

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL FIVE
February 20, 2019
Meeting begins at 9:00 a.m.
Building Five, Conference Room B

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

Mr. Gould, GRF Representative
Ms. Hopkins, Mutual Administration Director
Mr. Meza, Building Inspector
Ms. Kemp, Recording Secretary
5. APPROVAL OF MINUTES:
Regular Meeting Minutes of January 16, 2019
6. BUILDING INSPECTOR'S REPORT Mr. Meza
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p 3-4)
 - a. Discuss and vote to amend resolution dated January 16, 2019, regarding dry rot termite repair (p. 5-7)
7. GRF REPRESENTATIVE Mr. Gould
8. **UNFINISHED BUSINESS**
 - a. Discuss and vote to ratify Policy 7410.05 – Unit Fire/Safety Inspection (p. 8-9)
 - b. Discuss and vote to ratify Policy 7541.05 – Co-occupants, Qualified Permanent Residents and Health Care Providers (p. 10-11)
 - c. Discuss and vote to ratify Policy 7405.05 – Flooring and Floor Covering Permits (p. 12-13)
9. **NEW BUSINESS**
 - a. Discuss and vote to approve/deny the transfer of funds from Operating Expenses to Appliance Reserves (p. 14)
 - b. Discuss and vote to approve/deny Board resolution authorizing transfer of funds by GRF-Mutual Five (p. 15-19)
 - c. Discuss and vote to approve/deny Appointment Setting Commitment by Mutual Board of Directors (p. 20)

STAFF BREAK BY 11:00 a.m.

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|-----|---|-------------|
| 10. | SECRETARY / CORRESPONDENCE | Ms. Boryta |
| 11. | CHIEF FINANCIAL OFFICER'S REPORT | Ms. Tran |
| 12. | PRESIDENT'S REPORT | Dr. Coven |
| 13. | MUTUAL ADMINISTRATION DIRECTOR | Ms. Hopkins |
| 14. | ANNOUNCEMENTS
NEXT MEETING: March 20, 2019, at 9:00 a.m.
Building Five, Conference Room B | |
| 15. | COMMITTEE REPORTS | |
| 16. | DIRECTORS' COMMENTS | |
| 17. | SHAREHOLDERS' COMMENTS (2-3 minutes per shareholder) | |
| 18. | ADJOURNMENT | |
| 19. | EXECUTIVE SESSION | |

STAFF WILL LEAVE THE MEETING BY 12:00 p.m.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (05) FIVE	INSPECTOR: Mike Meza
MUTUAL BOARD MEETING DATE: February, 2019	

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	Improvement Values	RECENT INSPECTION	CONTRACTOR
113-C	UNIT REMODEL	BOTH	12/01/18	05/01/19	\$32,000		TELEMACHUS FABRICATION
71-L	DISHWASHER	BOTH	12/07/18	01/04/19	\$925	FINAL 12/27/18	BERGKVIST
71-L	DECO BLOCK WALL	GRF	12/10/18	01/11/19	\$2,025	Final 02/08/19	BERGKVIST
98-H	FLOORING	GRF	12/15/18	01/20/19	\$1,200	FINAL 01/02/19	KARY'S CARPETS
95-H	UNIT REMODEL	BOTH	12/17/18	03/08/19	\$103,020	FRAM,ELEC,PLUM 01/10/19	BERGKVIST
95-H	UNIT REMODEL	BOTH	12/17/18	03/08/19	\$103,020		BERGKVIST
124-L	FLOORING	GRF	12/20/18	01/20/19	\$2,393	FINAL 01/08/19	KARY'S CARPETS
107-B	KIT/REMODEL WINDOWS	BOTH	12/26/18	06/26/19	\$31,000		NATIONWIDE PAINTING
71-L	SOLATUBE	BOTH	01/01/19	01/31/19	\$3,117	FINAL 01/08/19	SOLATUBE HOME
114-L	FLOORING	GRF	01/15/19	03/15/19	\$375		KARY'S CARPETS
109-G	HEAT PUMP	BOTH	01/17/19	04/30/19	\$3,200	FINAL 01/25/19	GREENWOOD
112-E	HEAT PUMP	BOTH	01/24/19	02/24/19	\$10,500	FINAL 01/25/19	ALPINE
124-B	HEAT PUMP	BOTH	01/28/19	03/01/19	\$3,500	FINAL 02/05/19	ALPINE
117-A	WINDOW/DOOR	BOTH	02/04/19	03/29/19	\$7,500		MP CONSTRUCTION
123-I	EZ ACCESS TUB	BOTH	02/19/19	03/19/19	\$1,600		NUKOTE

ESCROW ACTIVITY

Unit #	NMI	PLI	NBO	FI	FCOEI	ROF	ACTIVE	CLOSING	CLOSED
69-A		09/04/18					21	3	0
70-J		07/19/18							
72-D		07/10/17							
90-G		02/09/18	06/05/18	06/05/18	06/15/18				
92-H		02/06/19							
93-E		02/06/19							
95-H		03/29/18	09/25/18	09/26/18	10/08/18				
96-G		11/08/18							
98-H		01/31/19							
99-J		12/20/18	01/29/19						
101-A		11/08/18							
103-K		12/05/18							
104-F		11/08/18							
106-D		05/18/18							
107-B		06/07/18							
112-F		09/04/18							
114-A		01/31/19							
114-L		03/13/18							
115-C		01/31/19							
121-B		05/18/18							
121-H		09/04/18							
122-E		12/05/18							
124-B		02/06/19							
126-C		07/19/18							

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

CONTRACTOR	PROJECT
BRIGHT VIEW	2020 Landscaping
EMPIRE PIPE	2020
FENN	2020 Insect, and Pest Control

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (05) FIVE		INSPECTOR: Mike Meza
MUTUAL BOARD MEETING DATE:	February, 2019	
ERC INC.	August 2018	Buildings 93 and 94 complete. Building 91 will start on 02/21/19
CALIFORNIA RE-PIPE SPECIALIST	August 2018	Buildings 93 and 94 complete. Building 91 will start on 02/25/19
ROXYGEN PAINTING	August 2018	Buildings 93 and 94 complete. Building 91 will start on 02/28/19
ROOFING STANDARDS	JULY 2019	BLDG 115, 116, 119
ROOFING STANDARDS		Drafting contract to Re-roof carport 61

SPECIAL PROJECTS

	Contractor	Discription of Work
	BA CONSTRUCTION	FIRE INSPECTION WORK ORDERS. BATH FANS.
	SERVICE MAINTENAMCE	CUT END BEAMS PATCH & PRIMER. DRYROT/TERMITE REPAIR
	CALIFORNIA REPIPE SPECIALIST	TOUCH UP PAINT END BEAMS, DRYROT/TERMITE REPAIRS, & DOWNSPOUTS

Calls and Visits to Units

	40	

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AMEND RESOLUTION DATED JANUARY 16, 2019, REGARDING DRY ROT TERMITE REPAIR (BUILDING INSPECTOR'S REPORT, ITEM A)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

At the January 16, 2019, Board Meeting, the Board of Directors approved termite damage repair and end beams repair as noted in the FENN Report, to be completed by Service Maintenance, at a cost not to exceed \$194 per building, and authorized the President to sign the contract.

On February 20, 2019, the Board of Directors will vote to amend the resolution dated January 16, 2019, to state as follows: RESOLVED, To approve the removal and repair of rafter tails, work to be completed by Service Maintenance, at a cost of \$194 per building which may increase due to unforeseen conditions, dry rot/termite repair to be completed by Service Maintenance at an hourly rate (\$42 per hour). Repair list to be made by the Mutual Building Inspector and authorized by the President.

I move to amend the resolution dated January 16, 2019, to state as follows:

RESOLVED, To approve the removal and repair of rafter tails, work to be completed by Service Maintenance, at a cost of \$194 per building which may increase due to unforeseen conditions, dry rot/termite repair to be completed by Service Maintenance at an hourly rate (\$42 per hour). Repair list to be made by the Mutual Building Inspector and authorized by the President.

Michael Meza

From: Ruben G. Gonzalez
Sent: Monday, January 07, 2019 11:38 AM
To: Michael Meza
Subject: ESTIMATE

Hi Mike,

Disclaimer; Please note this is an ESTIMATE only any unforeseen items may increase the total cost of the job.

ESTIMATE to remove the rafter tails

Labor \$189.00
Material (Primer) \$5.00

Total \$194.00 each building

(paint is not included)

Thank You

Ruben Gonzalez
Facilities Manager
Golden Rain Foundation
PO Box 2069, Seal Beach, CA 90740



 (562) 431-6586, ext. 366 |  rubeng@lwsb.com |  www.lwsb.com

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GRF Service Maintenance Department

Approximate Labor & Materials Cost

Date: 02-12-19

To: Mutual 5 Board

From: Ruben G. Gonzalez, Facilities Manager

Subject: ESTIMATE

Location: Mutual 5

Itemized List for Labor and Material(s)

Disclaimer; Please note this is an ESTIMATE only any unforeseen items may increase the total cost of the job.

The ESTIMATE to work on Dry rot/Termite repairs in mutual Five is \$42.00 an hour per person it is prorated in 15 minutes increments plus materials.

Labor: \$42.00an hour per person

This information applies only to the job described above, is valid for thirty (30) days and does not include additional materials or labor that may be required due to any unforeseen problems that arise once the job has begun.

If you would like the above work to be performed by the Service Maintenance Department, please complete the information below and return this form to the Service Maintenance Department. Valid for thirty (30) days only

Please make arrangements to perform the above work.

My anticipated completion date is: _____
(You will be notified of the starting date)

Notes: _____

Print Name: _____

Signature: _____

Telephone Number: _____

Mutual Number: _____
(If applicable)

cc: Supervisor
Department Manager
Executive Director (as needed)

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY POLICY 7410.05 – UNIT FIRE/SAFETY INSPECTION (UNFINISHED BUSINESS, ITEM A)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

At the February 15, 2017, Board Meeting, the Board of Directors adopted Policy 7410.05 – Unit Fire/Safety Inspection.

At the December 19, 2018, Board Meeting, the Board of Directors amended Policy 7410.05 – Unit Fire/Safety Inspection.

The 30-day posting requirement has been met and on February 20, 2019, the Board of Directors will vote to ratify amended and posted Policy 7410.05 – Unit Fire/Safety Inspection.

I move to ratify amended and posted Policy 7410.05 – Unit Fire/Safety Inspection.

MUTUAL OPERATIONS**AMEND DRAFT****PHYSICAL PROPERTY****Unit Fire/Safety Inspection****Biennial Inspection**

WHEREAS, The Occupancy Agreement between each Stockholder and the Corporation provides that the Board may make an inspection of the dwelling unit at any reasonable hour of the day, and

WHEREAS, It is the desire of this Board that such situations be discovered and rectified before harm can come to shareholders or to the structure; now, therefore, be it

RESOLVED, That the Golden Rain Foundation Facilities Director is authorized and instructed to institute a biennial Fire/Safety Inspection of the dwelling units of this Corporation, using appropriate City and County Health, Fire and Building Codes as a basis for developing a checklist of possible violations, and assigning staff members from Physical Property, Security and/or other appropriate departments to work with members of this Board in conducting such an inspection. **At the time of Fire Health Safety and Sanitation inspection, the Building Inspector will verify that the smoke detectors are within the 10-year maximum life and in working condition. If the Mutual has made improvement to the unit at a cost of \$1,000 or more the responsibility of maintaining all batteries in all smoke detectors is with the Mutual. Otherwise, improvements made by the shareholder at a cost of \$1,000 or more, will make only the non-standard smoke detectors a shareholder responsibility.**

RESOLVED FURTHER, that violations of City or County Codes shall be reported by the Golden Rain Foundation Facilities Director to the appropriate City or County agency for such remedial action as is provided under the Code.

MUTUAL ADOPTION

FIVE: 02-15-17

(draft created on 10-29-18 ka)

Page 1 of 1

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY POLICY 7541.05 – CO-OCCUPANTS, QUALIFIED PERMANENT RESIDENTS AND HEALTH CARE PROVIDERS
(UNFINISHED BUSINESS, ITEM B)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

At the December 19, 2018, Board Meeting, the Board of Directors adopted Policy 7541.05 – Co-Occupants, Qualified Permanent Residents and Health Care Providers.

The 30-day posting requirement has been met and on February 20, 2019, the Board of Directors will vote to ratify adopted and posted Policy 7541.05 – Co-Occupants, Qualified Permanent Residents and Health Care Providers.

I move to ratify adopted and posted Policy 7541.05 – Co-Occupants, Qualified Permanent Residents and Health Care Providers.

MUTUAL OPERATIONS**ADOPT****RESIDENT REGULATIONS****Co-Occupants, Qualified Permanent Residents and Health Care Providers**

The community facilities of the Golden Rain Foundation are maintained for the use of members of Leisure World Seal Beach with the following exceptions:

1. Co-Occupants

- a. Senior citizens, as defined in California Civil Code Section 51.3 (b)(1), who are not members but are approved by the Mutuels to reside with a stockholder, shall be entitled to use all of the community facilities upon payment of a fee equal to the Amenities Fee listed in Policy 5061-31. (Forms 9001 and 9002)
- b. A Co-Occupant must meet the following requirements:
 - i.) Is 55 years of age or older
 - ii.) Has completed the Co-Occupant Application
 - iii.) Has written authorization from the Mutual President, or any Mutual Officer so designated by the Mutual President, to reside in the dwelling unit.
 - iv.) Has paid the required Amenities Fee to the Golden Rain Foundation

2. Qualified Permanent Residents

- a. Persons who are not senior citizens as defined in California Civil Code Section 51.3(b)(1), who can present proof that they are eligible to be classified as Qualified Permanent Residents under California Civil Code Section 51.3(b)(2), shall be entitled to use all of the community facilities upon payment of a fee equal to the Amenities Fee listed in Policy 5061-31. (Forms 9003 and 9004)

3. Health Care Providers

- a. Permitted health care residents, as defined in California Civil Code Section 51.3(B)(7), shall be required to obtain a Caregiver Pass and are not entitled to use any of the community facilities. The administration shall furnish each Mutual a monthly report of those health care providers residing in the Mutual.

MUTUAL
FIVE

ADOPTION

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY POLICY 7405.05 – FLOORING AND FLOOR COVERING PERMITS (UNFINISHED BUSINESS, ITEM C)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

At the December 19, 2018, Board Meeting, the Board of Directors adopted Policy 7405.05 – Flooring and Floor Covering Permits.

The 30-day posting requirement has been met and on February 20, 2019, the Board of Directors will vote to ratify adopted and posted Policy 7405.05 – Flooring and Floor Covering Permits.

I move to ratify adopted and posted Policy 7405.05 – Flooring and Floor Covering Permits.

MUTUAL OPERATIONS

ADOPT

PHYSICAL PROPERTY

Flooring and Floor Covering Permits

Building Permit – to include all floor coverings

Effective immediately, Mutual Five requires a GRF Building Permit for **all** floor covering, including carpet installed by a shareholder or a contractor. Both interior and patio/porch floor covering will require a GRF Building Permit. If original flooring is disturbed this will require all abatement procedures for asbestos be followed. All testing reports and EPA/AQMD permits will be required as needed. Copies of permits and testing reports shall be filed with GRF flooring permit.

Reason for this requirement includes:

- Assurance that no asbestos contained material is removed or compromised.
- No Mutual property is damaged
- Interior/exterior patio/porch flooring must be nonskid, with C.O.F. minimum 0.42
- Shareholder understands what is and what is not allowed
- Shareholder understands that Mutual Five is not responsible for damage to, or failure of, flooring purchased and installed by shareholders or their successor shareholders.

A copy of this Policy, signed below by the shareholder and installer or contractor, shall be attached to the permit.

Shareholder Signature: _____ Apartment # _____

Name Printed: _____ Date: _____

Contractor/Installer:

Company Name: _____

Signature: _____

Name Printed: _____ Date: _____

Mutual Inspector Signature: _____ Date: _____

MUTUAL
FIVE

ADOPTION

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE/DENY THE TRANSFER OF FUNDS FROM OPERATING EXPENSES TO APPLIANCE RESERVES (NEW BUSINESS, ITEM A)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

I move to approve/deny the transfer of funds in the amount of \$5,000 from Operating Expenses to Appliance Reserves.

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE/DENY BOARD RESOLUTION
AUTHORIZING TRANSFER OF FUNDS BY GRF-MUTUAL FIVE (NEW
BUSINESS, ITEM B)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

In compliance with new legislation, Assembly Bill 2912 (AB 2912) – *Association Finances*, which as of January 1, 2019, has gone into effect, the Board of Directors is now required to provide a review of all Financials. This bill is intended to require the Board of Directors to provide a greater oversight of the finances of their associations in an effort to better protect against fraudulent activity and potential loss.

On February 8, 2019, the Mutual Board of Directors will vote to approve/deny the Board Resolution Authorizing the Transfer of Funds by GRF for Mutual No. Five.

I move to approve/deny the Board resolution titled, “Resolution to Authorize Fund Transfers for Golden Rain Foundation,” as written and presented herewith.

SEAL BEACH MUTUAL NO. FIVE

RESOLUTION TO AUTHORIZE FUND TRANSFERS

FOR GOLDEN RAIN FOUNDATION

This Resolution to Authorize Fund Transfers for Golden Rain Foundation (“Resolution”) is made as of the date set forth below, pursuant to the following facts:

WHEREAS, Seal Beach Mutual No. **Five** (hereinafter, the “Mutual”), through its volunteer Board of Directors (“Board”), is responsible for management, control and administration of a residential common interest development (the “Community”), as regulated by the Federal Housing Commissioner, and on behalf of its Members, under the Articles of Incorporation (“Articles”), Bylaws, Rules, Resolutions, Policies, Occupancy Agreement, Subscription Agreement, and Declaration of Trust (“Declaration”) recorded **July 10, 1962**, and amended on **February 26, 2014** as Instrument Number **6172**, and all subsequent amendments thereto;

WHEREAS, Golden Rain Foundation (hereinafter, “GRF”) through its volunteer Board of Directors, has the authority to manage and govern the Mutual and the community facilities located within its trust property, under the Declaration;

WHEREAS, the Mutual is solely responsible for the enforcement of its own governing documents and the Board directs GRF to take action on the Mutual’s behalf, pursuant to the Management Agreement, and pursuant to applicable law;

WHEREAS, pursuant to Article 9 of the Occupancy Agreement, “The [Mutual] shall provide necessary management, operation and administration of the project; pay or provide for the payment of all taxes or assessments levied against the project; procure and pay or provide for the payment of fire insurance and extended coverage, and other insurance” as required by any mortgage on the property in the project, and such other insurance as the Mutual deems advisable;

WHEREAS, the Management Agreement between GRF and the Mutual states that GRF has the duty to “operate and maintain the Project according to the highest standards achievable consistent with the overall plan of the [Mutual] and the interests of the consenting parties...GRF shall be expected to perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement.” (Management Agreement, FOURTH, Section (m));

WHEREAS, the Management Agreement between GRF and the Mutual states that GRF has the duty to “establish and maintain, in a bank whose deposits are insured by the Federal Deposit Insurance Corporation and in a manner to indicate the custodial nature thereof, a separate bank account as Agent of the Mutual for the deposit of the moneys of the Mutual, with authority to draw thereon for any payments to be made by the Agent to discharge any liabilities or obligations incurred pursuant to this Agreement, and for the payment of the Agent fee, all of which payments shall be subject to the limitations in this Agreement.” (Management Agreement, FIFTH);

WHEREAS, the Management Agreement between GRF and the Mutual states that GRF has a duty to “[T]ake such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises placed thereon by any federal, state, county, or municipal authority having jurisdiction thereover.” (Management Agreement, FOURTH, Section (f));

WHEREAS, GRF is consequently responsible for management, control and administration of the Mutual under all applicable law, including the Davis-Stirling Common Interest Development Act (“DSA”);

WHEREAS, pursuant to *Corporations Code* Section 7210, “the board may delegate the management of the activities of the corporation to any person or persons, management company, or committee however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board;”

WHEREAS, pursuant to *Civil Code* Section 5380(a), “A managing agent of a common interest development who accepts or receives funds belonging to the association shall deposit these funds that are not placed into an escrow account with a bank, savings association, or credit union or into an account under the control of the association, into a trust fund account maintained by the managing agent in a bank, savings association, or credit union in this state;”

WHEREAS, pursuant to *Civil Code* Section 5380(b), the written request of the Board of Directors is required for GRF, who accepts or receives funds on its behalf, to deposit said funds into an interest-bearing account in a bank, savings association, or credit union in the State of California;

WHEREAS, and by way of example, pursuant to Article III, Section 3 of the Bylaws, all subscription funds received from applicants shall be subject to withdrawal, or transfer to the account of the Mutual, “only upon certification by the President and Secretary of the Corporation;”

WHEREAS, the Board wishes to authorize GRF or any authorized GRF employee, to make said deposits and transfers, electronic or otherwise, as required by the Mutual;

NOW, THEREFORE, be it resolved that the Mutual hereby adopts the following resolution concerning authorizing fund transfers by GRF or any authorized GRF employee:

1. The Mutual, through the Board, pursuant to *Civil Code* Section 5380, hereby exclusively engages GRF or any authorized GRF employee, to accept or receive funds on behalf of the Mutual, and deposit same into an interest-bearing account, provided the following requirements are met:

(a) The account is in the name of the Mutual;

(b) All of the funds in the account are covered by insurance provided by an agency of the federal government or private institution offering coverage equal to, or exceeding, such government backed insurance;

(c) GRF and/or the authorized GRF employee discloses to the Board, via account summaries, statements or otherwise, the nature of the account, how interest will be calculated and paid, whether service charges will be paid to the depository and by whom, and any notice requirements or penalties for withdrawal of funds from the account;

(d) No interest earned on funds in the account shall inure directly or indirectly to the benefit of GRF or any other party; and

(e) Transfers of greater than ten thousand dollars (\$10,000) or five percent (5%) of the Mutual's total combined reserve and operating account deposits, whichever is lower, shall not be authorized from the account without prior written approval from the Board; for purposes of this Section 1(e), this Resolution shall be deemed the "prior written approval from the Board" as required by Civil Code Section 5380.

SEAL BEACH MUTUAL NO. FIVE

By: _____ Print Name: _____
Its: President

Dated: _____

SEAL BEACH MUTUAL NO. FIVE

By: _____ Print Name: _____
Its: Secretary

Dated: _____

CERTIFICATE OF SECRETARY

I, the undersigned, being the duly elected and acting Secretary of **SEAL BEACH MUTUAL NO. FIVE a California Non-Profit Mutual Benefit Corporation**, do hereby certify that the foregoing Resolution was adopted on _____, 2019.

This Certificate is executed under penalty of perjury on _____, 2019, in _____, California.

SEAL BEACH MUTUAL NO. FIVE

By: _____ Dated: _____
Its: Secretary

Mutual Corporation No. Five

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE/DENY APPOINTMENT SETTING COMMITMENT BY MUTUAL BOARD OF DIRECTORS (NEW BUSINESS, ITEM C)
DATE: FEBRUARY 20, 2019
CC: MUTUAL FILE

The GRF staff provides valuable services to all Mutuals. To maintain these valuable services, we are again soliciting all Mutual Boards of Directors to help support our united mission to maintain our collective community for the betterment of all. To facilitate this mission and to help control time, focus and, most importantly, expense, I need to take this opportunity to kindly request action from all Mutual Boards of Directors to help us support you, so that we may insure all goals and tasks are accomplished in a timely and productive manner.

Observe that appointments are required to meet with the following departments and staff: Mutual Administration, Accounting, Physical Property, Service Maintenance, and Purchasing Department.

Yes, there are emergencies, and emergencies can be readily defined as:

- Posing an immediate threat to life, health, property, or environment
- Has already caused loss of life, health detriments, property damage, or environmental damage
- Has a high probability of escalating to cause immediate danger to life, health, property, or environment

In this, our commitment to you is:

- Response to all requests for appointments:
 - If request is made **before** 1 p.m. (business day), the same day
 - If request is made **after** 1 p.m. (business day), the next business day by 10 a.m.

I move to approve/deny a commitment by the Board of Directors of Mutual Five, to help and support the unified mission of the collective Mutuals of Leisure World Seal Beach, to insure appointments are made to meet with GRF staff.