

**MINUTES OF THE ANNUAL SHAREHOLDERS' MEETING
SEAL BEACH MUTUAL ELEVEN
May 23, 2019**

The annual meeting of the shareholders of Seal Beach Mutual Eleven, a California corporation, was called to order by President Davies at 10:00 a.m. on Thursday, May 23, 2019, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Shareholder, Barbara Simundza, led the *Pledge of Allegiance*.

QUORUM

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

SHAREHOLDER DECLARATION

At the March 21, 2019, regular board meeting, John Oshea of, Unit 273-F, declared his intent to vote cumulatively at this Annual Shareholders' Meeting.

CERTIFICATION OF NOTICE OF MEETING

Secretary Brenda Hemry read the certification notice:

I, Brenda Hemry, Secretary for Seal Beach Mutual No. Eleven, hereby certify that the Notice of Stockholders' Meeting and Ballots were mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of April 23, 2019.

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

INTRODUCTION OF CANDIDATES

The 2019–2020 candidates were introduced as follows:

Gerald Adelman	(New Candidate, absent)
Joyce Basch	(New Candidate)
Guta Basner	(Incumbent)
Geoff Davies	(Incumbent)
Brenda Hemry	(Incumbent)
Pat Henehan	(Incumbent)
Philip Mandeville	(New Candidate)
John W. Neal, Jr.	(New Candidate)
Jerry Thomas	(Incumbent)

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CLOSING OF NOMINATIONS

President Davies called for nominations from the floor. There being no further nominations, President Davies requested a motion to close the nominations. Upon a MOTION duly made by Dawn Hansen of, Unit 274-J, and seconded by Samuel McCarthy of, Unit 272-F, it was

RESOLVED that the nominations be closed.

The MOTION passed with one "no" vote.

BALLOTING

Ms. Cheryl Wilson, Accurate Voting Service, Inc., thanked the mutual for the opportunity to provide this election procedure for the mutual. They are the outside independent election service company that was selected to create the ballot, mail the ballot to the shareholders, and receive the return ballots to be opened today to determine Mutual Eleven's new directors.

President Davies announced that the balloting was now closed. He asked that any interested shareholders may accompany Accurate Voting Services to the counting area to observe the counting of the ballots. The preassigned observers are Pamela Sich, Cliff Vander Wal and Susan Shaver.

MINUTES

President Davies asked for a motion to dispense with reading the minutes of the last Annual Shareholders' Meeting held on May 24, 2018, and be approved as printed, and distributed. Upon a MOTION duly made by Gerarda McNulty of, Unit 271-D, and seconded by Elizabeth Reinhart, Unit 271-B, it was

RESOLVED that the reading of the minutes of the Annual Shareholders' Meeting of May 24, 2018, be dispensed with and that they be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS

President Davies introduced the current 2018-2019 Board members:

Geoff Davies, President
Mary Greer, Vice President (absent)
Brenda Hemry, Secretary

Guta Basner, CFO
Patrick Henehan, Director
Jerry Thomas, Director

President Davies then introduced Ms. Irma Heinrichs, GRF Representative; Mr. Randy Ankeny, Executive Director; Ms. Maria Zarro-Anaya, Community Manager, and Mrs. Kheara Aquino, Mutual Recording Secretary. Ms. Jodi Hopkins, Mutual Administration Director, was absent.

PRESIDENT'S REPORT

Mr. Davies presented his report (attached).

VICE PRESENT'S REPORT

Ms. Greer was absent and had no report.

SECRETARY'S REPORT

Ms. Hemry presented her report (attached).

CHIEF FINANCIAL OFFICER'S REPORT

Ms. Basner presented her report (attached).

EXECUTIVE DIRECTOR'S REPORT

Mr. Ankeny presented his report (attached).

MUTUAL ADMINISTRATION MANAGER'S REPORT

In Ms. Hopkins' absence her report was presented by Ms. Zarro-Anaya (attached).

A brief recess was called from 10:29 a.m. to 11:00 a.m., to complete the tabulation of votes.

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ELECTION RESULTS

Accurate Voting Services, Inc., reported the following results of the election to the shareholders present. With 196 members representing 62% of the total voting power in Seal Beach Mutual No. Eleven the following candidates were elected for the 2019-2020 term of office Joyce Basch, elected with 143 votes, Guta Basner, elected with 141 votes; Geoff Davies, elected with 216 votes; Brenda Hemry, elected with 118 votes; Pat Henehan, elected with 105 votes and Philip Mandeville, elected with 115 votes.

BYLAWS AMENDMENT VOTE

With a majority needed of 157 "yes" votes, the measure of *Amendment and Restatement of Bylaws* failed with 115 "yes" votes and 77 "no" votes and four (4) abstentions.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 11:03 a.m.

Attest, Philip Mandeville, Secretary
SEAL BEACH MUTUAL ELEVEN
ka 06-20-19

Attachments

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

PRESIDENTS COMMENTS, ANNUAL MEETING MAY 2019

Another year has gone by and we will soon have a new M11 Board.

The year began with problems for this Board when Patrick Henehan, having just taken over from John Newport, had to have urgent, major surgery which kept him out of action for several months together with Mary Greer's work commitments which drastically reduced the time she had available for onsite M11 business.

I can't thank Guta Basner, Brenda Henry and Walter Toney enough for stepping up to help fill those large voids. More recently Walter resigned due to Toshie's illness but we were very fortunate that Jerry Thomas came forward to take his place and soon settled in to Landscaping. I am sure we all wish Toshie and Walter the very best for the future and am very pleased to report that Patrick is now returning to full health.

No Board can operate without the help of its shareholders and I thank all the Building Captains, Committee Members, Social Activity Organizers, Handymen, the many 'see something, say something' residents who have come to our aid throughout the year and of course all the shareholders who attend our regular Board Meetings.

Mutual 11 continues to maintain its reputation as one of the friendliest and attractive Mutuals in the whole of Leisure World. There are many shareholder gatherings on our beautiful greenbelts throughout the year celebrating birthdays and anniversaries or just friends and neighbors enjoying one another's company.

This Board has worked hard to maintain the standards set by previous Boards to keep all of our buildings and common areas in the best condition possible whilst keeping within our Financial Budgets and it was great to hear in March from Carolyn Miller, GRF Finance Director, that our Finances are in good order despite rumors to the contrary last year.

In addition to necessary regular maintenance within the Mutual we have overhauled all Internal Electrical Panels, replaced Fire Extinguishers to Laundry Rooms, marked out parking spaces for 16 Golf Carts and installed copper pipework to a further 8 Buildings with the remaining 7 Buildings to be completed later this year.

Perhaps one of our most important events, and for my wife and I a highlight, was held just prior to Christmas when 23 shareholders gathered together for festive food and drinks followed by visits to 25 of our neighbors apartments where Christmas Carols, both religious and secular, were sung. A wonderful time was had by those who gave and especially by those who received and I hope that what is now becoming a tradition in Mutual 11 will continue for many years to come.

Thank you all for attending today.

Geoff Davies President M11 2018/2019

Seal Beach

Mutual 11

Board of Directors

Financial Recap

May 23, 2019

Good Morning!

Hard to believe that a year passed! For me last year brought new experiences, challenges, and satisfactions! I learned a lot about corporate finances, adjusted to new Civil Codes and now perform my duties in accordance with new regulations.

Financial Audit performed by auditors from CliftonLarsonAllen LLP determined that our Mutual is in good financial standing. Our Reserve and Emergency funds are sufficient. I am proud to say that we finished the fiscal year \$12, 000 under the budget and were able to adjust our monthly assessments at the lowest rate in years!

Heavy storms and prolonged rainy season brought unexpected expenditures and identified areas for improvement that will need to be addressed in the next budget. As of now we are \$18, 000 under budget.

Last year I had the privilege to work with really nice people and learn a lot from them. Mary Greer who knew so much about landscaping and patio designs and was always willing to help with projects. Patrick Henehan, who showed so much strength and courage to volunteer while battling health issues. Brenda Hemry to whom I would turn for advice and who was always on time and on point with the myriad of paperwork. Walter Toney was such an asset with his knowledge of contracts and a will to endorse every sentence and terms. And especially Jeffry Davies who has the wisdom and knowledge in finances, construction and diplomacy, whom I trusted and learned from the most, he dedicated every day, probably 18 hr (a man never sleeps) to making sure things run smoothly! I am so grateful to all of you for your dedication and patience. And I wish all the best to the next Board of Directors.

Guta Basner , Mutual 11 CFO

Annual Mutual Eleven Shareholders' Meeting 2019

Secretary's Report

As your Secretary, it has been my pleasure to keep you informed of what the board is doing to keep the Mutual running smoothly by updating the bulletin boards in the laundry rooms and getting the agendas posted promptly as well as distributing the Minutes to the Board Members for their distribution to the Building Captains. Many a Friday, late in the afternoon, I scurried around in my golf cart to get the Agendas up to meet the four-day deadline. I could not have done my job without the help of all the Building Captains. This Mutual has to be the most fortunate Mutual in Leisure World, because of our amazing Building Captains. My hats off to you all. Thank You! In addition to all the distributing, I have assisted with signing checks and completing new buyer orientations and met with staff to design the monthly agenda.

I want to thank Phil Mandeville for his contribution to our mutual as Emergency Information Chairperson. Phil has excelled in the area of the CERT program and obtained his certificate to train others. He has trained 36 people this past year and of those we have 10 in mutual 11. He is President of the CERT Study Group and Facilitator for Neighbor Helping Neighbor. I dare say our mutual is more prepared for a natural disaster, than any other Mutual. We can look forward to more from Phil in the way of Emergency READYNESS! Stay tuned. I am glad you are my neighbor, because I can count on you to save Don and me after you save Paula and Rosemarie. (I am pretty sure it's in that order too!)

Starting November 2017, Mutual Eleven joined with nine other mutuals hiring Steve Roseman and Assoc. to update our bylaws and occupancy agreement. You have voted today on whether or not the board still has work to do. We are not corporation attorneys and do not pretend to understand all the ins and outs of the many legal documents that apply to a Domestic Stock Corporation. No matter what happens today, the board will still have work to do. I hope going forward, you will support the board with positive reinforcement as they try to navigate this legal conundrum.

We as a Board, had many challenges this past year. We met them head on and I think we did a pretty darn good job of it. Director Newport resigned in August. We were lucky to pick up Patrick Henehan to fill the chair. Despite having major surgery, he only missed two board meetings. He and Peggy have been thru more this year than anyone can imagine and still have a wonderful spirit and attitude. Thank you both. Walter Toney had to resign due to his wife's illness. I want to thank Walter for his contribution to the Board as he was the voice of knowledge when it came to Davis Stirling and I depended on him. I am ever so appreciative of Jerry Thomas for taking on the task of filling Walters place at the table; he has done an extortionary job and I truly hope he will stay on as a Director.

I want to thank Guta Basner for her amazing, diligent work as our CFO. We just really hit the jack pot when we elected Guta. I sincerely hope and pray that she will be on this board for a long time to come.

I would like to thank Mary Greer for her contribution to the board and mutual by developing a flow chart to help residents navigate the patio approval process. It will be a valuable tool for future directors to follow. I am sorry you are leaving this year, but know you will be back when you feel the time is right.

Geoffrey, I have truly enjoyed working with you and your lovely wife this past year. I don't think anyone has any idea how hard you have worked for this Mutual. You have my most sincere gratitude and I look forward to working with you in the future.

Many thanks to Mark Harper, our building inspector; always the voice of reason. You have done a great job.

Thank you, Jodi and Kheara for holding us up when it appeared, we were way in over our heads. You were always there with a quick answer to guide us along.

Thank you all, have a wonderful summer.

Respectfully,

Brenda Hemry



GRF Executive Directors Annual Meeting Report

Dear Mutual Eleven,

As we look back at the 2018/19 term, remembering our accomplishments while always reflecting on our half a century as a premier community, but we are also inspired and excited by our future. We look to continue to engage the community for your input and support of GRF's mission:

The Golden Rain Foundation provides an enhanced quality of life for our active adult community of Seal Beach Leisure World

Over the years, I have come to see our community as a family. Family is a group of people who share a passion and a vision or simply care deeply for another person. At Leisure World Seal Beach, we are a large and diverse family of Shareholders/Members neighbors, community leaders, staff and friends.

A very sincere thank you to Mutual Eleven, GRF representative, Irma Heinrichs and the Board members of Mutual Eleven; you unselfishly volunteer your time to serve on a Board. The care and concern you show to your fellow Shareholders, is an inspiration for us all.

You treat everyone with respect and kindness, no matter what the situation is. Your collective accomplishments in helping and serving our community does not go unnoticed. The key to success rests in you, who embody the spirit of community by unselfishly asking "what may I do for you"?

I and the staff of GRF, thank you for the lasting friendships gained working with you; we are stronger, better, committed and passionate about our mission. Our standards of success are high and today is a great opportunity be able to celebrate our community and be grateful for our achievements.

We look forward to working with the Boards to ensure that our community continues to prosper and thrive for the mutual benefit of all Shareholders and Members.

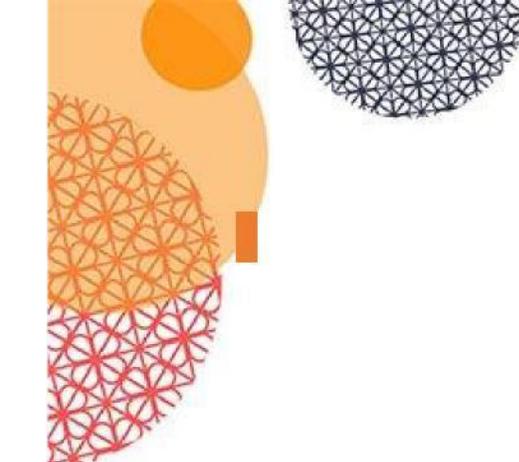
Thank you again for your support and partnership and, most importantly, for allowing my staff and I to be a part of your community and, especially, part of your lives.

With gratitude,

Randy Ankeny, Executive Director

"Without a sense of caring, there can be no sense of community"

Anthony J. D'Angelo



Annual Mutual Shareholders' Meeting 2019

We've come through another great year that was filled with both challenges and victories. How reassuring it has been to know that we can count on all our efforts.

Let's take this opportunity and thank everyone for all the efforts throughout the year. The greatest gift you can give is your time. Volunteers give their time and are the lifeblood of any Community. The work you have accomplished emphasizes the values and priorities of your Community. I truly enjoy each meeting, the conversations that are had and the valuable information that is shared.

Thank you to the Mutual Board of Directors. For you this is an add-on to the many things you do including your career, your family, your social life and other volunteer opportunities. Thank you for always answering our calls, responding to our emails and bringing your dedication, loyalty, commitment, experience and resources to the job of making life better for all of us.

Our team of staff members, along with the new or returning Mutual Directors, are willing to take on another year to continue the growth of our Community by incorporating everyone and working for the good of all.

Thank you to the GRF Board of Directors, more specifically your GRF Representative.

Our Executive Director, Mr. Randy Ankeny – Thank you for your vision, your extraordinary ability and leadership to guide us always. We appreciate the efforts made by you. With your leadership, we look forward to the next year working with the Board to continue to have many successful years. My sincere appreciation and gratitude.

Thank you to everyone for your part in our journey.

In the words of John E. Southard, let me say, *"The only people with whom you should try to get even with are those who have helped you."*

Sincerely,

Jodi Hopkins

Mutual Administration Director

