

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SIXTEEN
September 5, 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 August 1, 2017**

BUILDING INSPECTOR'S REPORT (page 2)

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. Committee report/update Policy 7575.16 – Laundry Room Use (pages 3-5)
- b. Discussion – Board Members Code of Ethics and Commitment Pledge (pages 6-8)

NEW BUSINESS –

- a. Discuss amending Policy 7510.16 – Eligibility Requirements (page 9-10)
- b. Discuss rescinding Policy 7710 – Estate Transaction and Creditors' Claims (page 11)
- c. Discuss rescinding Policy 7710.1 – Admittance to Apartments – Public Administrator's Office (page 12)
- d. Discuss rescinded Policy 7020 – Approval of Escrows (page 13)
- d. Discuss adopting Policy 7585.16 – Governing Document Compliance Measures and Fines (pages 14-15)
- e. LED Lighting (page-16)

ANNOUNCEMENTS

DIRECTOR(S') COMMENTS

SHAREHOLDER(S') COMMENTS

ADJOURNMENT

EXECUTIVE SESSION (legal, contract, and member issues)

STAFF WILL BREAK BY 11:00 a.m.
STAFF WILL LEAVE THE MEETING BY 12:10 P.M.
NEXT MEETING: TUESDAY, October 3, 2017, at 9:30 a.m.

INSPECTORS MUTUAL REPORT

MUTUAL: (16) SIXTEEN

INSPECTOR: Jerry Antisdal

MUTUAL BOARD MEETING DATE: SEPTEMBER 5TH 2017

PERMIT ACTIVITY

52-I	TILE/GATE AT PATIO	GRF	06/10/17	08/10/17	NO	08/01/17 FINAL	MAMUSCIA
54-B	SHOWER CUT DOWN	BOTH	08/31/17	09/29/17	NO	NONE	NU KOTE
54-K	WINDOWS	BOTH	07/17/17	08/01/17	NO	NONE	SWENMAN

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
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FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds

CONTRACTS

CONTRACTOR	PROJECT
FENN TERMITE AND PEST CONTROL GOOD UNTIL 2019	

MUTUAL AND SHAREHOLDER REQUEST

CALLS AND VISITS TO UNITS 23	

MUTUAL OPERATIONS

Resident Regulations

Laundry Room Use – Mutual Sixteen

Laundry Room Facility

The laundry room facility is for the exclusive use of Mutual Sixteen shareholders. Non-shareholders are prohibited from using the laundry room.

- NO CHILDREN UNDER 18 ARE ALLOWED IN THE LAUNDRY ROOM UNLESS ACCOMPANIED BY AN ADULT.
- A caregiver may use the laundry room when doing a shareholder's laundry.
- A caregiver may not use the laundry room for his/her personal laundry, with the exception of a caregiver who resides with a shareholder on a 24-hour basis.
- A caregiver who resides with a shareholder on a 24-hour basis may do his/her personal laundry in the laundry room.
- It is the shareholder's responsibility to instruct a caregiver on the proper use of the laundry room facilities.
- Shareholders are responsible for any damage to the laundry room facilities caused by either themselves or their caregivers.

When a washer or dryer is out of order:

- Notify a Mutual Sixteen Director. The names and phone numbers are on the bulletin board.
- Give the number of the machine and describe what is wrong with the machine.
- Put an "Out of Order" sign on the machine.

Keep the laundry room clean. The laundry room is cleaned once a month by a contracted service.

- If you spill laundry detergent, bleach, or fabric softener, please clean it up.
- Check the pockets of clothes for tissues and other items before washing.
- Clean the dryer lint filters after using the dryer. Dispose of the lint in the laundry room trash containers. An accumulation of lint in the dryer vent is a fire hazard.
- Only lint, fabric softener sheets, and paper towels go in the laundry room trash containers. Do not put plastic bottles in the laundry room trash containers. Take plastic bottles to the white recyclables trash bin.

MUTUAL OPERATIONS

Resident Regulations

Laundry Room Use – Mutual Sixteen

Help conserve water and electricity.

- Wash and dry full loads.
- When leaving the laundry room, turn out the lights and close the door.

SMOKING IS PROHIBITED in the laundry room and the adjacent outdoor clothes drying area.

NO PETS ARE ALLOWED IN THE LAUNDRY ROOM EXCEPT DOCUMENTED SERVICE DOGS.

The bulletin boards in the laundry room are for official Mutual Sixteen announcements and laundry room instructions. If a shareholder wishes to post an announcement on the bulletin boards, check with a Director.

Washers and Dryers

A maximum of two machines per apartment may be used at one time.

Be considerate and remove your laundry promptly at the end of the washer and dryer cycles.

Loading Machines

- Wash and dry full loads, but do not overload the washers and dryers.
- Overloading or improperly loading a washer with unbalanced or heavy items can cause damage to the machine.

Laundry Detergent

- Read the laundry detergent instructions and make sure the proper amount is used.
- Using too much laundry detergent results in oversudsing, which can cause the washer not to drain properly.

These items are prohibited in the washers and dryers:

- Items with fiberglass
- Large, heavy items like large quilts and comforters, heavy blankets, heavy drapes, rugs, and car covers.
- Washing and drying items using a flammable dry cleaning liquid
- Items with rubber or plastic backing, like rugs, slippers, and shoes
- Items with grease, gritty dirt, polishes, waxes, or feces. Hand-wash these items first before placing them in the washer.
- Items with excessive amounts of animal fur

MUTUAL OPERATIONS**Resident Regulations****Laundry Room Use – Mutual Sixteen**

- Dyeing fabric. The washers may not be used for dyeing fabric and wet dyed fabrics may not be dried in the dryers. They may be air-dried using the clotheslines adjacent to the laundry room.
- The cost of cleaning the machines after washing or drying prohibited items will be at the expense of the offending shareholder.

Metal Items on Clothes

- Items with metal buttons, snaps, clips, or any other attached metal objects, must be placed inside a suitable mesh or cloth bag, or turned inside out before washing and drying.

Items Containing Excessive Water

- Items that have been hand-washed and contain excessive water cannot be placed in the dryers. These items can cause damage to the electrical system of the dryer.
- Hand-washed items with excessive water can be rolled up in a towel to remove the excess water or they can be air-dried on the clotheslines adjacent to the laundry room.

Do not hang laundry up in the patio to air-dry. Use the clotheslines adjacent to the laundry room. Do not leave items on the clotheslines overnight.

MUTUAL ADOPTION

SIXTEEN: 08-15-05

AMENDMENTS

01-19-15

Mutual Corporation
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 board policies (e.g., long term vision, overall financial philosophy, etc.) that govern the implementation of 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.
- 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 responsibilities 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 communications 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: _____

Mutual Corporation
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 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 those we serve.
- 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 OPERATIONS**AMENDED DRAFT****RESIDENT REGULATIONS****Eligibility Requirements – Mutual Sixteen**

Proposing 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 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 \$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.
- 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

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

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) 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) Verification shall be done by the Escrow Company and the Stock Transfer Office prior to the new buyer 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.

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 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**

SIXTEEN: 04-09-70

09-20-93, 07-21-08, 01-20-14, 08-01-17

¹ **(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.**

MUTUAL OPERATIONS**RESCIND MUTUAL SIXTEEN****ADMINISTRATIVE SERVICES****Estate Transaction and Creditors' Claims**

Any authorized person transacting estate affairs pertaining to a deceased member (sole owner), such as a relative, heir, etc., should be referred to the Stock Transfer Office. This is to enable the office to maintain the account on a current basis until the estate can be closed.

Creditors' claims are also generated by this office to cover any outstanding debts which may exist and cannot be collected except through final distribution of the estate by the courts.

MUTUAL
SIXTEEN

RESCIND

MUTUAL OPERATIONS**RESCIND MUTUAL SIXTEEN****ADMINISTRATIVE SERVICES****Admittance to Apartments – Public Administrator's Office**

The procedure for admitting deputies from the Public Administrator's Office is as follows:

1. That the deputy produce and deliver a written statement upon letterhead stationery of the Public Administrator's Office advising of the purpose and reason for the Public Administrator's coming into the project and the apartment.
2. The deputy must show the Security Officer his badge and all other identification concerning being a Deputy of the Public Administrator's Office. The badge itself is insufficient. An I.D. card must also be shown.
3. That a representative of the Mutual Corporation be with the deputy in the apartment provided the reason for his being there has been satisfactorily accepted under item one.
4. A clear description must be made of any document or item that is removed from the apartment to be signed by the Deputy of the Public Administrator's Office who is present.

The above instructions are from a letter by William A. Williams, Foundation Attorney, dated 10-16-95.

MUTUAL OPERATIONS**RESCIND MUTUAL SIXTEEN****Approval of Escrows – All Mutuals Except Two, Five, Nine, and Ten****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	

(Dec 16)

MUTUAL OPERATIONS**ADOPT DRAFT****RESIDENT REGULATIONS****GOVERNING DOCUMENT COMPLIANCE****CORRECTIVE MEASURES AND FINES – MUTUAL SIXTEEN ONLY****Basic Compliance Policy:**

The objective of this Compliance Policy shall be to promote and seek voluntary compliance of shareholders for themselves, those qualified to reside with them and the shareholders' visitors including, but not limited to guests, employees and delivery personnel with the Seal Beach Mutual No. Sixteen Occupancy Agreement, Bylaws, 7000 Series Policies, and Rules and Regulations, all as amended and supplemented (collectively, "Governing Documents").

Reporting Violations:

Any resident shareholder, including any shareholder serving on the Board, may report violations. Contact Security, Community Administration, or the Board of Directors.

Such reports shall constitute a complaint and will be documented in writing to include the time, date, nature of violation, circumstances, and location and address of person or persons responsible. The complaint will be provided to the Mutual for review and, if necessary, enforcement action.

Enforcement Procedures:

The Mutual may, in the Board's discretion, enforce any violation of the "Governing Documents" by pursuing, without limitation any one, or combination of, the remedies described below in paragraphs, One, Two, or Three (1, 2, or 3). Notices described in One and Two below shall include a statement inviting the shareholder to a hearing or their right to request a hearing.

1. Send an initial notice of violation letter to the resident shareholder stating the nature of the alleged violation. In the event that the shareholder does not take corrective action and continues to be non-compliant, the notice will include a reasonable date within which to voluntarily comply.
2. Send a notice of violation and intent to impose a fine. Fines will be imposed in accordance with the Mutual's Violation Fine Schedule.
3. An action in law or in equity to recover the sums due for damages injunctive relief or any other appropriate legal or equitable relief that may be available to the Mutual.

MUTUAL OPERATIONS**ADOPT DRAFT****RESIDENT REGULATIONS****GOVERNING DOCUMENT COMPLIANCE
CORRECTIVE MEASURES AND FINES – MUTUAL SIXTEEN ONLY****FINE SCHEDULE:**

The Fine Schedule may be imposed after or concurrent with notice and opportunity for hearing, and the Board of Directors, or committee appointed by the Board, in its discretion, has determined that a resident shareholder is non-compliant with or has violated the "Governing Documents".

FINE SCHEDULE

Notice of Violation: Warning or Fine of \$25.00

Continuing non-compliance will result in further fines of \$25.00 for each day the violation continues.

Invoices for fines are due and payable immediately.

MUTUAL ADOPTION**AMENDMENT(S)**

SIXTEEN:

(draft created on 8-31-17 ka)

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.