

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOUR

January 10, 2018

Open Forum begins at 9:15 a.m. – Meeting begins at 9:30 a.m.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. SHAREHOLDER COMMENTS (2-3 minutes per shareholder. Agenda items only)
3. ROLL CALL
4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUEST(S):

Mr. Rosenberg, WASH Laundry Systems
Ms. Dillard, National Wash
Mrs. Reed, GRF Representative
Ms. Hopkins, Mutual Administration Director
Mr. Black, Building Inspector
Mrs. Poynter, Recording Secretary
5. APPROVAL OF MINUTES:
Regular Meeting Minutes of December 13, 2017
6. BUILDING INSPECTOR'S REPORT Mr. Black
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p. 3-4)

a. Approval of transformer enclosures for Unit 82-G and Unit 82-L (p.5)
7. GRF Representative Mrs. Reed
8. **GUEST SPEAKER – WASH Multi Family Laundry Systems** **Mr. Rosenberg**
9. **GUEST SPEAKER – National Wash** **Ms. Dillard**
10. **UNFINISHED BUSINESS**
 - a. Ratify adopted/posted Policy 7415.04.B – Outside Patio Area Regulations (p. 7-10)
 - b. Ratify amended/posted Policy 7510.04 – Eligibility Requirements (p.11-13)
11. **NEW BUSINESS**
 - a. WASH Laundry Systems Dave Rosenberg
 - b. National Wash MaryAnn Dillard
 - c. Discussion Dish T.V. Mr. Russell
 - d. Weekend Requests for Service Mr. Levitt
 - e. Fire Inspections Ms. Kuhl

(Friday, January 05, 2018 cp)

NEW BUSINESS (continued)

- f. Discuss amending Policy 7502.04 – Carport Regulations (p. 15-19)
- g. Discuss rescinding Policy 7701 – Personal Property Insurance and adopting Policy 7701.04 – Personal Property Insurance (p.21-23)

STAFF SECRETARY BREAK 11:00 a.m.

- | | | |
|-----|--|-------------|
| 12. | SECRETARY / CORRESPONDENCE | Mr. Gerrity |
| 13. | CHIEF FINANCIAL OFFICERS REPORT | Ms. Smith |
| 14. | MUTUAL ADMINISTRATION DIRECTOR | Ms. Hopkins |
| 15. | ANNOUNCEMENTS | |
| 16. | COMMITTEE REPORTS | |
| 17. | DIRECTORS' COMMENTS | |
| 18. | SHAREHOLDER(S') COMMENTS (2-3 MINUTES) | |
| 19. | ADJOURNMENT | |
| 20. | EXECUTIVE SESSION | |

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

NEXT MEETING WEDNESDAY, FEBRUARY 14, 2018
Open Forum at 9:15 a.m. – Meeting begins at 9:30 a.m.

(Friday, January 05, 2018 cp)

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (04) FOUR

INSPECTOR: Kevin Black

MUTUAL BOARD MEETING DATE: January 10th 2018

CONTRACTS and PROJECTS	
CONTRACTOR	PROJECT
Total Landscape Maintenance-	on going now
Tree Pruning:	
Fenn Pest Control -	service days are Monday and Wednesday
Copper Re-piping	
Plumbing:	
Abatement:	
Roofing	
Roofing Standards:	
stove hoods & Piping	
Kress Concs:	
painting touch ups	
Advance Painting:	
Concrete	
MJ Jurado:	M5 is looking to split costs with us on the removal and replacement of the swale or with drains and so adjacent concrete sidewalk where the swale crosses, aprox.-
Shareholder Visits and Mutual Requests	
73F @ G water damage	
50E check for doors	

Mutual Corporation No. Four

MEMO

TO: MUTUAL FOUR BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: APPROVAL OF TRANSFORMER ENCLOSURES FOR UNIT 82-G AND UNIT 82-L (BUILDING INSPECTORS REPORT ITEM A)
DATE: JANUARY 10, 2017
CC: MUTUAL FILE

I move to approve the transformer enclosures at Unit 82-G and Unit 82-L at a cost not to exceed \$_____.

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Mutual Corporation No. Four

MEMO

TO: MUTUAL FOUR BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY ADOPTED/POSTED POLICY 7415.04.B – OUTSIDE PATIO AREA REGULATIONS (UNFINISHED BUSINESS ITEM A)
DATE: JANUARY 10, 2018
CC: MUTUAL FILE

I move to ratify adopted/posted Policy 7415.04.B – Outside Patio Area Regulations.

ADOPT DRAFT**PHYSICAL PROPERTY****Outside Patio Area Regulations– Mutual Four**

The purpose of this policy is to provide guidelines for the building and maintenance of patios that are user friendly, increase the value to the Mutual, and improve the aesthetics of the shareholders' units and of Mutual Four.

Definition of Terms

- a. A patio will be considered a **temporary** addition to the shareholder's unit.
- b. A patio is any surface other than garden material that is attached or adjacent to the outside wall structure of the unit's structure.
- c. A porch is the space under the roof of the structure open to the outside or enclosed from the weather.
- d. A porch is included in the exclusive use permit of occupancy and is not included or managed by this patio policy.
- e. A porch and patio can be built as a continuous structure, but only the portion outside the roof line will be considered and maintained as a patio with this policy.

Stipulations for Existing Patios

- a. As of the date of the ratification of this policy all currently installed patios will be considered as allowed. At the time of transfer of title or sale of a unit with a patio, the buyer must agree to manage, maintain, and insure the cost of the patio or it shall be removed at the seller's cost. The new buyer/transferee must sign the *License and Indemnity Agreement* provided by the Mutual Four Board. Remodels of existing patios must comply with this patio policy in its entirety.

Patio Approval Process

- a. All requests for patios must be submitted to the Golden Rain Foundation (GRF) Physical Property Department at least three (3) weeks prior to a regularly scheduled Mutual Board Meeting. The GRF Physical Property Inspector must submit the plans for approval to the Board of Directors at least two (2) weeks prior to a regularly scheduled Board Meeting.
- b. Patio plans must be drawn to be easily understood with dimensions and must include the walls, wall caps, fences, and gates.
- c. All patio requests will be considered by the Board of Directors on a site-specific basis, taking into consideration, but not limited to the following:

ADOPT DRAFT**PHYSICAL PROPERTY****Outside Patio Area Regulations– Mutual Four**

1. Aesthetic/financial value to the Mutual
 2. Functionality for the shareholder
 3. Utility boxes
 4. Electrical enclosures/panels
 5. Sprinkler systems
 6. Sprinkler valves/plumbing
 7. Telephone pull boxes/equipment
 8. Sidewalks
 9. Laundry rooms
 10. Landscaping
 11. All underground utility infrastructure
- d. Patios must slope away from the building with adequate weep holes in walls for draining.
- e. All patios must include a 4" mow strip beyond the exterior of the patio wall.
- f. Patio top surface material must be non-skid when wet i.e. concrete, pavers, flagstone, brick or other like materials.
- g. In the garden areas of units of A, B, C, D, E, F and G, H, I, J, K, L a patio may be built, not to exceed the existing garden line. Example: if the existing garden line is at 48 inches the new patio may be built to that 48 inches from the porch wall.
Shareholder in units A,F,G and L, after Board approval, may be allowed a patio at the end of their unit.
- h. Patios may be enclosed by a wall or a fence. Patio wall with cap/fence must be between 26" and 35" high.
- i. Any changes or deviations from the approved plans must be submitted to the Board of Directors and approved prior to implementation.
- j. A majority vote of a quorum of the Board of Directors is necessary for approval and the plans must be approved before the start of construction.

Patio Use: Rules and Maintenance Requirements

- a. Patio items appropriate for patio and outdoor use such as chairs and lounges with cushions are allowed. Storage boxes designed for patio use may not exceed 2 feet in width by 6 feet in length and must not exceed the height of the wall/fence.
- b. Patios and areas around patios must be kept free of clutter. If there is a question whether clutter exists, the question will be decided by a vote of the Board.

ADOPT DRAFT**PHYSICAL PROPERTY****Outside Patio Area Regulations– Mutual Four**

- c. Barbeques may be kept on patios and must be used according to the barbeque policy. Charcoal barbeques, fire pits, and tiki torches are not permitted, per Policy 7427.G – Barbeque – Usage and General Safety Precautions.
- d. Pets must not be left unattended on patios.
- e. Pet doors giving pets free access to and from patios are not allowed.
- f. Items not permitted on patios overnight are: newspapers, magazines, paper, plastic bags, and cardboard. This list will be subject to amendment by the Board as needed.
- g. Patio related items must not block walkways or remain on lawns overnight.
- h. No plumbed appliance or fixtures allowed e.g.: bar sinks, refrigerators/freezers.
- i. Clutter and non-patio items are prohibited and must be removed per decision of the Board of Directors of Mutual Four. Violators will be notified in writing when out of compliance.
- j. Any item in, on, built into or onto a patio in conflict with this policy must be removed by the shareholder after 10 days written notification. If the item is not removed after the 10- day period, the Mutual will have the right to remove the item at the shareholder's expense.
- k. Shareholder must maintain at least \$300,000 of liability insurance on unit.

Mutual Corporation No. Four

MEMO

TO: MUTUAL FOUR BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: RATIFY AMENDED/POSTED POLICY 7510.04 – ELIGIBILITY REQUIREMENTS (UNFINISHED BUSINESS ITEM B)
DATE: JANUARY 10, 2017
CC: MUTUAL FILE

I move to ratify amended/posted Policy 7510.04 – Eligibility Requirments .

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

All persons 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 meet the following 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 monthly income or sufficient assets that is/are at least four (4) times 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**.

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

- a) Tax returns;
- b) 1099s for interest and dividends;
- c) 1099-Rs for retirement income from qualified plans and annuities;
- d) SSA-1099 Social Security Benefit Statement;
- e) Brokerage statements and current interim statement.

- b. Adjusted Gross Income per 1040, 1040A, or 1040EZ minus income and self-employment taxes paid will equal net annual income.

- 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.¹

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

- 1) Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer interview and prior to the close of escrow.
 - a) The above verification will not be the responsibility of the individual Mutual Director.
 - b) A credit check will **must** be performed **and provided** by the ~~escrow company~~ **the perspective shareholder**, with the results included in the financial package.
 - d. Only the ~~residential~~ **perspective** shareholder's income shall be considered for qualifying.
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.

- 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

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Mutual Corporation No. Four

MEMO

TO: MUTUAL FOUR BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AMENDING POLICY 7502.04 – CARPORT REGULATIONS
(NEW BUSINESS ITEM D)
DATE: JANUARY 10, 2018
CC: MUTUAL FILE

I move to amend Policy 7502.04 – Carport Regulations on a preliminary basis until the 30-day posting period is completed.

MUTUAL OPERATIONS

SHAREHOLDER REGULATIONS

Carport Regulations - Mutual Four

A. Carport Use

1. Carports are to be used for parking of self-propelled land vehicles in operating condition. All passenger vehicles and gas or electric carts that can be operated on city streets must have a current DMV registration, current license plate tags, and sufficient insurance as mandated by the State of California Vehicle Code (CVC) § 22658. All vehicles, gas or electric, parked in the carport must have a Seal Beach Leisure World (SBLW) decal or valid temporary SBLW permit issued by the Security Department and a Mutual Four temporary parking permit affixed and displayed on the lower left windshield.
 - a. Any vehicle that is in non-compliance with these rules may be towed at the owner's expense as specified in CVC § 22658 and in towing Policy 7582.
 - b. The Seal Beach Leisure World Security Department has the authority to write citations and enforce this policy on Mutual property.
 - c. Shareholders with valid requests for an exception to this carport policy, may write the Mutual Four Board of Directors with the requests. Security may also be consulted. Any Board-approved exception is temporary and can be revoked at anytime.
2. All vehicles must be parked headed in to the carports. Vehicles parked in the carport must be within the carport roof drip line so as not to impede the flow of traffic.
3. In lieu of an automobile, space could be used for one golf cart and one scooter only **or two Motorcycles only** within the assigned carport space and the carport drip line.
4. Mechanical repairs are not allowed in carports, except for a simple flat tire repair or the jump starting of a battery.
5. In accordance with the Seal Beach Municipal Code 9.20.010, any vehicle leaking oil, anti-freeze, or any other hazardous material is prohibited from parking in a Mutual carport or on a Mutual street or driveway. It is the shareholder's responsibility to clean up any hazardous material. If the Mutual needs to have them cleaned up, the shareholder will be billed for the cleaning. All hazardous waste materials, including kitty litter used for cleanup, must be disposed of at an Orange County-approved hazardous waste site.
6. Electrical outlets in the carports are not allowed unless the utility company provides adequate power and a method is employed to determine and bill the individual usage costs.

(Jun 17)

(draft created on 01-02-18 ka)

MUTUAL OPERATIONS**SHAREHOLDER REGULATIONS****Carport Regulations - Mutual Four**

7. Any damage to the carport is the responsibility of the assigned shareholder unless a different driver is found responsible. The assigned shareholder is responsible for his/her guest parking and rental/use pass users.
8. Any stored items in the carports must be completely contained in the cabinets, except as noted below.
 - a. Only a bicycle, tricycle, folding shopping cart and ladder may be stored inside or under the cabinet in the shareholders assigned or rented space. No additional storage items of any kind may be within the carport space.
9. Fire regulations prohibit the storage of fuel oil or any combustible material in the carport areas.
10. The carport floor space may NOT be used as a storage area, whether freestanding or in any type of container. Boats or trailers of any size or kind may not be parked in the carport.
11. Frequent inspections by the Board of Directors and Security are conducted. Written notices will be given to the shareholder whose carport is found to be in violation of the carport policy. Improperly stored material must be removed within ten (10) days or the material will be removed at the shareholder's expense. Any other carport policy infractions must also be corrected within ten (10) days.

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. No person shall park any vehicle in any carport not assigned to him/her without permission from a Mutual Director.
2. Residents desiring to change carport assignments must obtain approval in writing from a Mutual Director. A Carport Usage/Rental Agreement must be filled out and signed by all parties and a copy given to Stock Transfer.

The request for carport re-assignment, if approved, is only temporary and is valid only so long as both participating parties agree to the temporary change. One party determining to withdraw from the agreement may do so as may the successor owner of

(Jun 17)

(draft created on 01-02-18 ka)

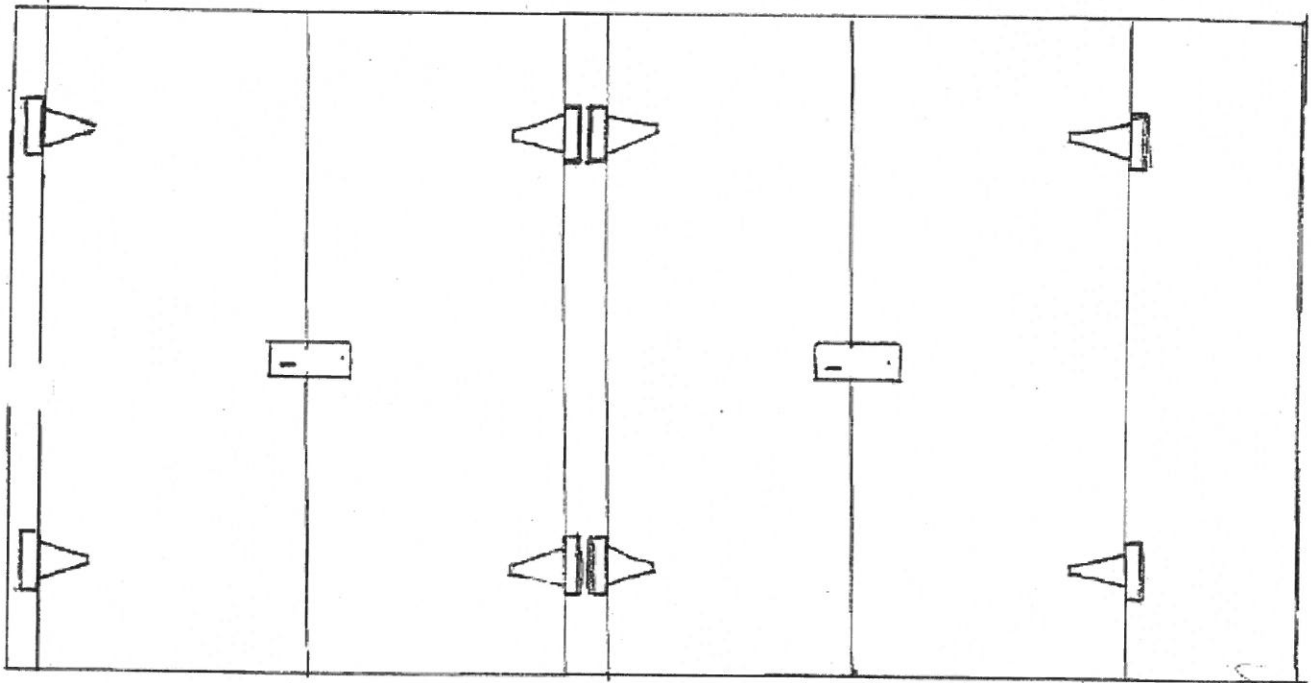
MUTUAL OPERATIONS**SHAREHOLDER REGULATIONS****Carport Regulations - Mutual Four**

that party's apartment. The Mutual Corporation retains the authority to revoke and cancel this temporary change of carport assignment. The reassignment of carport spaces, herein provided, will automatically become null and void in the event of a sale of the stock representing either apartment.

3. Carport space may not be rented to or used by anyone who is not a Mutual Four shareholder, except:
 - a. The carport assignee may allow temporary, short-term parking of a vehicle used by a house guest. A guest temporary parking permit is required and may be obtained from a Mutual Director. The pass is to be displayed on the inside dashboard.

C. Secondary Carport Storage Cabinets

1. Shareholders are permitted to have a secondary carport storage cabinet installed beneath the existing cabinet. The dimensions, color and hardware on the lower cabinet must match the spacing, color and hardware on the upper cabinet (see attached sketch). The cabinet, if attached to the existing structure will require a permit from the GRF Physical Property Department.
 - a. Plywood for the cabinet must be 3/4-inch thick and have one (or more) good sides.

MUTUAL OPERATIONS**SHAREHOLDER REGULATIONS****Carport Regulations - Mutual Four**Sketch for Secondary Carport Cabinets**MUTUAL ADOPTION**

FOUR: 07-22-68

AMENDMENTS03-08-91, 05-12-00, 11-05-01, 08-01-02, 10-03-05, 03-13-13
07-10-13, 06-04-17(Jun 17)
(draft created on 01-02-18 ka)

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Mutual Corporation No. Four

MEMO

TO: MUTUAL FOUR BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS RESCINDING POLICY 7701 – PERSONAL PROPERTY INSURANCE
AND ADOPTING POLICY 7701.04 – PERSONAL PROPERTY INSURANCE
(NEW BUSINESS ITEM G)
DATE: JANUARY 10, 2017
CC: MUTUAL FILE

I move to rescind Policy 7701 – Personal Property Insurance and adopt Policy 7701.04 – Personal Property Insurance on a preliminary basis until the 30-day posting period is completed.

MUTUAL OPERATIONS**RESCIND MUTUAL FOUR****PHYSICAL PROPERTY****Personal Property Insurance - Mutual Four, Eight, and Fifteen Only**

Effective April 1, 2009, Mutuals Four, Eight, and Fifteen shareholders, whether residing in their apartment or not, shall carry personal property insurance to cover the personal contents of their apartment, to cover any damage to their apartment for which they are responsible, and to cover any damage, for which they are responsible, to adjacent apartments.

The following paragraph replaces paragraph one for Mutual Four only:

Effective January 2, 2010, Mutual Four shareholders, whether residing in their apartment or not, shall carry personal property insurance to cover the personal contents of their apartment, to cover any damage to their apartment for which they are responsible, and to cover any damage, for which they are responsible, to adjacent apartments.

The Golden Rain Foundation and Mutual Corporation are not responsible for personal property, or damage to personal property stored or parked on the street or in the carport, such as vehicles and other property stored in or under the storage cabinets.

Shareholder shall obtain sufficient coverage for additional living expenses should the shareholder be unable to occupy their apartment while repairs are made to their apartment.

Shareholder shall obtain personal liability insurance in an amount sufficient for the indemnification of other persons who may be injured on their property. If shareholder owns a pet, \$300,000 in personal liability coverage is recommended. If shareholder does not own a pet, it is recommended that the personal liability coverage be \$200,000.

Shareholder should consider obtaining sufficient coverage to insure the value of any artwork, jewelry, antiques or other items that would not normally be covered by an average policy for personal property.

Upon obtaining personal property insurance, and upon annual renewal of the policy, Shareholder shall provide proof of insurance to the Stock Transfer Office in the form of the policy declarations page.

MUTUAL ADOPTION

Four:	10 Nov 09
Six:	25 May 10 (See Policy 7586.G.6)
Eight:	28 Sept 09
Twelve:	14 May 09 (See Policy 7701.12)
Fifteen:	17 Aug 09

(Jan 16)

MUTUAL OPERATIONS**ADOPT DRAFT****PHYSICAL PROPERTY****Personal Property Insurance - Mutual Four**

Effective April 1, 2009, Mutuals Four, Eight, and Fifteen shareholders, whether residing in their apartment or not, shall carry personal property insurance to cover the personal contents of their apartment, to cover any damage to their apartment for which they are responsible, and to cover any damage, for which they are responsible, to adjacent apartments.

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MUTUAL**ADOPTION**

Four: