in the event of an emergency. Also the fire department and the police department will not be here ASAP. Even though they are close by, here's what we as shareholders need to realize. First, most of our police and firefighters do not live within our city

limits. Many will be home and they will first make sure their family is ok. Than will come the effort to get to their jobs. We have no idea what the freeways and the roads will be like. Will they be passable?

Having said that we are looking at the very least 3 days of being on our own. Experts say that we need to be prepared for up to 3 weeks. NOW LET THAT SINK IN!

This means that as individuals we need to be prepared and responsible for ourselves. Yes our mutual has a plan, but it does not include stocking water and food for our shareholders. That is up to you. Make sure you have some simple things on hand, dry food like crackers and peanut butter, can goods, water enough for a couple of weeks. Also a hand held can opener, plastic bags, flashlight and batteries should be included. Medicine you will need. Don't forget to have a supply in your car also.

We all need to do our part and as a mutual our neighbors will pull together to help each other but each one of us needs to be prepared.

Emergencies happen when you least expect it.

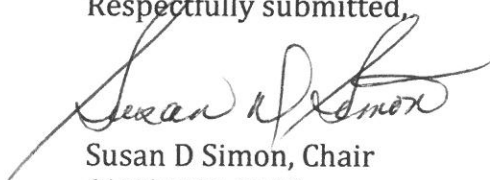
Respectfully submitted Maryann Shaddow

June 20, 2017
Caregiver Report

Caregivers have to renew their registrations every 6 months for the safety of the shareholders in Leisure World. There is no charge to the Caregiver or to the Shareholder. As is my custom, if there is a Caregiver who only works evenings after 5 PM or weekends/holidays when the Stock Transfer Office is closed, I will be happy to take a picture of that caregiver and his/her application and arrange for registration. The same Shareholders are extremely compliant in making certain their Caregivers are registered in a timely fashion and if/when there are any changes. I commend them. The Caregiver Surveys that I distributed are coming in very slowly. Thus I am unable to make an accurate comparison between our Mutual Captains reports and the figures from stock transfer. There is a big discrepancy between the original report from the end of 2016 and now. I realize that several caregivers are no longer working in our mutual, and that some of our shareholders have either passed away or no longer require caregivers. However, it is a big decrease from 60 + Caregivers to a total of 36 Caregivers. I am asking my fellow Directors to please remind your building captains about the surveys that were given out at the end of April, or at the very least please email me the unit numbers and shareholder names of those in your buildings that you know have Caregivers. I appreciate the cooperation.

As a reminder: It is the Shareholder's physician, not the Mutual who determines the need for a Caregiver. I do not authorize Caregivers. I only attempt to insure they are providing the services for which they are hired. The registrations and photo IDs are a security/safety measure, and tell all of us who live in this Mutual whether or not an individual is on our property and using our facilities appropriately. If a physician states that a Shareholder requires 24-hour care, and the Shareholder hires a Caregiver for 24-hour care, it is expected that the Caregiver will be with the Shareholder for the entire 24-hour period. That means, that if the Caregiver goes to the market or laundry, he/she either takes the Shareholder or arranges for alternative coverage. There have been instances where a Shareholder has been left alone and fallen out of bed or a chair with no one in attendance. The Caregiver would be held responsible. This is simply a matter of safety. If a physician states that a Shareholder requires 24-hour care, and the Shareholder elects to have only part time care, that is the Shareholder's choice. If that is the case, it is expected that the Caregiver will put part time on the application.

Respectfully submitted,



Susan D Simon, Chair
(561) 702-9249
sdwsimon42@gmail.com

Pet Report June 20th. 2017

Having a pet in Leisure World is a privilege that years ago was unavailable to shareholders here

As time has passed more and more shareholders have taken advantage of the situation.

We now have enormous dogs well over the 25 lb. limit Also long leashes that is unsafe for the animals and are allowed to do their business in flower beds.

There is also the problem of continuous barking. I believe neighbors should try to be more considerate of their neighbors.

As of this month we have 51 dogs,21 cats,4 birds.

Respectfully submitted

Connie moore

A handwritten signature in blue ink that reads "Connie Moore". The signature is written in a cursive style with a large initial 'C' and a long, sweeping underline.

**MINUTES OF THE OPEN ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOURTEEN**

May 18, 2017

The Organizational Meeting of the newly-elected Board of Directors of Seal Beach Mutual Fourteen was held, following the Annual Shareholders' Meeting, in Clubhouse 4, Section B.

Ms. Hopkins, acting as Chairperson, called the meeting to order at 11:05 a.m. She stated the purpose of the meeting was to elect the officers for the 2017-2018 term of office and to select the location, day, and time of the Board's Regular Monthly Meetings.

Those Directors present were: Jack Faucett, Val Jorgenson, Lee Melody, Connie Moore, Susan Simon, Maryann Shaddow, and Bob Stefun. Also present were Jodi Hopkins, Mutual Administration Director; Carol Day, Recording Secretary; and approximately 30 shareholders.

Ms. Hopkins opened the nominations for President. Ms. Simon nominated Mr. Melody for President. There being no further nominations, Mr. Melody was elected to the office of President for the 2017-2018 term of office.

The Chair was turned over to newly-elected President Melody, who then called for nominations for Vice President. Mr. Faucett nominated Mrs. Jorgenson for Vice President. There being no further nominations, Mrs. Jorgenson was elected to the office of Vice President for the 2017-2018 term of office.

Mr. Melody then called for nominations for Secretary. Mr. Faucett nominated Ms. Simon for Secretary. There being no further nominations, Ms. Simon was elected to the office of Secretary for the 2017-2018 term of office.

Mr. Melody then called for nominations for Chief Financial Officer. Mrs. Jorgenson nominated Mr. Faucett for Chief Financial Officer. There being no further nominations, Mr. Faucett was elected to the office of Chief Financial Officer for the 2017-2018 term of office.

President Melody made the following committee assignments: Mr. Stefun, Physical Properties Chair; Mr. Faucett, Financial Review Chair; Ms. Simon, Caregivers Chair; Ms. Shaddow, Emergency Preparedness Chair; Ms. Moore, Pets Chair; and Mr. Melody, Landscape Chair.

The Board discussed the monthly meeting location, date, and time. Upon a MOTION duly made by Mrs. Jorgenson and seconded by Ms. Simon, it was

RESOLVED, That Mutual Fourteen will meet on the third Tuesday of the month in Building 5, Conference Room B, at 1:00 p.m.

The MOTION passed.

The business of the meeting being completed, President Melody adjourned the meeting at 11:14 a.m.


Attest

Susan Simon, Secretary

SEAL BEACH MUTUAL FOURTEEN

cd:5/28/17

**MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOURTEEN
May 18, 2017**

A Special Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Melody at 12:30 p.m. on Thursday, May 18, 2017, in Clubhouse 4.

Those members present were: President Melody, Vice President Jorgenson, Secretary Simon, CFO Faucett, and Directors Stefun, Moore, and Shaddow. Also present were Mutual Fourteen shareholders, GRF Representative Lukoff, Mutual Administration Director Hopkins, and Recording Secretary Day.

MINUTES

President Melody asked for any corrections to the Special Meeting minutes of May 4, 2017. There being no corrections, they were approved as written.

WELCOME

President Melody welcomed everyone to the meeting.

CORRESPONDENCE

Secretary Simon presented one item of correspondence.

NEW BUSINESS

Following a discussion, President Melody asked for a motion to approve a three-year contract with Fenn Termite & Pest Control, which failed due to no first. It was the consensus of the Board to postpone action for further research.

**SPECIAL MEETING
MUTUAL FOURTEEN**

May 18, 2017

NEW BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the bid by Bright View to trim 110 trees, not to exceed \$5,000.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the addition of 64 units to the re-piping schedule for an additional expenditure of \$256,000, for completion in 2017.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

RESOLVED, To approve the planting of two non-fruit bearing olive trees, one for the shareholder in Unit 16-L who offered to purchase the tree, not to exceed \$500; and one tree at the Mutual's expense, not to exceed \$500.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by CFO Faucett and seconded by Secretary Simon, it was

**SPECIAL MEETING
MUTUAL FOURTEEN**

May 18, 2017

NEW BUSINESS (continued)

RESOLVED, To approve the planting of one large ash or peppermint tree between Buildings 50 and 33, at a cost not to exceed \$500.

The MOTION passed unanimously.

The Board members discussed amending Policy 7502.14 – Carport Regulations. Upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION failed with two “yes” votes (Stefun, Simon) and four “no” votes (Shaddow, Moore, Faucett, and Jorgenson).

Following further discussion of Policy 7502.14 – Carport Regulations (attached), and upon a MOTION duly made by Director Shaddow and seconded by Vice President Jorgenson, it was

RESOLVED, To amend Policy 7502.14 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

The MOTION passed with four “yes” votes (Faucett, Jorgenson, Moore, and Shaddow) and two “no” votes (Stefun, Simon).

President Melody discussed adopting Policy 7490.pb.14 – Performance/Payment Bond (attached). Upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

**SPECIAL MEETING
MUTUAL FOURTEEN**

May 18, 2017

NEW BUSINESS (continued)

RESOLVED, To adopt Policy 7490.pb.14 – Performance/Payment Bond on a preliminary basis until the 30-day posting period is completed.

The MOTION passed unanimously.

SHAREHOLDER COMMENTS

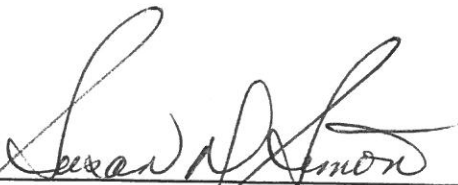
Several shareholders made comments.

DIRECTOR COMMENTS

President Melody appointed Secretary Simon and Director Shaddow to serve on a Pest Control Committee.

ADJOURNMENT

President Melody adjourned the meeting at 1:49 p.m. and announced that there would be an Executive Session following the meeting to discuss member issues.



Attest

Susan Simon, Secretary

SEAL BEACH MUTUAL FOURTEEN

cd:6/13/17

BUILDING/UNIT _____

BUILDING CAPTAIN _____

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS
SEAL BEACH MUTUAL FOURTEEN
May 31, 2017**

The Special Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Melody at 1:00 p.m. on Wednesday, May 31, 2017, followed by the *Pledge of Allegiance*, in Building Five, Conference Room B.

SHAREHOLDER COMMENTS

Several shareholders made comments or introduced themselves.

ROLL CALL

Present: President Melody, Vice President Jorgenson, Secretary Simon, and Directors Stefun, Moore, and Shaddow

Absent: Chief Financial Officer Faucett

Guests: Nineteen shareholders of Mutual Fourteen

Staff: Ms. Hopkins, Mutual Administration Director
Mr. Black, Building Inspector
Mrs. Aquino, Recording Secretary

President Melody welcomed staff members and guests.

UNFINISHED BUSINESS

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To discuss competing pest control contracts.

The MOTION was withdrawn.

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To accept the three-year Fenn pest/termite control proposal, and authorize the President to sign the contract.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Director Shaddow and seconded by Secretary Simon, it was

RESOLVED, To accept the contract with National Wash Company, as presented.

The MOTION passed unanimously.

Following a discussion, and upon a MOTION duly made by Vice President Jorgenson and seconded by Director Shaddow, it was

RESOLVED, To set the drying time period, for the dryers in the laundry rooms, to \$0.50 for increments of 30 minutes.

The MOTION passed unanimously.

UNFINISHED BUSINESS (continued)

Following a discussion, and upon a MOTION duly made by Secretary Simon and seconded by Director Shaddow, it was

RESOLVED, To approve the purchase and planting of two trees between Buildings 33 and 50.

The MOTION passed unanimously.

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by Director Stefun and seconded by Secretary Simon, it was

RESOLVED, To borrow \$169,000 from restricted reserves and place into non-restricted reserves, and to pay back these funds within a 12 month period.

The MOTION passed unanimously.

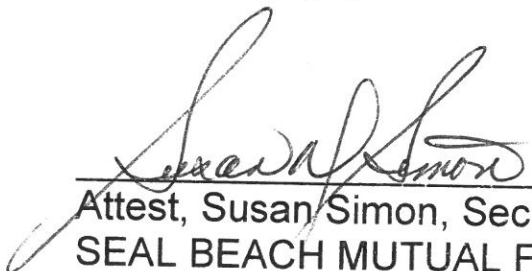
SHAREHOLDER COMMENTS

Several shareholders made comments.

May 31, 2017

ADJOURNMENT

President Melody adjourned the meeting at 2:23 p.m. and announced that there would be an Executive Session following the meeting to discuss member issues.



Attest, Susan Simon, Secretary
SEAL BEACH MUTUAL FOURTEEN

ka:5/31/17

Attachments

NEXT MEETING: Regular Board Meeting
Tuesday, June 20, 2017, at 1:00 p.m. Building 5, Conference Room B

**RESOLUTIONS FOR THE SPECIAL
MEETING OF May 31, 2017**

05/31/17 RESOLVED, To accept the three-year Fenn pest/termite control proposal, and authorize the President to sign the contract.

RESOLVED, To accept the contract with National Wash Company, as presented

RESOLVED, To set the drying time period, for the dryers in the laundry rooms, to \$0.50 for increments of 30 minutes.

RESOLVED, To approve the purchase and planting of two trees between Buildings 33 and 50.

RESOLVED, To borrow \$169,000 from restricted reserves and place into non-restricted reserves, and to pay back these funds within a 12 month period.

SIGN-IN SHEET

BOARD OF DIRECTORS SPECIAL MEETING MUTUAL NO. FOURTEEN DATE: May 31, 2017

	GUEST NAME
1.	Lisa Hsueh
2.	Cheng Hsueh
3.	Ben Watada
4.	Len Slater
5.	Sandy Slater
6.	Linda Corp
7.	Sally Cabrera
8.	Sandy Tessier
9.	Larry Lowman
10.	Shirley Tam
11.	Flo Dart
12.	Joann B Smith
13.	Judy Schroeder
14.	Julie Faucett
15.	Donna Melody
16.	John Kim
17.	Sung Kim
18.	Natalie Nicholson
19.	Ken Harpham

SIGN-IN SHEET

BOARD OF DIRECTORS REGULAR MEETING MUTUAL NO. FOURTEEN DATE: JUNE 20, 2017

	GUEST NAME
1.	Larry Lowman
2.	Peggy Henry
3.	Nita Lambert
4.	Lisa Hsueh
5.	Cheng C. Hsueh
6.	Betty Borrows
7.	Deidra Lukoff
8.	Kurt Bourhenne
9.	Donna Melody
10.	Julie Faucett
11.	Phil Arnold
12.	Muriel Luther
13.	Barbara Frey
14.	Shirley Tam
15.	Sara Spannenberg
16.	Carol Kern
17.	Coal Solderholm
18.	Midge Bash
19.	Ellen Brannigan
20.	Bruce Anderson
21.	Flo Dart
22.	Ken Harpham
23.	Demetra Monios
24.	Kathy Palmateer
25.	Sue Worthington

