

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR
July 12, 2017
Open Forum at 9:00 a.m. - Meeting begins at 9:30 a.m.
Administration Building Conference Room A

SHAREHOLDER COMMENTS – Open Forum

1. CALL TO ORDER/*PLEDGE OF ALLEGIANCE*
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, GUEST(S), STAFF:
Paul Bristow, Security Services Director
B.J. Hawke, Security Services Manager
Joy Reed, GRF Representative
Jodi Hopkins, Mutual Administration Director
Kevin Black, Building Inspector
Carol Day, Recording Secretary
4. APPROVAL OF MINUTES– **Regular Monthly Meeting of June 14, 2017**
5. CORRESPONDENCE Tom Gerrity
6. GRF REPRESENTATIVE Joy Reed
7. BUILDING INSPECTOR'S REPORT (**pages 3-4**) Kevin Black
8. OLD BUSINESS –
 - a. Update on SmartBurners Bob Slater
 - b. Concrete Work - Board
 - c. Policy 7549 – Lockout Procedures (**pages 5-6**) Board
 - d. Budgets Suzi Smith
9. NEW BUSINESS –
 - a. Termites Bob Slater
 - b. Amend financial requirements of Policy 7510.04 – Eligibility Requirements (**pages 7-9**) Board
 - c. Occupancy Agreement Article 23 Late Charges/Cost (**page 10**) Board
 - d. Property Tax Postponement Resolution (**page 11**) Board
 - e. Request to Receive Hard Copies of Monthly Minutes from Other Mutuals (**page 12**) Board
 - f. LED Lighting Resolution (**page 13**) Board
 - g. Resolution Towing Agreement/Contract Mr. C's (**page 14**) Board

(STAFF SECRETARY BREAK (TIME TO BE DETERMINED BY PRESIDENT))
10. CHIEF FINANCIAL OFFICER'S REPORT Suzi Smith
11. DIRECTORS REPORTS
 - a. PRESIDENT.....Bob Slater
 - b. PHYSICAL PROPERTIES.....Jon Russell
 - c. MAC.....Jan Kuhl
 - d. LANDSCAPE CO-CHAIRS.....Mike Levitt/Suzi Smith
12. DIRECTORS COMMENTS
13. MUTUAL ADMINISTRATION DIRECTOR'S REPORT Jodi Hopkins

14. SHAREHOLDER COMMENTS (subject to time available)
15. ADJOURNMENT
16. EXECUTIVE SESSION (start at 11:30 a.m.) (legal and member issues)

STAFF SECRETARY WILL LEAVE THE MEETING BY 12:10 p.m.

NEXT MEETING: Wednesday, August 9, 2017

Open Forum at 9:00 a.m. - Meeting begins at 9:30 a.m.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (04) FOUR

INSPECTOR: Kevin Black

MUTUAL BOARD MEETING DATE: JULY 12TH 2017

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
4-73B	patio tile	grf	01/27/17	02/27/17	no		Lw Décor
4-42I	add bath lighting	both	04/04/17	07/31/17	no		los al
4-46L	central FAU	both	03/10/17	06/10/17	no	fail 4/4/17	Greenwood
4-49H	heat pump ductless	both	03/24/17	07/01/17	no		greenwood
4-80I	emodel/rep/risers in D/	both	05/01/17	07/31/17	no	big four-6/1/17	Hadi 562.225.5235
4-84J	washer/dryer/retro window	both	04/03/17	07/03/17	no		Kress
4-84J	flooring	grf	04/02/17	04/22/17	no		colonial carpets
4-37C	cut down shw/grab bar	both	05/18/17	06/18/17	no		nukote 5/9/17
04-042	re-roof	both	05/22/17	09/30/17			Roofing Standards
04-083	re-roof	both	05/22/17	09/30/17			Roofing Standards
04-084	re-roof	both	05/22/17	09/30/17	no		Roofing Standards
4-84I	flooring	GRF	05/30/17	07/10/17	no		colonial carpets
4-44G	kitchen remodel	both	06/18/17	09/29/17	no		los al
4-88J	3 zone ductless heat pump	GRF	07/05/17	09/05/17	no		greenwood
4-37G	flooring	GRF	07/05/17	08/05/17	no		Karys carpet 7/5/17
4-80G	3 zone ductless heat pump	both	07/05/17	08/05/17	no		alpine
ESCROW ACTIVITY							
UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
4-86F		10/28/16					
4-83G		12/22/16		01/12/17			
4-39D		03/21/17					
4-38A		03/29/17	04/03/17	05/12/17	05/24/17		
4-41F				05/12/17	05/24/17		
4-51F		05/18/17	06/12/17	06/14/17	06/26/17		
4-74F		05/18/17	06/12/17		06/23/17		
4-40A			05/26/17	06/02/17	06/14/17		
4-83F			05/31/17		06/12/17		
4-46I		06/08/17	06/22/17	06/26/17	07/07/17		
4-87A		06/22/17					
4-48B			06/29/17	07/03/17			
4-51D							

NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation

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

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (04) FOUR

INSPECTOR: Kevin Black

MUTUAL BOARD MEETING DATE: **JULY 12TH 2017**

[illegible]

DRAFT

SHAREHOLDER REGULATIONS

Lockout Procedures

The following will be in effect for units after the death of a shareholder/owner:

1. Death with Surviving Shareholder/Owner Living in the Unit

If the death of the shareholder/owner occurred at the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be left at the unit by Security.

If the death of the shareholder/owner occurred outside the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be provided by Foundation personnel at the time the death is reported.

2. Death of Sole Owner

a. Unattended Death

If death is unattended and the unit is sealed per law enforcement or coroner's order, then no one may access the unit until official next-of-kin determination is made by the coroner's office. Security will leave a Bereavement Book at the unit and place a knob lock on the door. If the door cannot accommodate a knob lock, a plywood sheet shall be affixed over the door. If someone comes forward as Trustee, non-resident co-owner or with other legal authority, Foundation personnel must check with the coroner's office before permitting access to the unit.

b. Attended Death

Security will identify on the DOA report those present at the time of death, including family members, hospice workers, caregivers, and other individuals. A Bereavement Book will be left at the unit. If someone present is identified as legal authority of the unit and can provide evidence of same, Security will instruct them to visit the Stock Transfer Office as soon as possible. Security will inform all persons present that no one may stay in the unit overnight without Mutual permission, unless they are a registered caregiver or co-occupant.

If legal authority is not established at the unit via documentary evidence, all persons present will be asked to leave the unit until legal authority is established at the Stock Transfer Office. From there, the unit will be knob locked or a plywood sheet shall be affixed to the door. The exception to this is if a registered co-occupant or caregiver lives at the unit, or if Mutual permission is obtained.

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SHAREHOLDER REGULATIONS

Lockout Procedures

3. Reporting of Death to Mutual President

Shareholder/owner deaths shall be reported to the Mutual President within one (1) to two (2) business days with the following information:

- a. Name of decedent
- b. Date and location of death
- c. Identification of persons present at unit (if any)
- d. Name, relationship and contact information of surviving shareholder/owner (if any)
- e. Name, relationship and contact information of decedent's emergency contacts (if no surviving shareholder/owner is present at the unit)
- f. If legal authority has been established
- g. If/how the unit was secured
- h. If there are any registered co-occupants, caregivers or pets at the unit

MUTUAL ADOPTION

Mutual: **date**

MUTUAL OPERATIONS**AMENDED DRAFT****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Four**

All **each proposing** persons **Shareholder** seeking approval of the Board of Directors of Seal Beach Mutual No. Four to purchase a share of stock in the Mutual, and to reside in the Mutual, shall **individually** meet the following **income** eligibility criteria:

- A. Apply for and be accepted as a member of the Golden Rain Foundation, Seal Beach, California.
- B. Meet the Mutual eligibility criteria as follows:
 - 1. Age

Minimum of 55 years, as confirmed by a birth certificate or passport. A driver's license is not acceptable as proof of age.

- 2. Financial Ability

- a. Verified **net** monthly income or sufficient assets that is/are at least four (4) times **greater than** the monthly carrying charge (Regular Assessment plus Property Tax and Fees) at the time of application, and have liquid assets of at least \$25,000 **\$50,000. Actual or projected retirement income (SS, pension, annuity, etc) shall be the only income used for qualifications. Verified monthly income/assets may be in the form of the past two years of:**

1) ~~Verified monthly income will be in the form of the past two years of:~~

- a1) Tax returns;
- b 2) 1099s for interest and dividends; **(assets used to purchase unit will not be included in income calculations);**
- e 3) 1099-Rs for retirement income from qualified plans and annuities; **with copy of executed payment elections documents and/or beneficiary election forms);**
- d 4) SSA-1099 Social Security Benefit Statement;
- e 5) Brokerage statements and current interim statement. **(assets used to purchase unit will not be included in income calculations).**
- 6) Six to twelve months of checking/savings account statements (assets used to purchase unit will not be included in income**

MUTUAL OPERATIONS**AMENDED DRAFT****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Four****calculations).**

- b. Adjusted Gross Income per 1040, 1040A, or 1040EZ **plus that portion of Social Security, IRA distributions, and pensions and annuities not included in adjusted gross income plus tax exempt interest; (assets used to purchase unit be included in income calculations)** minus income **tax, Social Security, Medicare** and self-employment taxes **paid, and minus Medicare medical insurance and prescription drug premiums; all divided by twelve (12)** will equal net annual **monthly** income **to be used in paragraph 2.a above.**
- c. Projected assessments will be the previous year's assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by 12 for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times four (4) will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income. **(Note 1)**¹
- 4) Verification shall be done by the Escrow Company and the Stock Transfer Office **for each proposed shareholder** prior to the new buyer interview **orientation** and prior to the close of escrow. (the above verification will not be done by the individual Mutual Directors; Directors will not be required to study or understand the financial requirements). **Two officers of the Mutual must sign the Financial Qualification Worksheet.**
- a) ~~The above verification will not be the responsibility of the individual Mutual Director.~~

¹ If major remodeling, expansion, or addition of a bathroom is being considered, the increase in taxes over the 1.2% of the purchase price must be taken into consideration.

MUTUAL OPERATIONS

7510.04

AMENDED DRAFT

RESIDENT REGULATIONS

Eligibility Requirements – Mutual Four

- b) ~~A credit check will be performed by the escrow company, with the results included in the financial package.~~
- d. Only the residential shareholder's income shall be considered for qualifying.
- e. **If moving within Leisure World, or if there are any additions/changes to the title (except to remove a deceased spouse's name), the proposed shareholder(s) must meet these eligibility requirements.**

3. Health

Have reasonably good health for a person of his/her age, as evidenced by a letter from his/her physician, so that resident can take care of normal living needs without calling on other members of the cooperative for an undue amount of assistance.

4. Character

Have a reputation for good character in his/her present community

- C. Assume, in writing, the obligations of the "Occupancy Agreement" in use by the Mutual Corporation.

Officers or Committees of the Board of Directors designated to approve new applicants are responsible that the eligibility criteria of this corporation is equitably applied to all applicants. Approval or disapproval of buyer(s) must be received by the Stock Transfer Office at least ten (10) working days prior to the close of escrow.

MUTUAL ADOPTION

AMENDMENTS

FOUR: 04-13-70

09-08-93, 08-13-08

(draft created on 7-7-17 ka-adapted from PC)

Fiance Department Late Charges and Others Cost

MOTION:

Resolved, that according to Mutual _____ the Occupancy Agreement Article 23, Late Charges and Others Costs in Case of Default; that a late charge of \$10.00 or 10% which ever is greater for each month of delinquency will be assesed to a delinquent shareholder.

State of California Property Tax Postponement:

RESOLVED, That Mutual _____ does not support or authorize the signing of the Property Tax Postponement Application from the State of California. The Mutual further authorizes the GRF Finance Department to notify the Board if a shareholder requests a Property Tax statement.

Mutual Minutes:

RESOLVED, That Mutual _____ continue to receive one hard copy of the various Mutuals' monthly minutes in their MAIL BOX in the Stock Transfer Office.

LED Lighting

MOTION:

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.

Towing:

RESOLVED, To approve Mr. C's Towing for towing of vehicles when there is a violation of Mutual policy, and two signatures of Board members are required with at least one of the signatures being that of an officer on the Board.