

**A G E N D A**  
**REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL SIXTEEN**  
**August 1, 2017, Administration Building, Conference Room A**  
**9:30 a.m.**

CALL TO ORDER, *PLEDGE ALLEGIANCE*

Al Grenrock

**“WELCOME TO THE REGULARLY SCHEDULED MONTHLY MEETING OF THE  
BOARD OF DIRECTORS OF MUTUAL SIXTEEN.”**

ROLL CALL

Kheara Aquino

INTRODUCTION OF SHAREHOLDER(S'), GUEST(S'), AND STAFF:

Suzanne Fekjar, GRF Representative  
Jodi Hopkins, Mutual Administration Director  
Jerry Antisdell, Building Inspector  
Kheara Aquino, Recording Secretary

APPROVAL OF MINUTES – **Regular Meeting of July 3, 2017**

BUILDING INSPECTOR'S REPORT

Jerry Antisdell

GRF REPRESENTATIVE'S REPORT

Suzanne Fekjar

PRESIDENT'S REPORT

Al Grenrock

VICE PRESIDENT / GROUNDS REPORT

Signe Merrifield

CHIEF FINANCIAL OFFICER'S REPORT

Al Grenrock

SECRETARY'S REPORT / CORRESPONDENCE

Marcia Clawson

MUTUAL ADMINISTRATION DIRECTOR'S REPORT

Jodi Hopkins

OLD BUSINESS –

- a. Ratify amended/posted Policy 7510.16 – Eligibility Requirements
- b. Ratify adopted/posted Policy 7549.16 – Lockout Procedures
- c. Ratify adopted/posted Policy 7405.16 – Flooring and Floor Covering Permits
- e. Committee report/update Policy 7575.16 – Laundry Room Use

NEW BUSINESS –

- a. Discussion – Board Members Code of Ethics and Commitment Pledge
- b. Occupancy Agreement Article 23 Late Charges/Cost
- c. Property Tax Postponement Resolution 2017/2018
- d. Request to Receive Hard Copies of Monthly Minutes from Other Mutuals 2017/2018
- e. Resolution to sign Mr. C's Towing Agreement 2017/2018

ANNOUNCEMENTS

DIRECTOR(S') COMMENTS

SHAREHOLDER(S') COMMENTS

ADJOURNMENT

EXECUTIVE SESSION (legal, contract, and member issues)

**STAFF WILL LEAVE THE MEETING BY 12:10 P.M.**  
**NEXT MEETING: TUESDAY, SEPTEMBER 5, 2017, at 9:30 a.m.**

MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS**Eligibility Requirements – Mutual Sixteen

All **Proposing** persons **resident shareholder**, seeking approval of the Board of Directors of Seal Beach Mutual No. Sixteen 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 **net** income or sufficient assets that is/are ~~four (4)~~ **five (5)** 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 project retirement income (SS, pension, annuity, etc.) shall be the only income used for qualification.**

**ASSETS USED TO PURCHASE UNIT WILL NOT BE INCLUDED IN INCOME CALCULATIONS**

- 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; **(with a copy of executed payment elections documents and/or beneficiary election forms);**
  - d) SSA-1099 Social Security Benefit Statement;
  - e) Brokerage statements and current interim statement.
  - f) Six to 12 months of checking account statements.

(draft created on 7-3-17 ka)

MUTUAL OPERATIONS**DRAFT****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Sixteen**

- b. Adjusted Gross Income per 1040, 1040A, or 1040EZ minus income and self-employment taxes paid will equal net annual income able to be spent.
- 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 five (5) ~~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.<sup>1</sup>
  - 1) Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer interview orientation and prior to the close of escrow (the above verification will not be the responsibility of the individual Mutual Directors; Directors will not be required to study or understand the financial requirements).
- d. Only the residential 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.

**\*\* (remove if ALD passed with NO doctors note) \*\***

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

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<sup>1</sup> (Note 1): If major remodeling, expansion, or additions of a bathroom is being considered, the increase in taxes over the 1.2% of the purchase price must be taken into consideration.

(draft created on 7-3-17 ka)

**MUTUAL OPERATIONS**

7510.16

**DRAFT**

**RESIDENT REGULATIONS**

**Eligibility Requirements – Mutual Sixteen**

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**

**SIXTEEN:** 04-09-70

**AMENDMENTS**

09-20-93, 07-21-08, 01-20-14

(draft created on 7-3-17 ka)

**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.

**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 OPERATIONS****AMENDED DRAFT****Approval of Escrows –****RESOLUTION:**

WHEREAS, Article V, Section 2, of the bylaws vests power in the Board of Directors to accept or reject all applications for membership and admission to occupancy of a dwelling unit in the cooperative housing project, and

~~WHEREAS, a system utilizing questionnaires and a medical examination has been instituted to expedite determination that the potential buyer meets all established criteria, with the responsibility for operation of said system resting on paid employees of the Foundation and Health Care Center, and~~

WHEREAS, it is necessary that escrow papers be signed in a timely manner but calling special meetings of the Board to accept or reject each application in escrow would prove cumbersome,

**NOW, THEREFORE BE IT RESOLVED, THAT**

1. The President of this Corporation is appointed and empowered to act in behalf of the Board in signing various document in escrow that are necessary to accept or reject potential members of the Corporations.
2. Should the President be absent or otherwise unable to perform, then any officer of this Corporation shall be empowered to sign such papers on behalf of the Board.

**MUTUAL ADOPTIONS**

ONE	12-07-72	
TWO		(See Policy 7020.2)
THREE	11-20-72	
FOUR	12-04-72	
FIVE	11-15-72	(See Policy 7020.05) Dec 2016
SIX	12-08-72	
SEVEN	11-17-72	
EIGHT	11-27-72	
NINE		(See Policy 7020.9)
TEN	11-30-72	(See Policy 7020.2)
TWELVE	11-09-72	
ELEVEN	11-16-72	
FOURTEEN	11-10-72	
FIFTEEN	11-20-72	
SIXTEEN	12-14-72	

(draft created on 7-7-7 ka)





# Mutual Corporation

## No. Sixteen

### SEAL BEACH MUTUAL NO. SIXTEEN BOARD MEMBER CODE OF ETHICS

As a Board member, you need to be aware that more is expected of those in leadership roles. Review the following statements. Signing this Code of Ethics solidifies your commitment to honest Board service for Seal Beach Mutual No. Sixteen Corporation and its membership.

#### As a Member of the Board, I will:

- Be committed to fulfilling the mission and vision of the Seal Beach Mutual No. Sixteen Corporation.
- Keep all confidential Board information, confidential, including business and discussions conducted in the Executive Board meetings.
- Focus my efforts on the Mutual Corporation and its membership and not my personal goals or private agenda.
- Serve on a Mutual committee and/or task force in a leadership capacity.
- Commit to ethical, businesslike, and lawful conduct, including member's proper use of authority and appropriate decorum when acting as directors.
- Refrain from using my service on this Board for my own personal advantage or for the advantage of my friends or associates.
- Maintain my credibility as a Board Member.
- Respect and support the majority decisions of the Board.
- Approach all Board issues with an open mind, prepared to make the best decisions for everyone involved.
- Do nothing to violate the trust of those who elected or appointed me to the Board or of those we serve.



**SEAL BEACH MUTUAL NO. SIXTEEN**  
**BOARD MEMBER CODE OF ETHICS**  
Page 2

- Never exercise authority as a Board member except when acting in a Board meeting or as I am delegated by the Board or its President.
- Continue to maintain the original Mutual Corporation Board member candidate qualifications and attitude.
- Consider myself a trustee of this organization and do my best to ensure that it is well maintained, financially secure; growing and always operating within the best interests of those we serve.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINT NAME



# *Mutual Corporation*

## *No. Sixteen*

### **SEAL BEACH MUTUAL NO. SIXTEEN BOARD MEMBER COMMITMENT PLEDGE**

I recognize the vital responsibility I am undertaking in serving as a member of the Board of Directors of the Seal Beach Mutual No. Sixteen Corporation. I hereby pledge to carry out in a trustworthy and diligent manner the duties and obligations of my role as a Board member.

#### **MY ROLE:**

I acknowledge that my primary role as a Board member is (1) to understand, support and ensure fidelity to the Seal Beach Mutual No. Sixteen Corporation's mission and vision, and (2) to carry out the functions of the office of Board Member and/or Officer as stated in the Bylaws.

My role as a Board Member will focus on the development of the broad policies (e.g., long term vision, overall financial philosophy, etc.) that govern the implementation of institutional plans and purposes.

#### **MY COMMITMENT:**

**I will exercise the duties and responsibilities of this office with integrity, fidelity and care.**

#### **I PLEDGE TO:**

- Maintain a good working relationship with other Mutual Sixteen Board members and support collective decisions.
- Keep up to date on the organization's major programs and services.
- Follow trends and important developments in the Seal Beach Mutual Sixteen Corporation's substantive field of interest. Educate myself about the needs of the constituents I serve.
- Act knowledgeable and prudently when making recommendations.
- Recommend qualified individuals with relevant skills and experience as possible nominees for the Board.
- Prepare for and participate at board and committee meetings.

*P. O. Box 2069, Seal Beach, California 90740 (562) 431-6586*

**SEAL BEACH MUTUAL NO. SIXTEEN**  
**BOARD MEMBER COMMITMENT PLEDGE**  
**Page 2**

- Attend and participate in the strategic planning process.
- Willingly volunteer and use my special skills to further the organization's mission and vision.
- Complete all assignments in a timely manner.
- Listen respectfully to other's points of view.
- Take advantage of opportunities to enhance the organization's public image by periodically speaking to leaders in the community about the work of our Mutual Board and their goals.
- Respect the confidentiality of the Board's Executive sessions.
- Speak for the Board or Mutual Sixteen Corporation only when authorized to do so.
- Adhere to my fiduciary responsibility as a Corporation Director and hereby agree not to commit any Mutual funds for any purpose whatsoever, without prior Board approval.
- Suggest agenda items for future Board and committee meetings.
- Aid and advise the President when my help is requested.
- Avoid burdening the staff with requests for special favors.
- Ensure that any communication with staff below the President does not undermine the relationship between the President and the staff.
- Avoid, in fact and perception, conflicts of interest that might embarrass the Board or organization, and disclose to the Board, in a timely manner, any possible conflicts.

If for any reason, I find myself unable to carry out the above duties as best as I can, I agree to resign my position as a Board member/officer.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINT NAME

## Finance 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% whichever is greater for each month of delinquency, will be assessed to a delinquent shareholder, effective 2017-2018.

## Property Tax Postponement

### MOTION:

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, effective 2017-2018.

## **MUTUAL AGENDAS**

### **MOTION:**

RESOLVED, That Mutual \_\_\_\_\_ continue to receive one hard copy of the various Mutuals' monthly minutes in their MAIL BOX in the Stock Transfer Office, effective 2017-2018.

OR

RESOLVED, That Mutual \_\_\_\_\_ continue not receiving one hard copy of the various Mutuals' monthly minutes in their MAIL BOX in the Stock Transfer Office, effective 2017-2018.

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, effective 2017-2018.