

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FIVE
May 17, 2017
9:00 a.m., Building 5, Room B

- | | |
|---|---|
| 1. CALL TO ORDER/ PLEDGE OF ALLEGIANCE | Dr. Coven |
| 2. ROLL CALL | |
| 3. INTRODUCTION OF GRF REPRESENTATIVE, GUEST(S), AND STAFF: Mr. Hood, GRF Representative Ms. Hopkins, Mutual Administration Director Mr. Alvarez, Building Inspector Mrs. Aquino, Recording Secretary Mutual Five shareholders and all guests from other Mutuals | Dr. Coven |
| 4. APPROVAL OF MINUTES: Regular Monthly Meeting of April 19, 2017 Special Meeting of April 14, 2017 (page 3) Special Meeting of April 17, 2017 (page 4) | Dr. Coven |
| 5. PRESIDENT'S ANNOUNCEMENTS | Dr. Coven |
| 6. SHAREHOLDERS' COMMENTS | |
| 7. BUILDING INSPECTOR'S REPORT (pages 5-6) | Mr. Alvarez |
| 8. GRF REPRESENTATIVE'S COMMENTS | Mr. Hood |
| 9. CORRESPONDENCE | Ms. Boryta |
| 10. CHIEF FINANCIAL OFFICER'S REPORT | Ms. Tran |
| 11. APPOINTMENTS – none | Dr. Coven |
| 12. COMMITTEES – Carports Emergency Preparedness Landscape Laundry Rooms Physical Properties Special Events | Ms. Boryta Ms. Boryta Ms. Trembly Mr. Powell Mr. Gould Ms. Trembly |
| 13. UNFINISHED BUSINESS – a. Ratify adopted/posted Policy 7549.05 – <u>Lockout Procedures</u> (pages 7-8) b. Ratify rescinded/posted Policy 7512 – <u>Guarantor Agreement Form</u> (pages 9-10) c. Sidewalks – concrete d. Electric Panel PM Program continues e. Roofing f. Skylights g. Stovetops h. Asphalt Slurry i. Fresh Water Pipes j. Pest/Termite Control proposal k. Active Living Disclosures (pages 11-12) | |

14. NEW BUSINESS –
- a. Policy 7510 – Financial Application – discussion only (pages 13-15)
 - b. Policy 7531.05 – Inspection of Vacant, Unoccupied or Occasional-Use Units – discussion only
 - c. 2018 Budget Planning Projects – discussion only (page16)
 - d. Resolution to transfer \$100,000 from Morgan Stanley to US Bank
 - e. Mr. Gutter contract for Buildings 90 and 91
 - f. LED light bulbs
 - g. Shower Cut – Downs – CivicStone
 - h. Shareholder statement of intent to vote ballot cumulatively (page17)
 - i. Special Meeting May 31, 2017 – unfinished posted policies/outstanding contracts
 - j. Cancel June 21, 2017, Regular Board Meeting

(STAFF SECRETARY BREAK (TIME TO BE DETERMINED BY PRESIDENT))

15. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
16. DIRECTOR(S)' COMMENTS
17. SHAREHOLDERS' COMMENTS (on agenda items only)
18. ADJOURNMENT
19. EXECUTIVE SESSION (member, legal issues)

(STAFF WILL LEAVE THE MEETING BY 12:10 P.M.)

**NEXT MEETING: ANNUAL SHAREHOLDERS' MEETING
JUNE 13, 2017 AT 10:00 A.M. CLUBHOUSE 4**

**MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FIVE**

April 14, 2017

In accordance with the Corporation Bylaws, and pursuant to due notice to the Directors, a Special Meeting of the Board of Directors of Seal Beach Mutual Five was called to order by President Coven on April 14, 2017, at 2:30 p.m. in the Physical Property Conference Room, 2nd Floor.

Those Directors present were: President Coven, Vice President Trembly, Secretary Boryta, CFO Tran, and Directors Powell and Gould.

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

RESOLVED, To move \$200,000 from the non-restricted funds to the Restricted Reserve Account.

The MOTION passed.

The Board members read the Mutual Five Bylaws.

President Coven called a recess of this meeting at 3:55 p.m. She reported that the meeting would be reconvened on Monday, April 17, 2017.

Attest, Joan Boryta, Secretary
SEAL BEACH MUTUAL FIVE
cd:4/24/17

**MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FIVE**

April 17, 2017

In accordance with the Corporation Bylaws, and pursuant to due notice to the Directors, a Special Meeting of the Board of Directors of Seal Beach Mutual Five was reconvened and called to order by President Coven on April 17, 2017, at 9:15 a.m. at Stock Transfer, in Ms. Knapp's Office.

Those Directors present were: President Coven, Vice President Trembly, Secretary Boryta, CFO Tran, and Directors Powell and Gould.

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

RESOLVED, To accept the Bylaws as amended by Attorney Kaiser to remove antiquated language, to eliminate cumulative voting, to eliminate the Parcel System, and to institute two-year terms for Directors providing staggered election terms.

The MOTION passed.

President Coven adjourned the meeting at 11:45 a.m.

Attest, Joan Boryta, Secretary
SEAL BEACH MUTUAL FIVE
cd:4/24/17

INSPECTOR MONTHLY MUTUAL REPORT

MUTUA (05) Five

INSPECTOR: **BRUNO ALVAREZ**

MUTUAL BOARD MEETING

DATE: May 17, 2017

| PERMIT ACTIVITY | | | | | | | |
|-----------------|---------------------|-----------------|--------------|------------|--------------|-------------------------------|-----------------------|
| UNIT # | DESCRIPTION OF WORK | GRF/CITY PERMIT | PERMIT ISSUE | COMP. DATE | CHANGE ORDER | RECENT INSPECTION | CONTRACTOR / COMMENTS |
| 70-L | TUB | BOTH | 03/15/17 | 05/15/17 | NO | NONE | BUENOS |
| 70-L | TUB | BOTH | 03/15/17 | 05/15/17 | NO | 4/4/2017 ROUGH/PLUM/ELEC/INSL | BUENOS |
| B93 | REROOF | BOTH | 01/30/17 | 02/16/17 | NO | 04/19/17 FINAL | KELLIE VAUGH |
| 94-A | REMODEL | BOTH | 12/15/16 | 05/01/17 | YES | NAILING | LW DÉCOR |
| 94-A | REMODEL | BOTH | 12/15/17 | 05/01/17 | YES | 05/10/17 FINAL | LW DÉCOR |
| 95-J | REMODEL | BOTH | 02/15/17 | 04/15/17 | NO | NONE | MCCOY |
| 97-G | HEAT PUMP | BOTH | 03/13/17 | 06/23/17 | NO | 03/24/17 FINAL | GREENWOOD |
| 97-A | REMODEL | BOTH | 02/15/17 | 04/15/17 | NO | 04/14/17 FINAL | MCCOY |
| 99-G | ROOM ADDITION | BOTH | 11/07/16 | 05/04/17 | NO | LATH | ALPHA MASTER |
| 99-G | ROOM ADDITION | BOTH | 11/07/17 | 05/04/17 | NO | 05/10/17 FINAL | ALPHA MASTER |
| 109-F | REMODEL | BOTH | 01/30/17 | 03/10/17 | NO | ROUGH | OGAN |
| 119-K | REMODEL | BOTH | 03/20/17 | 04/05/17 | NO | 03/30/17 FINAL | OGAN |
| 1117-D | SHOWER CUT DOWN | BOTH | 10/26/16 | 11/26/16 | NO | FINAL 01/19/17 | NUKOTE |
| 122-C | WINDOWS/ELECTRICAL | BOTH | 02/25/17 | 04/30/17 | NO | ROUGH | BJ |
| 122-G | HEAT PUMP | BOTH | 02/14/17 | 05/28/17 | NO | 03/10/17 FINAL | GREENWOOD |

SHADED AREAS HAVE BEEN SIGNED OFF

| UNIT # | ESCROW ACTIVITY | | | | | | DOCUMENTS/COMMENTS |
|--------|-----------------|----------|----------|----------|----------|-----|--------------------|
| | NMI | PLI | NBO | FI | FCOEI | ROF | |
| 72-K | | 02/16/17 | 03/14/17 | 03/21/17 | 04/04/17 | | |
| 93-D | | 02/16/17 | | | | | |
| 94-A | | 11/01/16 | | | | | |
| 95-C | | 03/24/15 | | | | | |
| 96-F | | 01/04/17 | 02/23/17 | 03/01/17 | 03/13/17 | | |
| 99-I | | 05/05/17 | | | | | |
| 101-D | 5/1/2017 | | | | | | |
| 104-E | | 06/20/16 | | | | | |
| 105-E | | 10/12/16 | 04/17/17 | 05/02/17 | 05/16/17 | | |
| 106-H | | 04/01/16 | | | | | |
| 106-I | | 04/01/16 | | | | | |
| 108-K | | 09/30/16 | | | | | |
| 109-D | | 01/24/17 | 03/20/17 | 04/06/17 | | | |
| 109-F | | 07/25/16 | | | | | |
| 110-D | | 05/05/17 | | | | | |
| 112-D | | 02/23/17 | 03/30/17 | 03/30/17 | 04/11/17 | | |
| 113-I | | 03/14/17 | 04/14/17 | 04/19/17 | 05/05/17 | | |
| 115-J | | 06/14/16 | | | | | |
| 124-F | | 01/04/17 | 03/22/17 | 04/05/17 | 04/18/17 | | |
| 125-A | | 12/16/16 | | | | | |
| 125-D | | 02/16/17 | | | | | |

SHADED AREAS HAVE BEEN SIGNED OFF

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

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

CONTRACTS

| | | | | PROJECT |
|---------------------------|--|--|--|--|
| FENN GOOD UNTIL 03/2017 | | | | |
| ANDRES GOOD UNTIL 10/2017 | | | | |
| KELLIE VAUGHN | | | | BUILDING 93/94 HAS BEEN COMPLETED STARTED 95 05/09/17 |
| KRESS | | | | STOVE HOODS 93/94 HAS BEEN COMPLETED START BLDG.95 ON 05/15/17 |

MUTUAL OPERATIONS**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.

MUTUAL OPERATIONS**DRAFT****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

RESCIND ALL MUTUALS

RESIDENT REGULATIONS

Guarantor Agreement Form

“Stockholder” and/or his or her estate shall hold stock in said corporation.

GOLDEN RAIN FOUNDATION
a corporation

By _____

GUARANTOR

SEAL BEACH MUTUAL NO. _____
a corporation

GUARANTOR

By _____

Dated _____

GRB

Approved: 18 Dec 73

SEAL BEACH LEISURE WORLD
An Active Adult Community

To: Providing Physician _____ Patient: _____

Seal Beach Leisure World is an "**Active Adult Community**" offering the best in co-op and condominium housing for persons fifty-five years of age or older. Active adult housing should not be confused with an assisted living or a skilled nursing facility.

Active Adult Community: *Persons who purchase the right to reside in a Mutual apartment or condominium: (1) Direct their own lives; 2) Are independent and 3) Must be able to handle their own affairs.*

In accordance with Mutual Policy 7510, Eligibility Requirements, item (3), "prospective applicants for ownership and residency should have reasonably good health for a person of his or her age and be able to live independently as evidenced in the form of a letter provided by the applicant's treating physician on the physician's letterhead stationery. (Including National Provider Identification (NPI)).

Reasonably good health may be described in part as an applicant's ability to: (Please check)

Dress self with weather appropriate clothing

Maintain a clean, safe, living environment

Bathe (shower) & maintain personal hygiene

Shop, prepare meals, or eat out.

Medicate self when necessary

Take care of personal finances

if physician declares patient can comply with each of the above conditions, the Mutual will consider this as part of the qualification for residency in the community.

If you have any question please call Seal Beach Leisure World, Stock Transfer Office at: (562) 431-6586, ex. 346, 347 or 348 for assistance.

Notwithstanding any of the forgoing, both federal and California law prohibits, among other things, discrimination against people with disabilities, and nothing herein shall be construed to prevent a Prospective Purchaser with a disability otherwise qualifying for membership.

I understand that Seal Beach Leisure World is an **Active Adult Community**.

Providing Physician's Signature _____ NPI# _____ Date _____

Note: Only one patient per page will be accepted

Please Attach Your Patient's Letter of Eligibility on letterhead with NPI.

Seal Beach Leisure World

An Active Adult Community

To: Prospective Purchasers: ~~Providing Physicians~~

Seal Beach Leisure World is an "Active Adult Community" offering the best in co-op and condominium housing for persons fifty-five years of age or older. This style of active adult housing should not be confused with an assisted living or a skilled nursing facility. No health care services, such as living assistance or medical assistance, are provided by the Golden Rain Foundation and/or the respective Mutuals. A prospective purchaser of a Leisure World Mutual Share of Stock need only determine what their personal needs are.

Assisted Living: Assisted Living facilities offer personalized supportive services and assistance with day-to-day living needs. Meals, snacks, housekeeping, physical fitness, laundry and 24-hour trained staff members are all provided under the umbrella of assisted-living services. These are not services provided at Seal Beach Leisure World. SEAL BEACH LEISURE WORLD IS NOT AN ASSISTED LIVING FACILITY OR RESIDENCE.

Active Adult Community: In Seal Beach Leisure World you can be as active as you choose to be. There are many recreational opportunities. Members who purchase the right to reside in a Mutual apartment direct their own lives and are independent and able to handle their own affairs without the assistance of the independent Mutual Corporations and/or Golden Rain Foundation.

~~In accordance with Mutual Policy 7510, Eligibility Requirements, item (3),~~ It is recommended that prospective applicants for ownership and residency should have reasonably good health for a person of his/or her age and be able to live independently as evidenced in the form of a letter provided by the applicant's treating physician on the physician's letterhead stationery.

Reasonably good health may be described in part as an applicant's ability to:

- Dress self with weather-appropriate clothing.
- Maintain a clean, safe living environment. a
- * Able to shop and prepare meals, or eat out.
- Able to medicate self when necessary.
- Able to take care of personal finances.

Choosing an active adult community is a decision which should be made with the assistance of loved ones, professional healthcare physicians, legal advisors and others. Please allow us to answer any questions you might have regarding qualification for residency in this community. You may contact Seal Beach Leisure World, Stock Transfer Office at: (562) 431-6586, ex. 346, 347 or 348 for assistance.

Notwithstanding any of the forgoing, both federal and California law prohibits, among other things, discrimination against people with disabilities, and nothing herein shall be construed to prevent a Prospective Purchaser with a disability otherwise qualifying for membership.

I have read and understand that Seal Beach Leisure World *is not* an assisted living facility:

Print Patient / Prospective Purchaser's Name:

X ~~Providing Physician's Signature~~

S:\Forms\FORM Active Living Disclosures.clocx

Date:

MUTUAL OPERATIONS RESIDENT REGULATIONS

Eligibility Requirements

All/each **proposing persons Resident Shareholder** seeking approval of the Board of Directors of Seal Beach Mutual No. _____ 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 monthly **net** income that is at least four (4) times or 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 qualification. Verified monthly income/assets may be in the form of the past two years of:**

1. Tax returns;

2. 1099s for interest and dividends (**assets used to purchase unit will not be included in income calculations**);

3. 1099-Rs for retirement income from qualified plans and annuities (**with copy of executed payment election documents and/or beneficiary election forms**);

4. SSA-1099 Social Security Benefit Statement;

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 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 will not 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 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 twelve (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/assets. (Note 1)

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.

d. Only the resident shareholder's income shall be considered for qualifying.

e. If moving within Leisure World, or if there are any additions/changes to the title, 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 shareholder 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.

(Note 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.

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



Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: RANDY ANKENY, EXECUTIVE DIRECTOR
SUBJECT: 2018 BUDGET PLANNING, PROJECTS
DATE: MAY 4, 2017
CC: FILE

We will be beginning our 2018 budget process in June, in order to insure we have appropriate staffing levels to serve your Mutual needs, by July 28, 2017, I respectfully request an estimate of major projects (roofing, re-piping, sewer etc.) your Mutual is considering for the remainder of 2017 as well as activity planning for 2018.

With your Board approval, I would like to request this as an agenda item for your May/June meeting, as well as your July Board meeting, to allow time for your review and consideration by both your existing Board, as well as the newly elected Board.

I sincerely thank each Board in advance, as the information provided is critical to ensure proper levels of services to your Mutual.

VOTING CUMULATIVELY

Per the Mutuals' Bylaws Article IV, Section 7, a Shareholder at a Board Meeting before the Annual Shareholders'/Stockholders' Meeting must state:

"I (shareholder state name and unit number) intend to vote my ballot cumulatively for the election of Directors for the 2017-2018 term of office."