

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
September 8, 2016**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Gillon at 9:05 a.m. on Thursday, September 8, 2016, followed by the *Pledge of Allegiance*, in the Administration Building Conference Room A.

**ROLL CALL**

Present: President Gillon, Vice President Fluharty, Secretary Sprague, CFO Ferraro, and Directors Anderson (9:06 a.m.), Findlay, and Carson

GRF Representative: Mrs. Damoci

Guests: Six shareholders of Mutual Twelve

Staff: Ms. Hopkins, Mutual Administration Director  
Mr. Salazar, Building Inspector  
Mrs. Aquino, Recording Secretary

President Gillon welcomed guests and staff to the meeting.

**SHAREHOLDER'S COMMENTS**

Several shareholders made comments.

**GRF REPRESENTATIVE**

Mrs. Damoci presented her report (attached).

**MINUTES**

President Gillon asked for any corrections to the Regular Meeting minutes of August 11, 2016. A correction was noted on page 2: under Building Inspector, the last resolution should read, "To obtain a cost for the removal of the dead trees at Units 41-D and 55-F."

Upon a MOTION duly made by President Gillon and seconded by Director Carson, it was

RESOLVED, To approve the August 11, 2016, Regular Meeting minutes, as corrected.

The MOTION passed.

**MINUTES (continued)**

President Gillon asked for any corrections to the Special and Emergency Meeting Minutes of August 8, 2016; August 15, 2016; August 22, 2016; and August 29, 2016.

Upon a MOTION duly made by President Gillon and seconded by Director Carson, it was

RESOLVED, To approve the Special Meeting minutes and Emergency Meeting minutes BY Consent Calendar for dates August 8, 2016; August 15, 2016; August 22, 2016; and August 29, 2016.

The MOTION passed.

**BUILDING INSPECTOR'S REPORT**

Mr. Salazar reviewed his summary report (attached).

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Vice President Fluharty, it was

RESOLVED, To approve the permit for Unit-64-E and authorize the President to sign the Permit.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by CFO Ferraro, it was

RESOLVED, To amend Policy 7401.12 – Contractor License on a preliminary basis until the 30-day posting is completed.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, To amend Policy 7496.12 – Infrastructure Modifications on a preliminary basis until the 30-day posting is completed.

The MOTION passed.

Building Inspector Salazar left the meeting at 10:00 a.m.

**CORRESPONDENCE**

President Gillon discussed correspondence that was received during the month.

**MUTUAL ADMINISTRATION DIRECTOR'S REPORT**

Ms. Hopkins submitted her monthly report (attached).

**UNFINISHED BUSINESS**

CFO Ferraro presented Mutual Twelve/GRF Management Agreement committee report (attached).

President Gillon stated that the pet letter to dog owners is in the process of being drafted. Once completed, letters will be sent out to all registered dog owners and will include the fine policy as well.

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Director Anderson, it was

RESOLVED, To accept the CLASS ONE ARBORICULTURE 2017 Pruning Proposal for ALL levels of pruning for a total cost of \$25,403.10, to be paid from the Landscape Trees Operating Expense Account.

The MOTION passed.

(Mrs. Damoci left the meeting at 10:11 a.m.)

**NEW BUSINESS**

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by CFO Ferraro, it was

WHEREAS, the Golden Rain Foundation Executive Director has brought to the attention of all Seal Beach Mutual boards in the OCCUPANCY AGREEMENT memo dated August 16, 2016, that all Seal Beach Mutuals' Occupancy Agreement in Article 23 apply late charges on Carrying Charges/Assessments more than 10 days in arrears while Civil Code §5650 (b) states, "Regular and special assessments levied pursuant to the governing documents are delinquent 15 days after they are due..." as well as other requirements for application and collection of late charges. Additionally the memo suggests that Seal Beach Mutual governing documents may differ with the law or be silent on other fines and late charges, and

**NEW BUSINESS (continued)**

WHEREAS, governing document amendment is a simple process for rules and regulations but requires, for all other governing documents, The Articles of Incorporation, The Occupancy Agreement and the By-Laws, a ballot measure at the Annual Meeting of Shareholders or at a Special Shareholder Meeting called for that purpose, and

WHEREAS, Section 2 of Article II of the Seal Beach Mutual No. Twelve By-Laws states in part "...the Corporation is a 'stock cooperative' as such term is defined in the Davis-Stirling Common Interest Development Act as the same may be amended, restated modified or suspended from time to time ("ACT"), and, as such, the Corporation shall at all times be subject to an operate in accordance with, the Act.", and §4205 (a) of the Act states, "To the extent of any conflict between the governing documents and the law, the law shall prevail."

IT IS RESOLVED, that Seal Beach Mutual No. Twelve directs the GRF to, in the current situation, inform Mutual Twelve of changes recommended in accounting practice to bring Mutual Twelve into compliance with the law and upon Board RESOLUTION in concurrence implement those changes. Mutual Twelve will not amend our Occupancy Agreement at this time.

FURTHER RESOLVED, that Mutual Twelve directs GRF to continue to monitor and assess issues of governing document compliance with the law and recommend needed changes in practice for Mutual Twelve Board RESOLUTION. Said monitoring to continue even if Mutual Twelve amends governing documents, as laws will continue to change.

The MOTION passed.

**CHIEF FINANCIAL OFFICER'S REPORT**

Ms. Ferraro presented her financial report (attached).

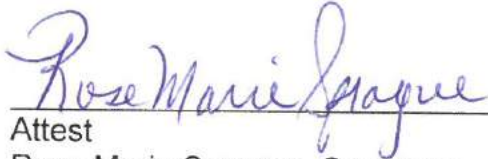
**DIRECTOR'S REMARKS**

Several Directors made remarks.

September 8, 2016

**ADJOURNMENT**

President Gillon adjourned the meeting at 10:39 a.m. and announced that following there would be an Executive Session to discuss member issues.



Attest

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL TWELVE

ka: 9/8/16

Attachments

**NEXT MEETING: October 13, 2016, in  
Administration Building, Conference Room A, at 9:00 a.m.**

**SPECIAL MEETING ANNOUNCEMENTS AND AGENDAS ARE POSTED IN  
LAUNDRY ROOM 57 (D SIDE). FOR INFORMAL INDIVIDUAL NOTICE OF SPECIAL  
MEETINGS, CONTACT SECRETARY SPRAGUE OR EMAIL PRESIDENT GILLON  
AT MARGARET.GILLON@MUTUAL12.ORG.**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF SEPTEMBER 8, 2016**

09/08/16 RESOLVED, To approve the Special Meeting minutes and Emergency Meeting minutes BY Consent Calendar for dates August 8, 2016; August 15, 2016; August 22, 2016; and August 29, 2016.

RESOLVED, To approve the permit for Unit-64-E and authorize the President to sign the Permit.

RESOLVED, To amend Policy 7401.12 – Contractor License on a preliminary basis until the 30-day posting is completed.

RESOLVED, To amend Policy 7496.12 – Infrastructure Modifications on a preliminary basis until the 30-day posting is completed.

RESOLVED, To accept the CLASS ONE ARBORICULTURE 2017 Pruning Proposal for ALL levels of pruning for a total cost of \$25,403.10, to be paid from the Landscape Trees Operating Expense Account.

WHEREAS, the Golden Rain Foundation Executive Director has brought to the attention of all Seal Beach Mutual boards in the OCCUPANCY AGREEMENT memo dated August 16, 2016, that all Seal Beach Mutuals' Occupancy Agreement in Article 23 apply late charges on Carrying Charges/Assessments more than 10 days in arrears while Civil Code §5650 (b) states, "Regular and special assessments levied pursuant to the governing documents are delinquent 15 days after they are due..." as well as other requirements for application and collection of late charges. Additionally the memo suggests that Seal Beach Mutual governing documents may differ with the law or be silent on other fines and late charges, and WHEREAS, governing document amendment is a simple process for rules and regulations but requires, for all other governing documents, The Articles of Incorporation, The Occupancy Agreement and the By-Laws, a ballot measure at the Annual Meeting of Shareholders or at a Special Shareholder Meeting called for that purpose, and

WHEREAS, Section 2 of Article II of the Seal Beach Mutual No. Twelve By-Laws states in part "...the Corporation is a 'stock cooperative' as such term is defined in the Davis-Stirling Common Interest Development Act as the same may be amended, restated modified or suspended from time to time ("ACT"), and, as such, the Corporation shall at all times be subject to an operate in accordance with, the Act.", and §4205 (a) of the Act states, "To the extent of any conflict between the governing documents and the law, the law shall prevail."

IT IS RESOLVED, that Seal Beach Mutual No. Twelve directs the GRF to, in the current situation, inform Mutual Twelve of changes recommended in accounting practice to bring Mutual Twelve into compliance with the law and upon Board RESOLUTION in concurrence implement those changes. Mutual Twelve will not amend our Occupancy Agreement at this time.

FURTHER RESOLVED, that Mutual Twelve directs GRF to continue to monitor and assess issues of governing document compliance with the law and recommend needed changes in practice for Mutual Twelve Board RESOLUTION. Said monitoring to continue even if Mutual Twelve amends governing documents, as laws will continue to change.



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE

August 8, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:35 p.m. on Monday, August 8, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Findlay, Carson, and Anderson

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits.

Following a discussion and on MOTION made by President Gillon and second by Director Carson, it was:

**RESOLVED**, To approve the A/C unit for 61G and authorize the President to sign the permit.

The Motion passed.

Discussion on Unit 72-F. Inspector Salazar needs to put the communication box back up on the building.

The meeting was adjourned to Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 2:20 p.m.



Attest,

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
August 15, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:32 on Monday, August 15, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Findlay and Carson

Absent were: Director Anderson

Also present: One Shareholder

The purpose of the meeting was to review and/or approve the Mutual No. Twelve 2017 Annual Budget. CFO Ferraro presented the budget and reviewed it with the board. Discussion covered the state of the Mutual's reserves, the aging infrastructure of the Mutual, and the priorities for updating the Mutual infrastructure so the Mutual's buildings are sound.

CFO Ferraro MOVED, seconded by President Gillon

**RESOLVED:** To authorize CFO Ferraro to submit the proposed 2017 Mutual Twelve budget to the GRF Controller in the amount of \$1,212,644.

Motion carried 5-1 by roll call vote with Vice President Fluharty voting no (Absent: Anderson).

ADJOURNMENT:

President Gillon adjourned the meeting at 3:00



Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

MINUTES OF THE EMERGENCY MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
August 17, 2016

CALL TO ORDER:

The Emergency Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 12:01 p.m. on Wednesday, August 18, 2016, at Unit 68-J in Mutual 12.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, Directors Carson and Anderson.

A discussion was held on the J. C. Kress Construction re-pipe quote on unit 41E.

MOTION made by President Gillon, and seconded by Director Carson.

RESOLVED: To waive Policy 7485.12 Re-pipe for unit 41E and decline to re-pipe this unit.

The motion was carried.


Discussion was held on 2017 plan to re-pipe the Mutual and that doing individual re-pipes on units that may be re-piped next year is counterproductive. The re-pipe plan will be confirmed at the October 13, 2016, meeting of Mutual 12.

Motion made by President Gillon, and seconded by Director Anderson.

RESOLVED: To suspend policy 7485.12 Re-pipe on Remodels for 100 days except for the Unit 76-E remodel.

The motion was carried.

ADJOURNMENT: President Gillon adjourned the meeting at 12:19 p.m.

  
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Attest:

Margaret Gillon, President  
SEAL BEACH MUTUAL NO. TWELVE  
/MMG

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
August 22, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:30 p.m. on August 22, 2016, in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, and Directors Findlay, Carson, and Anderson (1:33 p.m.)

Also present: Inspector Salazar, three Shareholders, including one Guest Speaker

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits, Cert Manager Gary Sprague's report, and other Shareholder concerns.

Following a discussion and upon Motion duly made by President Gillon and seconded by Director Carson, it was

**RESOLVED**, To authorize the Cert Manager to purchase the emergency supply items and the Mutual will reimburse him, not to exceed \$350 to be paid from the Emergency Reserve Fund.

The Motion passed.

Cert Manager was directed to investigate Emergency Generator and Shed.

Following a discussion on Unit 42-G and upon a Motion duly made by Director Findlay and seconded by President Gillon, it was

**RESOLVED**, To authorize President Gillon to sign the permit for a sola tube for Unit 42-G once specifications are reviewed.

The Motion passed.

Following a discussion on Unit 55-F and upon a Motion duly made by Director Findlay, and seconded by President Gillon, it was

**RESOLVED**, To approve the permit for condensing unit at Unit 55-F and authorize the President to sign the permit.

The Motion passed.

Following a discussion on Unit 63-J and upon MOTION duly made by President Gillon, and seconded by Director Carson, it was

**RESOLVED**, To accept the permit for the heat pump at Unit 63-J and authorize the President to sign the permit

The Motion passed.

Following a discussion on Unit 64-B and upon a Motion duly made by President Gillon, and seconded by Director Carson, it was

**RESOLVED**, To approve the building permit for ceiling fans at Unit 64-B and waive the limitation of one ceiling fan in the kitchen as per Policy 7403.7, and authorize the President to sign the permit.

The Motion passed.

Following a discussion on Unit 34-F and upon a Motion duly made by President Gillon and seconded by Director Findlay, it was

**RESOLVED**, To approve the vinyl enclosure for Edison for Unit 34-F, not to exceed \$1,400 and to be installed by M. J. Jurado.

The Motion passed.

Following a discussion on Pinnacle Landscaping and upon a Motion duly made by Director Findlay and seconded by President Gillon, it was

**RESOLVED**, To approve the Non-Contract Sales Order #1 from Pinnacle for \$445 to be paid from the Landscape Tree Expense Account and authorize the President to sign the agreement.

The Motion passed.


Further upon a Motion duly made by Director Findlay and seconded by President Gillon, it was

**RESOLVED**, To approve the Non-Contract Sales Order from Pinnacle Landscaping dated August 18, 2016, for irrigation valves and sprinkler heads in the amount of \$1,287 from the Infrastructure Fund and authorize the President to sign the agreement.

The Motion passed. Fluharty No

**ADJOURNMENT:**

President Gillon adjourned the meeting at 3:06 p.m.

  
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Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
August 29, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:34 on August 29, 2016, in the Physical Property Conference Room

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, Secretary Sprague, Directors Findlay, Carson and Anderson

Absent were: CFO Ferraro

Also present: Inspector Salazar  
One Shareholder

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits, and other Mutual and Shareholder issues.

Following a discussion and on MOTION made by President Gillon and seconded by Director Findlay it was:

**RESOLVED**, To amend the Agenda for today's meeting, August 29, 2016, and to add Emergency Agenda Item Policy 7401 Amendment under New Business.

The Motion Passed.

Following a discussion and on MOTION duly made by President Gillon and seconded by Director Anderson, it was:

**RESOLVED**, TO RESCIND Policy 7401 Contractor License.

The Motion Passed.

Copies of the new policy 7401.12 Contractor License were distributed to the Board. The Board discussed the new portion of this policy written by Mutual 12's attorney Michael Rabkin. The policy broadens the Board's ability to deny permits to contractors.

Following discussion a Motion duly made by President Gillon and seconded by Secretary Sprague it was:

**RESOLVED**, TO ADOPT policy number 7401.12 Contractor License effective for 120 days pursuant to Civil Code 4360(d).

The Motion passed.

Following a discussion on 38F and on Motion duly made by President Gillon and seconded by Vice President Fluharty it was:

**RESOLVED**, To approve the permit for unit 38F air conditioning heat pump system and authorize the President to sign the permit.

The Motion passed.

Following a discussion on 72F and on Motion duly made by Vice President Fluharty and seconded by President Gillon it was:

**RESOLVED**, The contractor will be given a two week extension until September 16 , 2016, no further, and penalties will accrue thereafter.

The Motion passed.

Inspector Salazar addressed the need for vacant unit inspections to be done.

Inspector Salazar left the meeting at 2:00

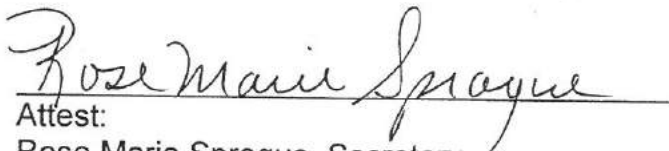
Following a discussion and on Motion duly made by President Gillon and seconded by Director Carson it was:

**RESOLVED**, To approve the first three lines of Pinnacle Non-Contract Sales Order dated August 29, 2016 in the amount of \$748.75.

The Motion passed.

ADJOURNMENT:

President Gillon adjourned the meeting at 2:23



Attest:

Rose Marie Sprague, Secretary

SEAL BEACH MUTUAL NO. TWELVE

/RMS

Carole Damoci  
Mutual 12 Representative

Sept. 8<sup>th</sup>, 2016

The GRF budget will be approved at this months Board meeting. We will be raising the GRF portion of the assessments by .54 cents a month with all of it going into the reserve account.

The new Security annex downstairs in building 5, seems to be very successful. About 500 shareholders got their auto decals there in August. It's a lot easier then crossing the traffic at the main gate security office.

Our Amphitheater season is almost over. Tonight's show will be the last of the season. We've already picked 11 of the 12 shows for next season. As soon as the acts are firmed up I'll report the list to you.

We'll be having a City Council candidate form on Sept. 22<sup>nd</sup> at 6pm in clubhouse 2. This year the east side (east of St. Andrews Drive) of LW will be picking a City Council person. There are 2 candidates running. One of them is the past GRF President Ronde Winkler. It would be a plus to have 2 City Council people actually being residents of Leisure World. So join us, ask them some questions, hear their answers and make your own decision on who to vote for.

We will also be having a town hall meeting on Sept. 29<sup>th</sup> in clubhouse 2 at 2 and 6pm on the the upcoming policy on parking enforcement and fines. We're shooting for January 1<sup>st</sup>, 2017 for implementation. It will be something new for our community. Come share your thoughts with us on the new policy.

As always, if there's anything I can do for you, or if you have any questions concerning the GRF, please feel free to contact me. I would love to hear from you and answer any of your questions I can. If I don't have your answers I will get them.

Respectfully submitted,  
Carole S. Damoci  
562-405-4965  
president@lwsb.com  
cdamoci@lwsb.com



## INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: September 8, 2016

Print Date: 9/1/2016

### PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
64A	Remodel	CITY	04/04/16	08/10/16	NO	6/21, 29; 7/1, 8, 11, 1	Ogan
73L	Remodel	CITY	03/01/16	07/21/16	YES	4/11, 4/25, 5/11, 5/16	Ogan <b>Repipe</b>
34L	Remodel	CITY	03/10/16	06/14/16	YES	4/11, 5/9, CNP, GRF	Heavenly World <b>Repipe</b>
67E	Washer Dryer Install	CITY	03/08/16	04/10/16	NO	04/11/16	ACR Construction
72F	Remodel	CITY	04/04/16	09/16/16	YES	6/3, 24 - 7/1, 7/16, 22	Alpha Master <b>Repipe</b>
72F	HVAC Install	CITY	06/02/16	09/02/16	YES		Yes
74E	Remodel	GRF	03/21/16	08/19/16	YES	5/4/16, 6/8, 10, 13, 16	Kress <b>Repipe</b>
57B	Remodel	CITY	06/13/16	08/31/16			BJ & Co
41F	Bathroom Remdel	CITY	06/30/16	10/15/16			Kress
61C	HVAC Install	CITY	06/22/16	06/22/16	NO	08/24/16	Greenwood
76E	Minor Remodel	CITY	06/06/16	11/21/16			Southcoast Restoration <b>Repipe</b>
64L	Flooring Install	GRF	06/27/16	06/30/16			The Finishing Touch
41C	Flooring Install	GRF	07/11/16	08/11/16	NO	08/24/16	Northwest Painting
61G	HVAC Replacement	CITY	07/25/16	10/02/16			Greenwood
43D	HVAC Install	CITY	07/25/16	08/25/16			Alpine
47J	Flooring Install	GRF			NO		
6B	Flooring Install	GRF	07/29/16	08/29/16	NO	08/18/16	Kary's Carpet
59B	Remodel	CITY	08/15/16	11/01/16			Kang's Construction
64B	Ceiling Fan Installation	CITY	08/16/16	08/17/16			Ogan
42G	Solatube Installation	CITY	08/04/16	09/14/16			Los Al
63J	Heat Pump Installation	CITY	08/23/16	09/23/16	NO	08/25/16	Alpine
38F	Heat Pump Installation	CITY	09/05/16	12/05/16			Greenwood
41C	Heat Pump Installation	CITY	08/08/16	08/15/16			Anaheim Heating
55F	Heat Pump Installation	CITY	08/26/16	09/26/16			Alpine

## INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: September 8, 2016

Print Date: 9/1/2016

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
76A	Solatube Installation	CITY	08/20/16	08/20/16			Los Al

CNP = Correction Notice Posted  
Completed  
Date of Issue: Permit

### ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	COE DATE	ROF
41H		02/03/16					
35G		03/07/16	07/08/16	07/20/16	08/02/16	08/03/16	
74C		03/09/16					
47B		03/24/16					
67D	5/20/2016						
59G		04/08/16	08/03/16	08/10/16	08/23/16	08/24/16	
42H		05/09/16	07/14/16	07/22/16	08/04/16	08/05/16	08/23/16
42B		05/19/16					
40F		05/19/16					
71C		05/20/16					
77K		09/24/16	09/01/16	09/01/16	09/15/16	09/16/16	
74A		06/16/16	06/29/16	07/11/16	07/22/16	07/25/16	
43J		06/30/16					



# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: September 8, 2016

Print Date: 9/1/2016

77J	Exterior Stain Inspection
63L	Mold Inspection

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY**

## PHYSICAL PROPERTY

Contractor License – Mutual Twelve

WHEREAS, the California State Contractor License law, as interpreted by the Contractors State License Board, requires that electrical, plumbing construction and other forms of building repair work which will cost more than \$500 be performed by a State-licensed contractor, and

WHEREAS, this Corporation desires to comply with the statute and gain the advantages of the licensing regulations and insurance protection that is included within the regulation for the protection of the Corporation and the residents,

NOW, THEREFORE, BE IT RESOLVED that this Mutual Corporation will not permit the employment of unlicensed individuals to make repairs, alterations and other such work which will cost more than \$500, and the Physical Property Department Is instructed to assist in enforcing this regulation.

**BE IT FURTHER RESOLVED that this Mutual Corporation will not permit or approve any contractor to perform work unless such contractor has the financial and physical resources to perform the work which they were contracted to perform. The Mutual Corporation may deny a shareholder the ability to hire a contractor who, in the Board's or Physical Property Supervisor's sole discretion and opinion, does not have sufficient employees or financial resources to complete the work set forth in their contract. Additionally, the Mutual Corporation may deny a shareholder the ability to hire a contractor who, in the Board's or Physical Property Supervisor's sole discretion and opinion, has underbid the work set forth in their contract, so as to avoid situations where work remains unfinished because the contractor is unable to complete the work set forth in the contract's scope of work. Finally, the Mutual Corporation may deny a contractor who, in the Board's or Physical Property Supervisor's sole discretion and opinion, is allowing a shareholder to perform a portion of the work set forth in the contract, or where such contractor is allowing the shareholder to supply an unreasonable level of building supplies or parts required under the contract, thereby masking the true scope of work.**

**See Policy 7480.12 Architectural Standards for additional contractor building permit requirements.**

MUTUAL ADOPTIONAMENDMENT

**TWELVE: 08-29-16 (Emergency 120 days)**



**MUTUAL OPERATIONS****ADOPTION DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

This Policy supplements laws, codes, Golden Rain Foundation and Mutual 12 governing documents, and other requirements. It does not weaken or eliminate any requirement of any kind that is not addressed herein.

**A. GENERAL REQUIREMENTS**

1. Any building exterior or **interior** common area modification must be approved by Board RESOLUTION\* unless Board approval is on file or clear in policy (**Exception: Interior walls may be painted or papered without a GRF or Mutual permit.**)
2. **Any shareholder modification that does not require a GRF Physical Property Permit, does require a Mutual Permit (Policy 7480.12.1 – Architectural Standards – Approval Form).**
3. **All such modifications approved for shareholders shall be at shareholder expense.**
4. **Shareholder and shareholder's contractor are responsible for repair and/or replacement of any Mutual 12 infrastructure components disturbed, modified or damaged during construction.**  
**As an example but not a limitation, repair or replacement of Mutual sidewalk light wiring damaged during and resulting from shareholder walkway replacement, sprinkler line work, grade changes, etc. must be corrected at contracting shareholder expense.**
5. **There shall be no shareholder construction or other shareholder encroachment under the attic access, in front of or in a location compromising access to or interfering in any way with any kind of electrical, electronic and or information transmission equipment including their enclosures wherever located. No encroachment shall be allowed on any kind of easement or access not mentioned above unless exempted by Board RESOLUTION\*.**
6. **Any shareholder modification that does not require a GRF Physical Property Permit, does require a Mutual permit (Policy 7480.12.1 – Architectural Standards – Approval Form).**
7. **Neither GRF nor the Mutual allow contractors to work outside of regular business hours. If contractors or their employees are found on site outside of regular business**

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Infrastructure Modifications – Mutual Twelve – Effective 6-27-16

hours a fine may be imposed for up to \$500 for each occurrence in addition to other punitive action.

8. All applicable law and codes, GRF and Mutual requirements and contract supersede GRF Building Inspector “FINISH BUILDING” sign off on the GRF Building permit.

**B. LANDSCAPE**

1. Proof of grade protection or restoration is a required component of any proposal for a GRF Building Permit that includes expansion into the patio area and/or any exterior common area modification.
2. Any time, including garden border adjustments, changes are made or turf is restored, excess soil shall be removed and any new soil shall be added at shareholder expense. In any Mutual or shareholder contract, price of soil and turf addition or removal shall be included whether specifically stated in the contract or not.
3. For any modification requiring sprinkler changes, the entire turf area adjacent to the separate interest must have adequate coverage. Sprinklers must be changed as needed on build outs to prevent sprinkling of windows. When garden border changes narrow the garden area, sprinklers must be added as needed at shareholder expense. Additionally, coverage of other areas on the affected sprinkler station(s) shall not be negatively affected.
4. All grounds and sprinkler modification, including but not limited to grade and garden borders, must be performed by the Mutual’s landscape contractor unless another contractor is authorized by Board resolution.

**C. PRIMARY ENTRANCE WALKWAY RELOCATION AND CHANGES**

1. The primary contractor is responsible for the work performed.
2. Shareholder(s) of the adjoining unit, if any, must agree to the relocation of their entrance walkway, if applicable. A written agreement must be signed by both parties prior to any work being performed by the contractor.
3. New walkway shall be a minimum width of four feet and a maximum width of five feet. Any flare shall be included within the five-foot width.



**MUTUAL OPERATIONS****ADOPTION DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

- 4. Walkways may include brick, flagstone, or any similar material between Mutual walkways and resident porch area. The maximum five-foot width must include at least three-inch cement mow strip on each side. Non-standard walkway damage will not be the responsibility of the Mutual or the gardening contractor.**
- 5.** The contractor's site plan shall show all changes necessary to meet the following conditions:
- a. The site plans shall define the areas affected by the relocation of the entrance walkways which are connected to the main sidewalk and all affected units.
  - b. The site plans shall show:
    - 1) The original "as is" walkway and sprinklers in dash lines;
    - 2) The proposed relocated walkway(s) and sprinkler units including those to be installed to ensure coverage of all turf areas affected in heavy lines.
  - c. The lawn area(s) affected by the proposed relocated walkway must be properly watered and the plan must indicate this by showing the position of each affected sprinkler. Sprinkler units must be located on each side of each new walkway and in all other turf areas affected by the relocation. The sprinkler units shall be the same type as others used in the Mutual.
- 6.** The new lawn adjoining each new walkway shall be tapered (up or down) to match the level of each new walkway so that lawn mowers can easily move across each walkway without causing damage. New sod is to be used to taper lawns to the level of each new walkway.
- 7.** All expenses relating to any work done on the Mutual property of affected units are to be charged to the requesting shareholder. **Mutual landscape contractor to do all landscape work beyond flower bed.**

**D. SECOND ENTRANCE**

1. The stoop of any second entrance located at the edge of a building's footprint shall not exceed minimum code requirements in length and width.

**MUTUAL OPERATIONS****ADOPTION DRAFT POLICY****PHYSICAL PROPERTY****Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**

**2.** Walkways are not allowed on second entrances.

**3.** Third entrances are not allowed.

**E. THRESHOLDS**

1. All door thresholds must be flush with the patio or stoop.

2. Demolition and replacement of existing patio slabs shall take place as needed to accomplish this requirement.

**F. STEPS**

**Steps are not allowed anywhere on the Mutual 12 premises, interior or exterior (the concrete platforms in the back of the carports are not steps).**

**G. APRONS**

**1. Policy 7425.12 requires a 12-inch exterior apron added to the main foundation structure. Wider aprons are not permitted.**

**2. A bay foundation may be flush with the structure or have an apron not to exceed 6”.**

**H. SOUNDPROOFING**

**1. Soundproofing is always required:**

**a. On all common walls exposed during construction**

**b. On all walls of second bathrooms**

**2. Soundproofing is recommended:**

**a. For common walls, in particular any room considered a bedroom or sleeping room.**

MUTUAL OPERATIONS**ADOPTION DRAFT POLICY****PHYSICAL PROPERTY**Infrastructure Modifications – Mutual Twelve – Effective 6-27-16**I. INSULATION**

1. Before any construction involving the attic receives the FINISH BUILDING sign off, all insulation must be put back in place or replaced so that protection is at least as good as original. Skylight structure insulation must be put in place securely.
2. Shareholder is encouraged to specify high quality fire resistance insulation anywhere insulation is required.

**J. ACCESS**

1. As required by CA Civil Code Section 4760 support of the common interest development may not be compromised. Following are examples of infrastructure considerations:
  - a. Observation opening for the water heater must be at least 8" x 8" and as visible and easily accessible as the original.
  - b. Plumbing fixtures whether in the original location or relocated must be no more obstructed than the original.
  - c. Any variance, such as but not limited to under sink water purifier, required Board approval and GRF Building Permit and work on obstructed original fixtures will be at shareholder's expense.

**ATTACHMENTS:**

- CONTRACTOR COMPLIANCE AGREEMENT

**MUTUAL ADOPTION****AMENDMENTS**

Twelve: 09 Jan 03

11-12-15; 06-27-16 (Emergency 120 days)

(Draft created on 09-09-16 by jl)

MUTUAL OPERATIONS

**ADOPTION DRAFT POLICY**

**PHYSICAL PROPERTY**

Infrastructure Modifications – Mutual Twelve – Effective 6-27-16

CONTRACTOR COMPLIANCE AGREEMENT

I/We the undersigned, understand and agree to comply with all of the laws, codes, governing documents, and requirements of the Golden Rain Foundation and Seal Beach Mutual No. Twelve for work briefly described below applicable to:

Unit No: \_\_\_\_\_ GRF Building Permit No.: \_\_\_\_\_

\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

BY: \_\_\_\_\_ Title: \_\_\_\_\_  
(Signature)

Name Printed: \_\_\_\_\_ Date: \_\_\_\_\_

SHAREHOLDER UNDERSTANDING OF RESPONSIBILITY

Prior to signing this or any other document related to this medication of Mutual 12 property I/We have obtained any and all assistance needed to fully understand my responsibility as shareholder/owner of the separate interest.

I/We understand that the sentence, "I agree all work will comply with Foundation and Mutual Corporation policies, regulations, and procedures." is included in the NOTICE TO RESIDENT OF AGREEMENT section of the GOLDEN RAIN FOUNDATION BUILDING PERMIT.

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

\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_

**Mutual Administration Director's Report  
September, 2016**

A Few Pet Rules:

- Pets must be walked on a leash no longer than six feet (City of Seal Beach Ordinance).
- Retractable leashes are not allowed.
- Cleanup all waste deposited by your pet.
- Maintain liability insurance on your pet.
- Coyotes are natural predators.

Pet Registration with Leisure World and the City of Seal Beach is Required Under **Policy 7501**

<b>Requirements for Dogs</b>		<b>Requirements for Cats</b>	
City of Seal Beach Pet License	Yes	City of Seal Beach Pet License	No
Proof of Spay or Neuter	Yes	Proof of Spay or Neuter	Yes
Proof of Pet Inoculations	Yes	Proof of Pet Inoculations	No
Proof of Liability Insurance	Yes	Proof of Liability Insurance	Yes
Proof of Pet Dog's Weight	Yes		

**All City Dog Licenses will expire on December 31, 2016.**

City of Seal Beach – Pet Licensing Website

<http://www.sealbeachca.gov/City-Services/Animal-Control#pet-licensing>

**Liability Insurance is your Responsibility**

If you are uninsured and it is determined that you are the cause of a fire or water damage resulting in large scale serious damage to your apartment, or your neighbor's apartment or to the structure of the building or surrounding buildings, and common areas, you may be held financially responsible for those losses as noted in Article 5, Premises To Be Used For Residential Purposes Only. Practice fire safety, stove top fires can be deadly and devastating to those persons involved, as well as very costly. A pot or pan left carelessly on an active burner can cause damage to an entire building and its surroundings and possible loss of life.

**THE MUTUAL INSURANCE DEDUCTIBLE as of today is \$50,000.00.**

## REPORT OF EXECUTIVE COMMITTEE ON MANAGEMENT CONTRACT

September 8, 2016

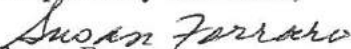
The committee, President Margaret Gillon, Director Lucille Findlay, and CFO Susan Ferraro, have designated Susan Ferraro, CFO as the Chairperson.

As chairperson, I will be in contact with the GRF Executive Director Randy Ankeny and Linda Stone, the GRF Board representative in their search to locate the original management contract executed between Seal Beach Mutual No. Twelve and the Golden Rain Foundation.

In the meantime, Randy Ankeny found in old files what appears to be an early "draft" copy of an Exhibit "A" titled MANAGEMENT AGREEMENT between the Golden Rain Foundation and Seal Beach Mutual No. Twelve that has an approval signature on April 11, 1967 from the FHA. It is a very poor copy with a number of handwritten changes some of which are not discernable on the copy.

This document appears to be an early draft of the current Mutual 12 Management Agreement which was provided to the FHA and mortgagees for their signature approvals. The committee has requested that the GRF staff continue to look for the final agreement, as possibly there were further negotiations beyond this document date.

Respectfully submitted,

  
Susan Ferraro

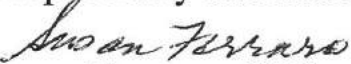
Chairperson, Executive Committee

## CFO Report – September 8, 2016 Regular Meeting

At this time the Mutual 12 August Financial Statements are not completed and approved for distribution. However, they should be available before the DRAFT of the Minutes of this meeting are circulated so a copy of the summary recap report will be attached for your review. Each Board member will receive the financial statement and supporting information for their own review at that time.

I will take this opportunity invite and encourage shareholders to attend one of the two Town Hall Meeting sessions being held on Tuesday, September 13<sup>th</sup>. The topic of replacing the water distribution system in all Mutual buildings is of significant importance to all shareholders.

Respectfully submitted,

  
Susan Ferraro, CFO  
Mutual 12



P.O. Box 2069  
 Seal Beach CA 90740

Aug Actual	Aug Budget		2016 Y-T-D Actual	2016 Y-T-D Budget
106,993	106,993	Carrying Charges	855,943	855,944
42,371	42,371	Reserve Funding	338,964	338,968
<b>149,363</b>	<b>149,364</b>	<b>Total Regular Assessments</b>	<b>1,194,907</b>	<b>1,194,912</b>
0	0	Service Income	70	0
1,817	0	Financial Income	12,673	0
4,957	1,117	Other Income	26,359	8,936
<b>6,773</b>	<b>1,117</b>	<b>Total Other Income</b>	<b>39,102</b>	<b>8,936</b>
<b>156,137</b>	<b>150,481</b>	<b>Total Mutual Income</b>	<b>1,234,009</b>	<b>1,203,848</b>
65,156	65,156	GRF Trust Maintenance Fee	521,248	521,248
13,389	12,629	Utilities	88,009	101,032
2,028	927	Professional Fees	11,168	7,416
11,354	19,870	Outside Services	161,362	158,960
11,648	9,528	Taxes & Insurance	91,827	76,224
42,371	42,371	Contributions to Reserves	338,964	338,968
<b>145,946</b>	<b>150,481</b>	<b>Total Expenses Before Off-Budget</b>	<b>1,212,578</b>	<b>1,203,848</b>
<b>10,191</b>	<b>0</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>21,432</b>	<b>0</b>
<b>10,191</b>	<b>0</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>21,432</b>	<b>0</b>
		<b>Restricted Reserves</b>		
(2,259)	0	Appliance Reserve Equity	23,820	0
0	0	Painting Reserve	41,341	0
23,486	0	Roofing Reserve	2,719,733	0
0	0	Emergency Reserve Equity	340,915	0
15,523	0	Infrastructure Reserve	521,142	0
<b>36,750</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>3,646,951</b>	<b>0</b>

PRESIDENT'S REPORT  
MUTUAL NO. TWELVE MONTHLY BOARD MEETING  
SEPTEMBER 8, 2016  
Margaret Gillon

REFRIGERATORS ARE BREAKING DOWN IN THE HEAT. The Mutual lost many fridges this summer. At one point Service Maintenance had so many fridges to replace that they ran out of loaners. My fridge was one of the breakdowns. My loaner also broke down but Service Maintenance was quick to find me another one. My original fridge was repaired and is back at home working very well. A big thank you to all our the Service Maintenance staff who move the fridges in and out of our units when they malfunction.

THE NEW IRRIGATION SYSTEM is still a work in progress. We know there are areas that are not getting enough water and the Board is working with the landscapers to fix these areas. Please remember when watering your gardens that the Mutual is still under Seal Beach Water Restriction Rules and Law. The allowed watering time is from 5 PM in the evening to 9 AM the next morning, the hoses used must have an automatic shut off nozzle, a person must be operating the hose, hoses cannot run unattended.

PLEASE – NO GLASS IN THE GARDEN. The Directors are noticing a distributing trend of glass, ceramic rocks, pebbles, and ornaments that are made for flower arrangements are being used in flowerbeds. These objects are dangerous and can shatter when they come into contact with our landscaping equipment injuring the landscapers and leaving shards in the grass where pets and shareholders might walk. Please use only garden appropriate materials in flowerbeds.

CHANGES TO BOARD MEMBERS: In July Director Joë Welch resigned. We were fortunate to have shareholder Richard Carson on hand as an Advisory Director. Richard accepted the position of Director and was seated by the Board in July.

TREEGATORS BAGS HELP SAPLINGS. In June the Board bought special watering bags for our saplings so they would take root quickly in their new locations. The bags wrap around the tree trunk and are filled by the landscapers twice a week. After being filled the water soaks through the bottom of the Tregator and waters the roots over five or six hours. The Tregators are a big hit, several of our new saplings began flowering this month.

PERMIT MEETINGS for Mutual 12 are held every Monday at 1:30 PM in the Physical Properties conference room. These weekly meetings allow the Board to approve permits and to address other Mutual issues that come up between our Monthly Board Meeting. Shareholders are welcome.

BUDGET TOWN HALL MEETING on Tuesday, September 13, 2016. Your Board believes the water distribution system in all of the Mutual 12 buildings should be replaced in 2017. How much will it cost? Can we afford it? Can we afford not to replace the plumbing ? Please join the Board and Participate in the Decision. Two sessions will be at 2 PM and 6:30 PM.



## **MEDICARE COUNSELING SITE SCHEDULE**

### **(English Language)**

**Monday thru Thursday**

**9 a.m. - 12 Noon**

**Counselor Joan: 1<sup>st</sup>, 3<sup>rd</sup> and 5<sup>th</sup> Monday and Wednesday**

**Counselor Lynn: Tuesday and Thursday**

**For appointment, please call:**

**(562) 472-0275**

**\*\*\*\*\***

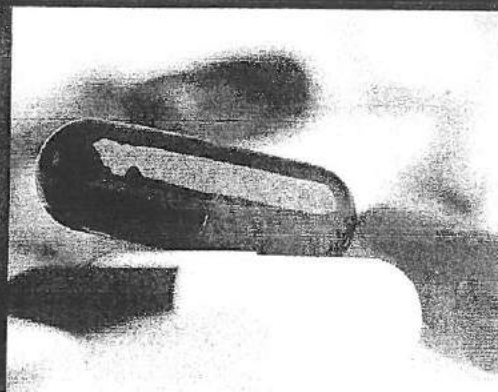
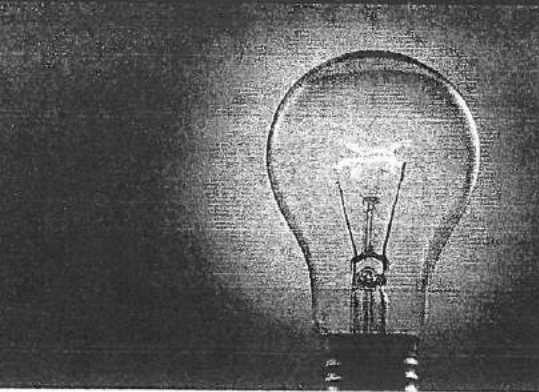
### **(Korean Language)**

**2<sup>nd</sup> and 4<sup>th</sup> Monday of each month**

**9 a.m. - 12 Noon**

**For appointment, please call:**

**(714) 560-0424 Extension 452**



Get Help with Medical, Utility, Food and Drug Costs

## Benefits Enrollment Centers

You May Qualify for Additional Help

Benefits Enrollment Centers help low income, Medicare eligible seniors and persons with disabilities identify and apply for benefit programs.

If your 2015 income is below:

APPLICANT	MONTHLY INCOME LIMIT
Single	\$1,605
Married Couple	\$2,163



You may be eligible for one or more of the following programs:

- **Medicare Part D Extra Help/Low Income Subsidy (LIS) program** – pays for Part D plan premiums, reduces drug co-pays and eliminates the Donut-Hole.
- **Medicare Savings Program (MSP)** – pays Medicare premiums.
- **Medi-Cal for people with Medicare** – supplements Medicare by paying deductible and co-pays.
- **Cal Fresh/Food Stamps** – Access nutritious food and alleviate hunger
- **Utilities Assistance (LIHEAP)** – Access savings to help heat and cool your home

HICAP counselors can answer your questions and help you complete and submit applications.

HICAP at Leisure World Seal Beach

Phone: 562-472-0275 ext. 275

Email: [HICAP\\_LWSB@coaoc.org](mailto:HICAP_LWSB@coaoc.org)

Location: Clubhouse 5

**HICAP**  
No-cost, Unbiased Medicare Counseling

**COUNCIL  
ON AGING**  
ORANGE COUNTY



# **MUTUAL TWELVE**

**GOLDEN RAIN MONTHLY  
SUMMARIES FOR**

**SEPTEMBER 2016**

**(See information attached.)**



**ITS Committee Meeting • Monday, August 29, 2016 (October 3, 2016)**

**1. Old Business:**

- a) Telephone System): The Committee concurred to approve the new Golden Rain Foundation Auto Assistant Tree.
- b) Digital Alert System: The Committee concurred to discuss and determine the uses for the new Digital Alert System at the next ITS Committee meeting; the Committee recommended it be addressed at the next Publications Committee meeting.
- c) Mutual Websites Management: The Committee requested the Executive Director provide a rough draft of the Mutual Websites Management Policy, including costs, at the next ITS Committee meeting.

**2. New Business:**

- a) Internet Café: The Committee concurred to refer the Internet Café project to the Recreation Committee.
- b) Digital Billboards in Clubhouses: Committee moved to purchase three 40" LG TVs, three Chromecasts, and three TV wall brackets for the Clubhouses Three, Five (Café area), and Six with the change in the proposed amount of \$1,441.92 to \$1,139.94 including the labor fees for the installation of six units, and not exceeding the total amount of \$1,400. The ITS Systems Analyst will provide a quote for a 70" TV for Clubhouse Two.
- c) Taking Off the Old AtHomeNet Website: The Committee concurred to request the ITS Systems Analyst determine the amount of time needed to re-develop the Mutual websites in WordPress. Additionally, the Committee and the ITS Systems analyst concurred to remove all content from the previous AtHomeNet LWSB website and replace all links to Mutual websites and the new WordPress LWSB website.

**Special Recreation Committee Meeting • Wednesday, August 30, 2016**

**1. Old Business:**

- a) Draft 2017 Budget, Cost Center 35, Library: Committee moved to Accept 2017 Budget assumptions for the Cost Center 35, as presented, and forward to the Finance Committee.
- b) Draft 2017 Budget, Cost Center 49, Janitorial: Committee moved to Accept 2017 Budget assumptions for the Cost Center 49, as presented, and forward to the Finance Committee.

**Special Finance Committee Meeting • Tuesday, August 30, 2016**

**1. Old Business:**

- a) Draft 2017 Budgets for Cost Centers 20, 22, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 45, 46, 48, 49, 51, 52, 53, 54, 55, 56, 60, 65, 70, 74, 75, 79 ADRC and MAC: Recommended to GRF BOD approval of 2017 budgets for Cost Centers 20, 22, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 45, 46, 48, 49, 51, 52, 53, 54, 55, 56, 60, 65, 70, 74, 75, 79 ADRC and MAC.





- b) Review of Second Draft of the Reserve Study: The Committee concurred to review the second draft of the Reserve Study at a future meeting.

**2. New Business:**

- a) Amend Policy 5115-31, Finance Committee: Committee moved to recommend GRF BOD approve amendment of Policy 5115-31, Finance Committee to include "Oversee all matters pertaining to Finance; Purchasing; Insurance (Excluding Workers Compensation); Investments; Reserve Study; Capital; Incoming Producing Leases; Fees and Management Agreements."

**Strategic Planning Ad Hoc Committee Meeting • Tuesday, August 2, 2016** (September 6, 2016)

**2. New Business:**

- a) Strengths, Weaknesses, Opportunities & Threats (SWOT): The Committee concurred to incorporate the use of a spreadsheet, based on the Reserve Study, for the foundation move to forward, remain competitive and have a bigger picture of Leisure World's assets and visions.
- b) Rebranding: The Committee discussed the process of rebranding Leisure World into a more independent adult living community and different concepts to support that process that would also benefit all the members of the community.

**Security, Bus & Traffic Committee Meeting • Monday, August 3, 2016** (September 7, 2016)

**1. Old Business**

- a) Update on Guest Pass System: Recommended to GRF BOD conceptual approval for an updated guest-access system, cost not to exceed \$100,000.
- b) Mini-bus Repairs: Recommended to the Finance Committee approval of non-budgeted expense, in the amount of \$100,000, for repairs to mini-buses.
- c) Draft 2017 Budget, Cost Center 37 and Cost Center 38: Recommended to the Finance Committee approval of proposed 2017 budget for Cost Center 37 and Cost Center 38.

**2. New Business**

- a) Role of Security in the Community: The Committee concurred to direct the Executive Director to forward a draft of Policy 3050-37 to corporate counsel for review and recommendations.

**Physical Property Committee Meeting • Monday, August 8, 2016** (September 12, 2016).

**1. Old Business**



- a) Draft 2017 Budget, Cost Center 70, Cost Center 74, Cost Center 75 and Cost Center 79: Recommended to the Finance Committee approval of proposed 2017 budget for Cost Center 70, amended to include a permit fee of \$25 on all permits, Cost Center 74, Cost Center 75 and Cost Center 79.
- b) Movement Study, St. Andrews Gate: Draft all applicable documents to secure qualified proposals for Committee review and recommendation to the GRF BOD for street improvements to the St. Andrews gate and vicinity, per plans by Urban Crossroads, dated June 16, 2016.
- c) Movement Study, CAMUTCD: Recommended to the GRF BOD acceptance of proposed modifications to traffic control devices throughout Trust Property for conceptual approval, in compliance with recommendations from CAMUTCD.
- d) Paving Project: The Committee concurred to review the Paving Project at the next Committee meeting.
- e) Additional Parking, Clubhouse One: The Committee voted to deny the project of additional parking at Clubhouse One.
- f) Vehicle Charging: The Committee concurred to review Vehicle Charging at the next Committee meeting.
- g) Amphitheater Bathrooms: The Committee concurred to review Amphitheater Bathrooms repairs costs, to be provided by staff, at the next Committee meeting.

### 3. New Business

- a) Fence Replacement at Golden Rain Road & St. Andrews Intersection: The Committee concurred to address the engineering costs, to be provided by the Facilities Director, at the next Committee meeting.
- b) Clubhouse Four Bid Opening for Floor Replacement: Recommended to the GRF BOD approval of contract with Bixby Plaza Carpets, in the amount of \$79,422, for Clubhouse Four floor replacement.

## Executive Committee Meeting • Friday, August 12, 2016 (September 15, 2016)

### 1. Old Business

- a) Salary Survey: Human Resources Director will determine the most appropriate source of individual salary survey data, for five targeted positions, not to exceed \$1,750.
- b) Code of Ethics: Committee members Rapp and Reed will draft a code of ethics for the Committee's review at the September meeting.

### 2. New Business

- a) Draft 2017 Budgets for Cost Centers 20, 22, 29, 30 and 55: Recommended to Finance Committee approval of 2017 budgets for cost centers 20, 22, 29, 30 and 55.



- b) Uniforms: Committee concurred to request the Executive Director present sample uniforms for the Committee's review at the September meeting.
- c) Policy Renumbering on Website: Committee requested ITS Systems Analyst to provide printed copies of the sample policy renumbering on the LW web site pages.
- d) Addition of FTE (Permit Clerk) to Cost Center 70: Committee moved to approve the request from the Physical Property Committee to add one Full Time Employee (FTE) to Cost Center 70.
- e) Appointment of Emergency Preparedness Sub-Committee members: The Committee Chair presented the Safety & Emergency Coordinator's request to appoint the following members to the Emergency Preparedness Sub-committee: Mike Clairmont Mutual Two and Radio Club President; Diana Gebel, HCC Administrator; Jaime Guerrero, GRF Security Chief (as needed); Jan Kuhl, Mutual Four and Mutual Emergency Preparedness Chair; Phil Mandeville, Mutual Eleven President; Paula Snowden, Mutual Two GRF Representative; Helen Tran, Mutual Fifteen GRF Representative; Mark Weaver, Facilities Director (as needed); Grant Winford, Transportation Manager (as needed).

### 3. Policies

- a) Rescind Policy 1510-30, Dissemination of Information: Committee moved to refer Policy 1510-30, Dissemination of Information to the Policy Re-write Sub-committee.
- b) Rescind Policy 4121-20, Position Description: Committee moved to recommend GRF BOD rescind Policy 4121-20, Position Descriptions.
- c) Rescind Policy 4156-30, Hiring Practice: Committee moved to recommend GRF BOD rescind Policy 4156-30, Hiring Practice.
- d) Rescind Policy 4190-20, Anti-Fraud Policy: Committee moved to recommend GRF BOD rescind Policy 4190-20, Anti-Fraud Policy.
- e) Amend Policy 4101-20, Commissions: Committee moved to review Policy 4101-20, Commissions, at the September meeting.
- f) Rescind Policy 5551-30, Paramedic Program: Committee moved to recommend GRF BOD rescind Policy 5551-30, Paramedic Program.

### Architectural Design & Review Committee Meeting • Tuesday, August 9, 2016 (September 13, 2016)

#### 1. Old Business

- a) 2017 Draft Budget for Cost Center ADRC: Recommended to the Finance Committee approval of proposed 2017 budget for Cost Center ADRC.



- b) Logo: The Committee concurred to await the final mission statement from the Strategic Planning Ad Hoc Committee.
- c) Clubhouse Four Interior Improvements: The Committee concurred to select "Barely Dawn" paint color for the doors in Clubhouse Four and to select "Norwich Drystack – Misty Morning" for the stone paint color behind the dais.
- d) Establish a Tree Approval Sub-committee: The Chair, with input from Committee members, will establish a Tree Approval Sub-committee.

## 2. New Business

- a) Establish a Holiday Christmas Decoration Sub-committee: The Chair, with input from Committee members, will establish a Holiday Christmas Decoration Sub-committee.
- b) General Appearance of Trust Property: The Committee concurred to schedule a bus tour of Trust Property on Tuesday, August 16, 2016, at 1:30 p.m.
- c) Replacement of Leisure World Signage: The Committee concurred to request staff provide cost to repair the Leisure World sign.

## Mutual Administration Committee Meeting • Tuesday, August 9, 2016 (September 13, 2016)

### 1. Old Business:

- a) Draft 2017 Budget, Cost Center 33 and Cost Center MAC: Recommended to the Finance Committee approval of proposed 2017 budget for Cost Center 33, as amended to include additional revenue due to increase in Stock Transfer Office fees, and approval of Cost Center MAC.

### 2. New Business:

- a) Possible New Revenue Sources: Recommended to the Finance Committee acceptance of proposed increase in fee rates for services provided by the Stock Transfer Office.
- b) Appointment of Community Access Ad Hoc Committee: Recommended GRF President create an ad hoc committee with representation from the Physical Properties, Security, Bus & Traffic, Mutual Administration and Finance Committees and advisory Mutual representation, for the creation of a general policy pertaining to passes.
- c) Non-budgeted Funding, Temporary Staffing: Recommended to the Finance Committee non-budgeted funding, in the amount of \$6,500, for the retention of temporary staffing to fulfil projects associated with the role as managing agent for the Mutuals.

### 3. Policies:

- a) Policy 5536.1-33, Guest Passes: Recommended to the Finance Committee amendment of Policy 5536.1-33, Guest Passes, to increase the cost of an extra guest or replacement pass from \$5 to \$10.
- b) Policy 2132-33, Homestead Declarations: Recommended the GRF BOD rescind Policy 2132-33, Homestead Declarations.



**Publications Committee Meeting • Wednesday, August 10, 2016** *(September 14, 2016)*

**1. Old Business**

- a) Draft 2017 Budget, Cost Center 36: Recommended to the Finance Committee approval of proposed 2017 budget for Cost Center 36.

**2. New Business**

- a) Golden Age Foundation (GAF) 2017 Advertising Rates: Recommended to the GRF BOD advertising rates for 2017 for the GAF of \$100 for full page ads and \$50 for half page ads.

**3. Policies**

- a) Policy 2851-36, Newspaper Services-Advertising: The Committee concurred to provide advertisements in various languages spoken in the community, with English translations, and to refer Policy 2851-36, Newspaper Services-Advertising, to the Policy Re-write Sub Committee for revision.

**Recreation Committee Meeting • Wednesday, August 10, 2016** *(September 14, 2016)*

**1. Old Business**

- a) Table Tennis Club Correspondence: Committee moved to approve to allow the Tennis Club to place its logo within the assigned space. None of the other items are allowed to be placed outside of the space assigned to the Tennis Club.
- b) Additional Gym Equipment: Committee moved to deny a request for additional gym equipment purchase in Clubhouse Six.
- c) Draft 2017 Budget, Cost Center 35: Committee concurred to review draft 2017 budget for Cost Center 35 at the next Committee meeting.
- d) Amend Draft 2017 Budget, Cost Center 40: Recommended to the Finance Committee to amend the GL Account #6481500 (Community Entertainment – Recreation) of Cost Center 40 to reduce monthly dances to 3 times a month, which would lower the annual cost of the community entertainment by \$7,000.
- e) Draft 2017 Budgets for Cost Centers 45, 46, 48, 49, 51, 52, 53, 54 and 56: Recommended to Finance Committee approval of 2017 budgets for Cost Centers 45, 46, 48, 49, 51, 52, 53, 54 and 56.

**2. New Business**

- a) Clubhouse Three Lobby Clean-up: Committee moved to direct the Recreation Department staff to present a clean-up plan, achievable by November 1, 2016, at the September Committee meeting.
- b) Jigsaw Puzzle Placement: Moved to deny a request for jigsaw puzzles placement in various locations of Leisure World.





- c) Amphitheater Rules: The Recreation Manager advised the Committee that a memo to each group of performers was sent asking them to adhere to established standards during Amphitheater shows.
- d) Drone Service Club Bylaws: The Committee concurred to refer the Drone Service Club bylaws to the Recreation Manager for approval.
- e) Internet Café Concept: The Committee concurred to direct the Executive Director to provide a general concept plan at the September Committee meeting.
- f) Use of Rooms before Scheduled Meeting Time: The Committee concurred to direct the Recreation Manager to address the issue.
  
- g) Adopt Policy, Amphitheater Dancing: Moved to recommend the GRF BOD adopt a policy to limit the amphitheater dancing to the upper platforms east and west of the stage.
- h) Use of Radio-controlled and/or Remotely-controlled Vehicles: Moved to prohibit the use of radio-controlled and remotely-controlled vehicles upon/within/above Trust Property, unless approved by the Executive Director of Golden Rain Foundation Board of Directors, in an emergency situation. These vehicles include, but are not limited to: cars, toys, drones, helicopters, and airplanes.
- i) Golf Course Sub-Committee: The Committee concurred to refer golf course and lake issues to the Executive Director, recommended a consultant be sought, and follow up with the Recreation Manager.

## **Finance Committee Meeting • Tuesday, August 16, 2016** *(September 20, 2016)*

### **1. Financials**

- a) Accept July 2016 Financial Statements for Audit: Moved to recommend the GRF BOD accept the July 2016 Financial Statements for audit.

### **2. Old Business**

- a) Draft 2017 Budgets for Cost Centers 31, 32, 39, and 60: Recommended to GRF BOD approval of 2017 budgets for Cost Centers 31, 32, 39, and 60.
- b) Draft 2017 Budgets for Cost Centers 65: Recommended to GRF BOD approval of 2017 budget for Cost Center 65 and to increase the proposed reserve contribution by \$150,000 for a total contribution of \$1,150,000.

### **3. New Business**



## AUGUST 2016-2017 MONTHLY SUMMARIES

- a) Replace Air Conditioning Unit in Main Server Room – Non-budgeted Funding: Moved to approve the non-budgeted \$4,250 funding from Cost Center 34 for the purpose of installing a new HVAC system of proper size to handle environmental conditions in the main server room.
- b) Permit Fees – Physical Property Department: Moved to recommend the GRF BOD approve that all permit fees in the Physical Property Department will be a minimum of \$25.00 or 1% of the project cost, whichever is greater, effective January 1, 2017.
- c) Stock Transfer Fees: Moved to recommend the GRF BOD amend Policy 5536.1-33, Guest Passes. Moved to refer Policy 5061-31 and 1201-33 to the Mutual Administration Committee for review.
- d) Contract Labor – Non-budgeted Funding: Moved to approve the non-budgeted operational funds from Cost Center MAC in the amount of \$6,500, for the retention of short-term staffing.
- e) 2017 Budget Assumptions – Property Liability Insurance Premium: Moved to accept the 2017 budget assumptions, as presented by the Director of Finance, to be used in determining the annual insurance premiums of \$2,138,528 and to not budget for the inclusion of the Excess Flood coverage of \$5,000,000.
- f) Bus Repair/Maintenance – Non-budgeted Funding: Approved non-budgeted funding, in the amount of \$10,000, from Cost Center 38, to facilitate repairs and maintenance to the aging bus fleet.
- g) Volunteer Participant Accident Insurance: The Committee concurred to not approve the Volunteer Participant Accident Insurance Program and to allow the policy to lapse.
- h) Approve Policy 3325-31, Purchase Requisitions of Non-Standard Items: Moved to recommend the GRF BOD approve Policy 3325-31, Purchase Requisitions of Non-Standard Items.

#### 4. Staff Report: Director of Finance

- a) Moved to approve \$500,000 to the investment ladder and authorize the Director of Finance to purchase a 52-week CDAR at .45% for the month of August.

#### RECAP OF GOLDEN RAIN FOUNDATION BOARD ACTIVITY OF SEPTEMBER 27, 2016

##### Approval of Minutes

MOVED and duly approved to accept the minutes of the August 23, 2016 Board of Directors (BOD) meetings, as amended.

##### Approve Appointment of Community Access Ad Hoc Committee

MOVED and duly approved the appointment of the Community Access Ad Hoc Committee and grants to the Committee limited authority specifically stated within the GRF governing documents and policies or other authority as granted by the BOD or as stated within this policy.





MOVED and duly approved to appoint the Community Access Ad Hoc Committee members: Chair Kathy Rapp, Member Barry Lukoff, Member Steve McGuigan, Member Leah Perrotti, Member Paul Pratt, Member Joy Reed, Member Linda Stone, Advisory Member Mutual One President Sandra Luther-Stark, Advisory Member Mutual Fourteen President Lee Melody, Staff Member Security Chief Jaime Guerrero (as needed), Staff Member Mutual Administration Manager Marisa McAuley, and Ex-officio Member GRF President Carole Damoci.

#### Rescind Policy 4121-10, Position Descriptions

MOVED and duly approved to rescind Policy 4121-10, Position Descriptions, which is part of Policy 5110-30, Executive Committee.

#### Rescind Policy 4156-30, Hiring Practice

MOVED and duly approved to rescind Policy 4156-30, Hiring Practice, which is part of Policy 5110-30, Executive Committee.

#### Rescind Policy 4190-20, Anti-Fraud Policy

MOVED and duly approved to rescind Policy 4190-20, Anti-Fraud Policy, which is contained in the Employee Handbook.

#### Employee Benefits - Modification of 401K Contribution

MOVED and duly approved to refer back to the Executive Committee, for further review, the change the Maximum Employer Match from 4% to 3% on the Golden Rain Foundation 401(k) Plan, to be effective January 1, 2017.

#### Accept July 2016 Financials for Audit

MOVED and duly accepted the July 2016 Financial statements for audit.

#### Rescind Policy 2291-31, Service Repair Order (SRO) Labor Rates

MOVED and duly approved to rescind Policy 2291-31, Service Repair Order (SRO) Labor Rates and to direct the Finance Committee to review, for reasonableness, the SRO labor rate, not less than annually.

#### Approve Permit Fees – Physical Property Department

MOVED and duly approved Physical Property Department permit fee of a minimum of \$25 or 1% of the project cost, whichever is greater, on all permits required by the Mutuels, to be effected January 1, 2017, pending the minimum 30 day (30) day posting and comment period. Final actions on the proposed permit fee will be brought to the September 27, 2016 meeting of the Board for final review and action.

#### Approve Volunteer Participant Accident Insurance

MOVED and duly approved the non-renewal of the Blanket Special Risk Insurance, otherwise identified as Volunteer Participant Accident Insurance.

#### Amend Policy 5536.1-33, Guest Passes

MOVED and duly approved to amend Policy 5536.1-33, Guest Passes, increasing the cost from \$5 to \$10 of replacement passes and/or additional guest passes exceeding the four annual guest passes available per unit at no cost. In accordance with Section §4360 of the Davis-Stirling Common Interest



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Development Act, the text of the proposed fee change will be posted for consideration by Foundation members, after which the Board will made a final decision on September 27, 2016. If Policy 5536.1-33 is amended, the implementation of the fee increase will go into effect on the first of the month following the Board's action to ensure sufficient time to notify the community and update internal forms.

Amend Policy 3325-31, Purchase Requisitions of Non Standard Items

MOVED and duly approved to amend Policy 3325-31, Purchase Requisitions of Non Standard Items; the Purchasing Department does not research or purchase non-standard items for individual shareholder/members nor for organizations.

Rescind Policy 2132-33, Homestead Declarations

MOVED and duly approved to rescind Policy 2132-33, Homestead Declarations as it is not relevant to the Golden Rain Foundation.

Approve Flooring Replacement in Clubhouse Four

MOVED and duly approved to award a contract to Bixby Plaza Carpets to replace flooring in Clubhouse four, per bid specifications dated June 27, 2016, not to exceed \$87,365, including a 10% contingency, with funding from Reserves and authorize the President to sign the contract.

Adopt Policy 1409-50, Amphitheater Dancing

MOVED and duly approved to adopt Policy 1409-50, Amphitheater Dancing, defining the areas available for dancing during Amphitheater performances.

Conceptual Approval of Visitor's Admission System

MOVED and duly approved to conceptually approve the replacement of the Visitor's Admission System, at a cost not to exceed \$100,000 and direct the Security, Bus and Traffic Committee to draft all applicable documents to secure qualified proposals for committee review and recommendation to the Board.

*The minutes of the Board meeting will be published in the Golden Rain News upon approval at the next Board meeting.*