

**MINUTES OF THE ANNUAL SHAREHOLDERS MEETING
SEAL BEACH MUTUAL THREE
June 9, 2021**

The annual meeting of the shareholders of Seal Beach Mutual Three, a California corporation, was called to order by President Ginthner at 10:01 a.m. on Wednesday, June 9, 2021, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Mike Turis led the *Pledge of Allegiance*.

QUORUM

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

SHAREHOLDER DECLARATION

At the March 12, 2021, regular board meeting, Patty J. Schmitz of Unit 13C declared her intent to vote cumulatively at this annual shareholder meeting.

CERTIFICATION OF NOTICE OF MEETING

President Ginthner read the certification notice:

I, Carol Ginthner, president for Seal Beach Mutual No. Three, hereby certify that the Notice of Stockholders' Meeting and Ballots were mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of May 10, 2021.

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

INTRODUCTION OF CANDIDATES

The following nominated candidates were introduced as follows:

James E. Campbell (Incumbent)
Denise Garduno
Carol I. Ginthner (Incumbent)
Stephen Harris (Incumbent)

Dianne E. Hart (Incumbent) **(Absent)**
L. Jan Ledbetter (Incumbent)
Nancy Tye (Incumbent)

CLOSING OF NOMINATIONS

President Ginthner requested a motion to close the nominations.

Upon a MOTION duly made by Danette McCloud, unit 01-D, and seconded by Susanne Feldner, unit 09-D, it was

RESOLVED that the nominations be closed.

The MOTION passed.

BALLOTING

Ms. Cheryl Wilson from Accurate Voting Services 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 Three new Directors.

President Ginthner mentioned that the balloting was now closed. She informed shareholders that they were welcome to observe the counting process on the monitors.

POSTING RESULTS

President Ginthner stated that within 15-days of the election, the Board will publicize the results of the elections in a communication directed to all shareholders. Results of the elections would also be posted on the main doors of all clubhouses upon completion of the final tally of ballots.

MINUTES

President Ginthner asked for a motion to dispense with reading the minutes of the last annual shareholders meeting held on August 12, 2020, and that they be approved as printed and distributed.

Upon a MOTION duly made by Karen Reggiardo, unit 31-D, and seconded by Danette McCloud, unit 01-D, it was

RESOLVED that the annual shareholders meeting minutes of August 12, 2020, be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS

President Ginthner introduced the current 2020-2021 Board members:

Carol Ginthner, President
Mike Turis, Vice President
Jan Ledbetter, Chief Financial Officer
Dianne Hart, Secretary (**Absent**)

Jim Campbell, Director
Stephen Harris, Director
Nancy Tye, Director

President Ginthner then introduced the GRF Representative, Sandy Geffner; Executive Director, Randy Ankeny; Portfolio Specialist, Ripa Barua; and Recording Secretary, Priscilla Jimenez.

PRESIDENT'S REPORT

Ms. Ginthner presented her report (attached).

VICE PRESIDENT'S REPORT

Mr. Turis provided a verbal report.

SECRETARY'S REPORT

Ms. Hart was not present.

CHIEF FINANCIAL OFFICER'S REPORT

Ms. Ledbetter presented her report (attached).

DIRECTORS' REPORTS

Mr. Campbell presented his report (attached).

Mr. Harris presented his report.

Ms. Tye did not present a report.

GRF REPRESENTATIVE'S REPORT

Mr. Geffner provided a verbal report.

EXECUTIVE DIRECTOR'S REPORT

Mr. Ankeny's presented his report (attached).

**ANNUAL SHAREHOLDERS MEETING
SEAL BEACH MUTUAL THREE**

June 9, 2021

MUTUAL ADMINISTRATION REPORT

Ms. Barua presented her report (attached).

President Ginthner called for a brief recess from 10:36 a.m. to 10:54 a.m., to complete the tabulation of votes.

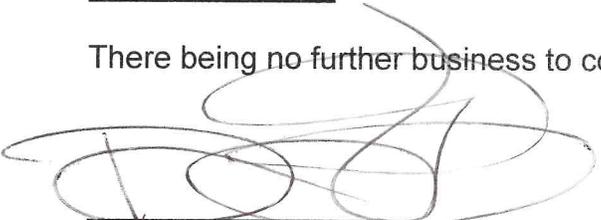
ELECTION RESULTS

Accurate Voting Services, Inc., reported the following results of the election to the shareholders present. With 231 members representing 53% of the total voting power in Seal Beach Mutual No. Three the following candidates were elected for the 2021-2022 term of office. James E. Campbell, elected with 183 votes; Denise Garduno; elected with 192 votes; Carol I. Ginthner, elected with 264 votes; Stephen Harris, elected with 278 votes; Dianne E. Hart, elected with 197 votes; L. Jan Ledbetter, elected with 147 votes; and Nancy Tye, elected with 185 votes.

The amendment and restatement of the mutual's bylaws failed with 192 "yes" votes, 29 "no" votes, and 9 abstentions.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 10:58 a.m.



Attest, Denise Garduno, Secretary
SEAL BEACH MUTUAL THREE
pj: 06/09/2021
Attachments

Mutual 3

June 9, 2021 Annual Meeting

President's Report

Thank you to all who participated in our annual election and meeting. Your participation shows your interest in the well-being of this Mutual and is greatly appreciated by this Board of Directors. Please continue to participate and encourage your neighbors to do so also!

A huge thank you must be given to all of our shareholders for their patience and assistance in getting all of through this incredibly difficult year of Covid-19 restrictions. Your efforts to keep yourselves and others safe and healthy were remarkable and please continue to show those cautions until all restrictions are lifted. Masks, distancing and vaccines may continue for awhile, but we can get through it everything by working together.

Before going further, I would like to extend a thank you, from the Board, this community and myself to our retiring Vice-President and Physical Properties Director, Mike Turis. Mike has served this Mutual well with his knowledge, efforts, and interest. I know that I have learned a lot from him. We wish you well in your future adventures.

Of course, I must thank the other members of this Board for their work on behalf of the shareholders in this Mutual, the many hours involved in meetings and job assignments, all as volunteers. Thank you so much.

On behalf of the Board, I would like to thank Linda Stone for her many years of service to Mutual 3, both on the Mutual Board and later as the Mutual's Representative to the GRF Board of Directors and for her efforts on behalf of this community. May you enjoy a well-earned rest!

I would also like to take this opportunity to introduce the newly elected Mutual 3 representative to the GRF Board of Directors, Sandy Geffner. Sandy has previously served this Mutual as our CFO and, I know he will be an asset to the GRF Board as well.

This Mutual's Board Members and shareholders could not have made it through this challenging year without the assistance of the staff in the many GRF departments that work to keep Leisure World and the Mutuals running smoothly. Covid had a huge impact on staffing; so many departments were running on greatly reduced staff, all while having to take care of business demands that were not reduced.

First, and foremost, a massive thank you to Randy Ankeny, GRF, and the many departments involved in providing the Covid-19 vaccine clinics for all of us. This was a Herculean task: dealing with the County, getting Leisure World designated as a point of distribution, and then getting everyone signed up and vaccinated – all within a very short timeframe! Your efforts on our behalf were amazing and we are so grateful to everyone involved.

Working with Jodi Hopkins, Ripa Barua and the Mutual Administration and Stock Transfer Office staff on a daily basis is incredible. They have been short-staffed, handling an escalating workload, yet willing to answer questions and assist with any request, and always with a smile. Teaching and assisting us with multiple Zoom meetings has been wonderful! You are greatly appreciated!!!!

Our Building Inspector, Dave van Horn, and the staff of Physical Properties work with us constantly in dealing with the buildings and projects required to keep this Mutual physically sound. They have had the added challenge of facilitating our new buyer orientations and inspections via Zoom, but have made the job as easy and safe as possible for us to accomplish. Thank you.

Service Maintenance and Security have continued to provide us with assistance any time we have requested it, even though they have had to modify their methods due to Covid. Again, we appreciate the extra efforts in meeting the requests.

Thank you to all the GRF staff, in so many departments, who work daily to help all of our shareholders and Board members take care of business.

As Mutual 3 residents, you may have noticed a lot of new faces as you have started to venture out in the Mutual again. Our sales numbers in this last year are meeting and on track to exceed the numbers we haven't seen in 8 years. Please be sure to welcome your new neighbors and help them get acquainted with Mutual 3 and Leisure World – it is a great place to call home.

I would encourage all shareholders, new and long-term, to participate in your Mutual. Attend meetings, be a building captain, run for the Board next year. As always, feel free to contact a Board member for any information.

Lastly, I would like to thank everyone in Mutual 3 for the support and kindness shown to me. It means the world to me, especially in this challenging time. I firmly believe that we can always manage anything when we work together and I thank you all so very much.

2021 Annual Meeting

This last year has been a challenging one. We have had to make adjustments in how we conduct business by learning how to do zoom meetings and making appointments to conduct business at the administration offices. Because of supply slowdowns, the cost of repairs has increased so the decision to postpone new roofs this year was necessary. Hopefully, when the supply chain returns, the costs will become more favorable. Our daily operating budget is right on track but our maintenance cost could be lower. Inappropriate use of garbage disposal, disposal of wipes in the pipes as well as dumping outside the garbage dumpsters has cost more to each one of us in repairs and disposal fees. Please dispose of all items in the garbage bins. Thankfully our vacant units are selling at a fast pace.

This is the third time we have had to place the by-laws on the ballot for a vote. The cost to the mutual so far is over \$24,000. There seemed to be an attitude of "if you don't understand it, just don't vote or vote no" and that attitude has cost each one of us within our monthly fees. Please ask questions if you don't understand something. Until this is resolved, our costs and legal fees will continue to rise.

This brings me to voting in general. Law requires that we have a quorum of votes to create a valid election. It is very discouraging to those who spend hours of volunteer work serving the mutual and then seeing shareholders ignoring their responsibility to simply vote. Everyone is needed for the smooth running of Mutual 3.

Jan Lebetter
Mutual 3 CFO

**Landscape Report, Mutual 3
June 9, 2021**

SHAREHOLDERS

This has been a very successful landscape year. Our landscape company, Total Landscape Maintenance, continues to maintain our Mutual with pleasant results. The lawns are looking better than they have in years. We still have a few spots needing attention, but we are getting there. Remember, the lawns are “Common Area” and the Mutual is responsible for them. Please let the landscape company take care of them, that's part of what we pay them to do. If you have an issue or comment regarding the landscape, PLEASE address it through me, DO NOT engage the gardeners directly. I will gladly field any landscaping concerns and see that they are addressed in a timely manner.

Thank you all for reporting sprinkler problems as they occur, this helps to get them fixed with a minimum of delay.

We lost a couple of mature trees this year; the pine tree at building 32 was replaced by rose plantings and a Myoporum [Mousehole] tree at building 16 was cut down this week and will be replaced by a different species. Myoporum trees are susceptible to microscopic thrips that kill the trees.

Enjoy our beautiful Mutual as you walk or ride throughout and contact me if you have any concerns.

Sincerely,



Jim Campbell
Director, Landscaping
209-604-9931 [call or text]



2020/2021 Annual Report

Together Again

On March 11, 2020, the world came to a standstill with the declaration of COVID-19 as a global pandemic. 430 plus days have now gone by since then, with over 325 days of operation under the 2020/21 Board terms. We stood together during this confusing and difficult time. Together we have seen our priorities massively shift due to COVID-19, and it was eye opening, how much can change in a short period of time, how much we took for granted.

We held our community together during this time of challenge, we adapted, we stayed strong, and ultimately, We Are Prevailing.

The odds are pretty high that each of us may have suffered a loss, knew someone who had to endure this horrible disease, and experienced social isolation though stay at home orders. We lost the opportunity to shake hands, the gift of a smile, or even a hug to someone in need.

How will this term be remembered? The masks we wore, loss of control in our everyday lives being snatched away from living behind closed doors and as a community being brought face to face with our new reality. But from this term, I believe something wonderful has emerged. Can the past year, in fact, become the best year of our lives? 2020/21 Board terms has reminded us, every day, that our collective lives are intertwined in more ways than we can appreciate.

We are each other's safekeepers. Each other's hope.

We learned to value the interconnectedness that binds us.

We were all part of helping and supporting each other. This is evident in the many acts of goodness, kindness, and random acts of compassion we've seen over the past few months. This is the founding premise of our community, "neighbors helping neighbors."

Yes, we accomplished many projects (see attached), with the key project being **togetherness** and community unity.

Please take some time today to think about what we have accomplished together. Our commitment to our very special community and how much we value our safe and healthy home.

I want to thank the GRF Board, Mutual Boards and all Shareholders of Leisure World Seal Beach for raising to the many challenges. I could not imagine enduring what we have all endured together without you.

The following quote sums up perfectly who we are:

“Isn’t everyone a part of everyone else”

Budd Schulberg

Thank you for allowing us to be part of your community and your lives.

Respectfully submitted.

Randy Ankeny

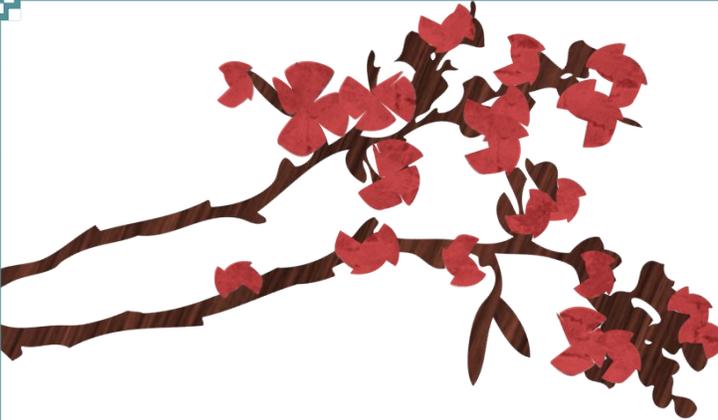


2020/2021 Project Report

During the GRF 2020/2021 GRF Board Term the following projects were approved

- Trust property enhancement and renovation, Fitness Center, Reserve Funding in the amount of \$170,950 and Capital Funding in the amount of \$61,505 – Completed.
- Installation of an Orange County Registrar of Voters, On Site Ballot Drop Box.
- Annual Flu Shot Clinic, provided through Optum Care.
- 2020 Paving Project, Reserve Funding in the amount of \$630,511 - Completed.
 - Northwood – Del Monte to St. Andrews
 - Oakmont
 - Church Place
 - CH2 Parking Lot (Between CH2 and RV Lot)
 - CH3 and CH4 Parking lots
 - Foxburg
- Installation of Synology NAS Backup Solution for enhance data storage, Capital Funding in the amount of 3,556 – Completed.
- Replaced the Forklift, Reserve funding in the amount of \$26,336.10 – Completed.
- Landscape replacements (CH2 and Service Maintenance), Reserve Funding in the amount of \$5,690 – Completed.
- Installation of Paramount Workplace Solution Software (Purchasing Requisition), Capital funding in the amount of \$41,220 and Non-Budget Operational funding in the amount of \$3,780 – Completed.
- Trust property enhancement and renovation, Amphitheater Loft (Center for Performing Arts), Capital Funding in the amount of \$30,000 – Completed.
- 2020 Paving Project (Additional street replacement), Foxburg Road, Reserve funding in the amount of \$106, 225 – Completed.
- Trust property enhancement, Pedestrian Safety Fences (St Andrews and CH3), Reserve funding in the amount of \$21,465 – Completed.
- Renaming of Trust Property, the Golf Course was renamed to Turtle Lake Golf Course.
- Trust property enhancement and renovation, RV lot main entrance, \$ 23,600
- Sewer Lift Station, Core Components replacements, Reserve funding in the amount of \$25,547 – Completed.
- COVID-19 Vaccine Program, First Special Dispensing Point of Vaccine in Orange, 4,915 community members were vaccinated.

- Trust property enhancement and renovation, Purchasing Department Office improvements and ergonomics solutions, Capital Funding in the Amount of \$3,000 – Completed.
- Street Project, Spandrel Replacement on El Dorado, Reserve Funding in the amount of \$9,512 – Completed.
- Trust property enhancement and renovation, CH2, Pools and Game Room, Reserve Funding in the amount of \$189,688 and Capital Funding in the amount of \$74,883 – In process, with a June 2021, completion.
- Trust property enhancement and renovation, Phase Two, Administration Workstation and ergonomics, Reserve Funding in the amount of \$4,000 and Capital Funding in the amount of \$2,150 - Project start, June 2021 with an estimated 6-week project period.
- HVAC Replacement, CH6, Unit 4, Reserve Funding in the amount of \$9,500 – Completed.
- Trust property enhancement and renovation, CH3 Fireplace renovation (removal of surround and new stone veneer), Capital funding in the amount of \$10,000 - Project to start, July 2020 with a 6-week project period.
- Trust property enhancement and renovation, Building 5, Elevator upgrades, Reserve Funding in the amount of \$50,097 - Project to start, July 2020 with a 6-week project period.



ANNUAL SHAREHOLDERS' MEETING 2021

Dear Leisure World Seal Beach Shareholders and Homeowners,

Thank you for your presence here today either via Zoom, telephone or in person. We would like to first acknowledge each and every one of you for your patience and strength during this challenging year. We saw our beautiful community come together and provide services with friendly covered smiles and we are so incredibly proud of that.

Thank you to all the volunteers at every level that made the year possible. To all who contributed to the COVID clinic, thank you. We saw the lines of residents who got their first and second vaccine. People helped their friends and neighbors register and drive them out for their appointment. We saw the friendly faces staying late to make sure that all those with appointments got their vaccination. When a community comes together, to look after one another, we achieve great things like this.

As a community we heard the voices of the shareholders to open the amenities, although limited, we look forward to seeing all of the wonderful resources we have to offer available once again to everyone. It was all of you who stepped up and with patience taking steps towards our new normal. We applaud you all who went with the many changes, and yes, some last-minute changes, as they happened with optimism.

Thank you as we could never do anything here in Leisure World without the vision, ideas, labor, and support of all of you who volunteer on the boards and committees. Thank you to the Mutual Board of Directors for your dedication, loyalty, commitment, experience, and resources to the job of making life better for all of us. Thank you to the Mutual Directors whom year after year commit to represent their shareholders, effectively run their Mutuals, and provide insightful knowledge to staff.

Our team of staff members, thank you for aiding in the growth of our Community by incorporating everyone and working for the good of all. We will continue to have many successful years.

Thank you to our Executive Director, Mr. Ankeny for continuing to spearhead our way out of this historical period. The work continues and we look forward to working with a team dedicated to providing the best to our community.

In closing, my sincere appreciation and gratitude. Thank you all, we wish everyone a happy and healthy rest of the year. And if you need us, you know where to find us! 😊

Sincerely,
Jodi Hopkins, Mutual Administration Director
Anna Gamboa, Portfolio Specialist
Ripa Barua, Portfolio Specialist

