



Mutual Administration Committee

Agenda

Administration Building, Conference Room A

Tuesday, January 9, 2018

1:00 p.m.

1. Call to Order/Pledge of Allegiance
2. Roll Call/Notice of Quorum
3. Chair's Announcements
 - a. Introduction of Guests and Staff:
Linda Stone, GRF President
Randy Ankeny, Executive Director
Jodi Hopkins, Mutual Administration Director
Blessilda Fernandez, Mutual Administration Manager
Nancy Ray, Stock Transfer Manager
Ruben Gonzalez, Facilities Manager
Cindy Tostado, Member Resources Liaison
Kheara Aquino, Recording Secretary
 - b. Rules of Order
 - c. Chair's Report
4. Approval of Minutes
 - a. Minutes of December 12, 2017 (p. 3-6)
5. Shareholder/Member Comments – Agenda Items Only
(Limited to 3 minutes per person)
6. Correspondence
 - a. None
7. Reports
 - a. Facilities Manager's Report (**handout**)
8. Unfinished Business
 - a. Age Verification Form Update

9. New Business
 - a. Stock Transfer Documents **(p. 7-18)**
 - b. Seal Beach Leisure World – Active Adult Community Disclosure **(p.19)**
10. Policies
 - a. Policy 7710 – Estate Transaction and Creditors' Claim **(p. 21-22)**
 - b. Policy 7710.1 – Admittance to Apartments – Public Administrator's Office **(p. 23-24)**
11. Sub-Committee Reports
 - a. Re-numbering Sub-Committee
 - b. New Buyer Video Sub-Committee
12. Staff Reports
 - a. Mutual Administration Director Jodi Hopkins / Mutual Administration Manager Blessilda Fernandez – Cost Center – MAC **(p. 25-28)**
 - b. Stock Transfer Manager Nancy Ray, Cost Center – 33 and Cost Center – 44 **(p.29-33)**
 - c. Executive Director Randy Ankeny
13. Shareholder/Member Comments
(Limited to 3 minutes per person)
14. President's Comments
15. Committee Member Comments
16. Next Meeting/Adjournment
 - a. **Tuesday, February 13, 2018**



MUTUAL ADMINISTRATION COMMITTEE MINUTES

Administration Conference Room A

Tuesday, December 12, 2017

1:00 PM

CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting of the Mutual Administration Committee was called to order by Chair Hopewell at 1:00 p.m., on Tuesday, December 12, 2017, in the Administration Building Conference Room A. Mrs. Reed led the Committee in the Pledge of Allegiance.

ROLL CALL

Present:	Ms. S. Hopewell, Chair	Ms. L. Stone, Ex-Officio
	Mrs. J. Reed	Ms. P. Snowden
	Mr. R. Stone	Ms. K. Rapp
	Mr. Crossley	Mr. P. Moore

Absent: Ms. R. Winkler, Vice Chair

Staff and
Guests: Mr. R. Ankeny, Executive Director
Ms. J. Hopkins, Mutual Administration Director
Ms. B. Fernandez, Mutual Administration Manager
Ms. N. Ray, Stock Transfer Manager
Mr. R. Gonzalez, Facilities Manager
Mrs. K. Aquino, Recording Secretary
Twelve shareholder/members

In accordance with California Civil Code Section 4090, please be advised that a quorum of the Golden Rain Foundation (GRF) Board of Directors (BOD) is present at today's posted meeting. The business of the Mutual Administration Committee will be conducted in accordance with the agenda. As a quorum of the board is present, this meeting will be conducted as a committee meeting *and* a Board meeting. The agenda actions of the committee will be limited only to the members of the committee and will only constitute such actions in accordance with stated committee policy and/or provide recommendations to the GRF BOD at its regular Board meeting on the 4th Tuesday of the month. GRF Board members who are not committee members will be allowed to comment when recognized by the Chair and only during the proscribed Foundation member comment period, not to exceed three minutes, as set forth in Policy 5610, Participation by Foundation Members. The minutes of today's Board meeting will be presented to the Board for approval following the approval of the committee meeting minutes at the next Committee meeting.

CHAIR'S ANNOUNCEMENTS

The Chair welcomed the Committee Members, guests and staff, including Honorary Mayor Sandra Massa-Lavitt, GRF President Linda Stone, Mutual Administration Director Jodi Hopkins, Mutual Administration Manager Blessilda Fernandez, Stock Transfer Manager Nancy Ray, Facilities Manager Ruben Gonzalez, and Recording Secretary Kheara Aquino. She requested that members exhibit an appropriate amount of decorum and turn off cell phones.

MINUTES

The Chair declared the regular meeting minutes of November 14, 2017, approved, as corrected.

SHAREHOLDER COMMENTS

Several shareholder/member spoke on today's Committee agenda items.

CORRESPONDENCE

The Committee received no correspondence.

STAFF REPORTS

The Community Facilities Manager presented the open SRO Report.

The Committee concurred that the Facilities Manager's report be given as a handout to the Committee members at the monthly meetings for MAC.

Following questions, Mr. Gonzalez left the meeting at 1:12 p.m.

UNFINISHED BUSINESS

Stock Transfer Documents

The Committee concurred to move forward with the new Stock Transfer documents.

NEW BUSINESS

Age Verification Form

The Committee concurred to use the current Financial Verification form and add the names and ages on a preliminary basis. Nancy Ray, Stock Transfer Manager, will report at the next committee meeting.

Emergency Agenda Item

The Committee discussed to amend today's committee agenda.

Mr. Moore MOVED, seconded by Ms. Rapp and carried unanimously by the Committee members,

TO, amend today's committee agenda and add disbursement of discretionary funds to New Business Item "b".

The motion was carried unanimously by Committee members present.

Disbursement of Discretionary Funds

The Committee discussed the disbursement of discretionary funds.

Ms. Rapp MOVED, seconded by Mr. Crossley and carried unanimously by the Committee members present

TO, to send the discretionary fund of \$1,000 to the ADRC Committee for Landscaping.

The motion was carried unanimously by the Committee members present.

POLICIES

There were no Policies to discuss.

SUB-COMMITTEE REPORTS

Re-numbering Sub-Committee

Ms. Snowden presented on the Re-numbering Sub-Committee.

New Buyer Video Sub-Committee

Ms. Rapp presented on the New Buyer Video Sub-Committee.

STAFF REPORTS

The Mutual Administration Manager presented the Budget Variance Report inclusive through October 2017.

The Stock Transfer Manager presented her reports.

STAFF REPORTS (continued)

The Mutual Administration Director presented her reports.

The Executive Director spoke on various topics throughout the meeting.

MEMBER COMMENTS

Several shareholder/members spoke on various items related to the purview of the Committee.

PRESIDENTS COMMENTS

President Stone spoke on topics discussed at today's Committee meeting.

COMMITTEE MEMBER COMMENTS

Eight Committee members spoke on the proceedings of the Committee meeting.

CHAIR'S COMMENTS

The Chair thanked committee members, staff and guests for attending

ADJOURNMENT

The Chair adjourned the meeting at 2:39 p.m.

Ms. S. Hopewell, Chair
Golden Rain Foundation
kla 12.15.17



Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

MEMO

TO: MUTUAL ADMINISTRATION COMMITTEE
FROM: STOCK TRANSFER - NJR
SUBJECT: CORPORATE COUNSEL REVIEW / MARK UP OF STOCK TRANSFER DOCUMENTS, #2
DATE: JANUARY 9, 2018
CC: STOCK TRANSFER OFFICE, MUTUAL ADMINISTRATION

Corporate Counsel reviewed the following Stock Transfer Office documents, and included with this memo are the following reviewed and marked up documents:

Golden Rain Foundation Membership Certificate
Mutual Stock Certificate
Promissory Note Instructions
Occupancy Agreement
Golden Rain Foundation Membership Application

Action Requested:

Motion to approve the use of the Corporate Counsel revised marked up documents.

INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA

GOLDEN RAIN FOUNDATION

Active Membership Certificate

(THIS CORPORATION IS NOT ONE FOR PROFIT)

Certificate No.

XXXXXX

No. of Certificates: 1

XXXXXXXXXX

is the record owner of one active membership certificate of GOLDEN RAIN FOUNDATION, which is a nonprofit mutual benefit corporation, ("Corporation") which may not make distributions to its members except upon dissolution. Said owner is entitled to all benefits and privileges of active membership in said Corporation, subject to all the terms, provisions and restrictions as set forth in the Articles of Incorporation and By-laws of said Corporation and the Articles of Incorporation, By-Laws and Occupancy Agreement of Seal Beach **Mutual No. xx** Except as otherwise provided in its By-laws, membership in this corporation is limited to occupants of Seal Beach Leisure World, City of Seal Beach, County of Orange, State of California, and the transferability of this membership is subject to restrictions and that a copy of the restrictions are on file with the Secretary of the Corporation and are open for inspection by a member on the same basis as the records of the Corporation.

In accordance with Article II, Section 4. of the Corporation's By-laws, the membership is subject to active membership fees as from time to time determined and fixed by the Board of Directors.

Dated:



Golden Rain Foundation Board Secretary

Golden Rain Foundation Board President

NO. XXXX SERIES X ONE SHARE

INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA

SEAL BEACH MUTUAL NO. ONE
CAPITAL STOCK 844 SHARES

(SEE REVERSE SIDE FOR STOCKHOLDER'S RIGHTS)

210 Series A Common Shares \$290.00 Par Value	280 Series C Common Shares \$305.00 Par Value	91 Series E Common Shares \$355.00 Par Value	134 Series G Common Shares \$370.00 Par Value
30 Series B Common Shares \$300.00 Par Value	40 Series D Common Shares \$310.00 Par Value	29 Series F Common Shares \$365.00 Par Value	20 Series H Common Shares \$375.00 Par Value
			10 Series I Common Shares \$380.00 Par Value

THIS CERTIFIES THAT

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

is the owner of one share of Series A Common Stock of SEAL BEACH MUTUAL NO. ONE, and is entitled to all of the benefits and privileges of common stock ownership in said Corporation, and subject to all of the preferences and restrictions, terms and conditions, as set forth in the Articles of Incorporation, By-Laws, and Occupancy Agreement of said Corporation.

Pursuant to Article VII, Section 6 of said By-Laws, this share of Common Stock is subject to a lien by said Corporation to secure payment of any sums which shall be due from the holder hereof for any reason whatsoever, including any sums due under any Occupancy Agreement of said Corporation.

This Certificate is not transferable, except as provided in said Articles of Incorporation and said By-Laws.
This stock is subject to redemption by the Corporation in the event of a transfer.

Dated:

SECRETARY

PRESIDENT



Commented [BGT1]: I have no comments to the Mutual certificate, as same is beyond the scope of my review. Please do note that this certificate does authorize GRF to transfer the stock.

ARTICLE V – CAPITAL STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is 944. The aggregate par value of all shares having a par value shall be \$271,570.00. There shall be the following classes of stock in the Corporation:

1. Preferred Stock - There shall be 100 shares of preferred stock having a par value of \$1.00 for each share and an aggregate par value of \$100.00. The shares of common stock and at no time more than that number outstanding. The aggregate par value of all shares of common stock shall be \$271,470.00. Such common stock shall be subdivided into the following series with the following number of shares for each series and par value for each share:

SERIES	NUMBER	PAR VALUE
A	210	\$290.00
B	30	300.00
C	280	305.00
D	40	310.00
E	91	355.00
F	29	365.00
G	134	370.00
H	20	375.00
I	20	380.00

Each share of the same series shall be sold for the same selling price as all other shares of the same series. The allowed total number of shares of common stock will correspond to the total number of dwelling units the project is to be completed on real property to be owned by the Corporation. The division into series of the common stock is for the purpose of recognizing, in a convenient form, certain differences in types, sizes or location of dwelling units, with corresponding differences in the par value per share for each such series. The selling price for shares of any series shall be different than that for shares of any other series.

SECTION 1. Provisions of Preferred Stock Power and Authority of Holders Thereof

Subsection 1. Upon insurance by the Commissioner of a certain Mortgage or Deed of Trust (hereinafter called the "Mortgage") said Preferred Stock shall be issued to the Federal Housing Administration (hereinafter called the "FHA") or to its designated representatives, delivered to the Commissioner in order that the Commissioner, in connection, with the insurance of the mortgage under the Act, may regulate and restrict the Corporation as to rents or sales, charges, capital structure, rate of return and other matters in these Articles of Incorporation and to enable the Commissioner to protect the contingent liability of the FHA in respect of such mortgage. The Corporation shall have the right to assign any mortgage covering any said property shall be held by the Commissioner, or his successors and shall be owned by the Corporation. Preferred Stock shall be the FHA or its nominees. During such period the only persons qualified to become holders of the Preferred Stock shall be the FHA, or representatives of the FHA, its successors or assigns.

Subsection 2. Out of any net earnings, including donated surplus, the sum of One Hundred Dollars (\$100.00) shall be set aside in a sinking fund for the redemption of the Preferred Stock. The Preferred Stock at any time outstanding may be redeemed by the Corporation at par; provided, however, that such stock shall be so redeemed out of said sinking fund upon, but in no event before, the termination of all obligations of the Commissioner under all mortgages insured or held by the FHA. By reason of payment or prepayment of any mortgage indebtedness covering any property of the Corporation or the acquisition by the Corporation of any property, the Preferred Stock so redeemed out of said sinking fund shall be retired and cancelled.

SECTION 2 Rights in Case of Default

In the event of any default by the Corporation, as hereinafter defined, and during the period of such default, or at any time during the period between initial and final endorsement of any mortgage executed by the Corporation for mortgage insurance by the Commissioner whether or not a default has occurred, the holder or holders of the Preferred Stock, voting as a class and for the purpose of making effective the regulation and restriction set forth in these Articles of Incorporation, and to protect the interest of

the FHA, shall be entitled to remove all existing directors of the Corporation and to elect a new board of directors in their stead consisting of three members, through either of the following procedures:

Subsection 1. The president or the secretary, or either of them, as may be required by law, shall, at the request in writing of the holders of record of a majority of shares of the Preferred Stock, addressed to him at the office of the Corporation and stating the purpose of the meeting, forthwith call a special meeting, to take place within not less than ten (10) days nor more than fifteen (15) days after such call, of the Preferred Stockholders for the purpose of removal of existing directors and officers and the election of new directors and officers. If such officer shall fail to issue a call for such meeting within seven (7) days after the receipt of such request, then the holders of a majority of the shares of Preferred Stock may do so. Any meeting so called shall be provided by law, or, if not so provided, then by giving ten (10) days' notice of the time, place and object of the meeting by advertisement inserted in any newspaper published in the county or city in which the principal office of the Corporation is situated.

OR

Subsection 2. Such meeting may be called pursuant to the statutes of the jurisdiction under which the Corporation was organized, or pursuant to the statutes of the jurisdiction in which the property under the insured mortgage is situated.

OR

Subsection 3. Notwithstanding either of the foregoing Subsection 1 or 2, the holders of the Preferred Stock may, by waiver of notice, or by three (3) days' notice by registered mail given on behalf of the Commissioner, call and hold a meeting either in the offices of the FHA in Washington, D.C., or in the offices of the Insuring Office in the state in which the property under any FHA insured mortgage is situated.

Subsection 4. Any meeting called pursuant to such notice or call, without regard to whether such call is issued pursuant to the provisions of Subsection 1 or 2, shall be held at the principal office of the Corporation. At such meeting three (3) new directors (the number being limited to three) shall be elected by the holders of the Preferred Stock, and the Commissioner shall have the right to elect one (1) director, but one of whom, at the discretion of the Preferred Stockholders, shall be a former Stockholder.

Subsection 5. When such default shall have been cured, and the Commissioner shall have selected the former president or secretary to that effect, and shall have advised either of them that satisfactory evidence has been submitted to the effect that any further defaults of a similar nature will not be permitted again to recur, if within the power of the officers of stockholders to prevent the same, or if there has been no default when the mortgage note has been finally endorsed for mortgage insurance, then the right again to elect directors of their own choosing shall be vested in the holders of the Common Stock who shall proceed to give notice to the holders of both the Common and the Preferred Stock of their intention to hold a meeting, stating the date and place of such meeting, for the purpose of removing existing directors and electing new directors.

SECTION 3 Powers, Duties and Rights of Holders of Common Stock

Subsection 1. Except as otherwise provided by law or as set forth in these Articles of Incorporation, all voting rights shall be vested in the holders of the Common Stock.

SECTION 4 Dividends

Unless otherwise required by law no dividend shall be paid at any time upon any class of stock issued by the Corporation.

SECTION 5 Rights on Dissolution

In the event of any voluntary or involuntary liquidation or dissolution of the Corporation:

(a) the holders of the Preferred Stock shall be entitled to receive, for each share held, out of the assets of the Corporation available for distribution to its stockholders, whether from capital, surplus or earnings, an amount equal to the par value of each share held, before any distribution of such assets shall be made to the holders of the Common Stock; and

(b) thereafter, the holders of the Common Stock shall be entitled to receive, for each share held, out of the assets of the Corporation available for distribution to the holders of the Common Stock, whether from capital, surplus or earnings, a proportionate share of the proportion of such assets which the purchase price for the original issue of such share bears to the total of the purchase prices paid for the original issue of all shares of Common Stock.

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

For Value Received _____ hereby sell, assign and transfer unto _____
ONE SHARE of the Capital Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint THE GOLDEN RAIN FOUNDATION to transfer the said Stock on the books of the within-named Corporation with full power of substitution in the premises.

Dated _____ Signature _____ Dated _____ Signature _____

2018 Promissory Installment Note Disclosure

For Golden Rain Foundation Membership Fee

THIS IS NOT THE AGREEMENT THIS IS ONLY AN INFORMATION DISCLOSURE

Please be informed that in compliance with Civil Code Section 4525, prospective buyers or Membership Transfer applicants, of a Seal Beach Leisure World apartment may be given the opportunity to finance the Golden Rain Foundation Membership Fee for a seven-year period. Participants will be required to enter into an agreement with the Golden Rain Foundation by way of the Promissory Installment Note for Membership Fee.

Participating Buyers Will:

1. Pay 25% of the membership fee up front in escrow, as part of the buyer's fees;
2. Finance the remainder of the fee for a 7-year period, in 7 annual payments;
3. The annual finance charge on matured, unpaid amounts shall be one percent (1%) per month paid annually on the outstanding balance;
4. In the event the borrower sells his share before the membership fee is paid, the balance ~~must will~~ be paid in full before the sales transaction is complete.
5. If the borrower defaults in the payment of this Note or in the performance of any of the obligations, and the default continues after proper notification by the Golden Rain Foundation, then the Payee (Golden Rain Foundation) may declare the unpaid principle balance and earned interest immediately due.

If a prospective buyer opts to participate in this Membership Installment Payment Plan, they will be asked to sign the **Promissory Installment Note Agreement**. The Promissory Installment Note must be submitted to the Stock Transfer Office in original form for inclusion into the Corporate File. **The annual payment will be on the date and in the month that your newly issued ownership certificates are dated.** It is advisable to consult your financial advisor prior to entering into the Promissory Installment Note Agreement.

I, we, acknowledge that this document is just a Disclosure, informing us of our right to pay the Membership Fee in seven (7) annual payments, and does not constitute an agreement to opt to participate in the Promissory Note Agreement process.

Signature: _____

Date: _____

Signature: _____

Date: _____

See reverse side of this form for cost information ►

2018 Membership Fee Financing Schedule

Membership Fee: 1-Person Fee	\$3,054.00
25% Down Payment	\$763.50
Balance To Be Financed	\$2,290.50
Annual Principal Payment	\$327.21

Year	Interest	Interest + Principal = Total Payment
1	\$274.86	\$602.07
2	\$235.59	\$562.81
3	\$196.33	\$523.54
4	\$157.06	\$484.28
5	\$117.80	\$445.01
6	\$78.53	\$405.75
7	\$39.27	\$366.48
Totals	\$1,099.44	\$3,389.94

Membership Fee: 2-Person's Fee	\$6,108.00
25% Down Payment	\$1,527.00
Balance To Be Financed	\$4,581.00
Annual Principal Payment	\$654.43

Year	Interest	Interest + Principal = Total Payment
1	\$549.72	\$1,204.15
2	\$471.19	\$1,125.62
3	\$392.66	\$1,047.09
4	\$314.13	\$968.55
5	\$235.59	\$890.02
6	\$157.06	\$811.49
7	\$78.53	\$732.96
Totals	\$2,198.88	\$6,779.88

Membership Fee: 3-Person's Fee	\$9,162.00
25% Down Payment	\$1,953.75
Balance To Be Financed	\$5,861.25
Annual Principal Payment	\$837.32

Year	Interest	Interest + Principal = Total Payment
2018	\$703.35	\$1,540.67
2019	\$602.87	\$1,440.19
2020	\$502.39	\$1,339.71
2021	\$401.91	\$1,239.23
2022	\$301.44	\$1,138.76
2022	\$200.96	\$1,038.28
2023	\$100.48	\$937.80
Totals	\$2,813.40	\$8,674.65

OCCUPANCY AGREEMENT

Mortgage Area No. Click here to enter text.

File No. **XX-XXXX**

This AGREEMENT, made and entered into this _____ by and between **SEAL BEACH MUTUAL NO. _____**
(hereinafter referred to as the "Corporation"), a corporation having its principal office and place of business in Orange County, California and

Click here to enter text.

(hereinafter referred to as "Member");

WHEREAS, the Corporation has been formed for the purpose of acquiring, owning and operating a cooperative housing project to be located at Seal Beach Leisure World (hereinafter called "Leisure World"), Seal Beach, Orange County California, with the intent that its stockholders (hereinafter called "Members"), shall have the right to occupy the dwelling units thereof under the terms and conditions hereinafter set forth and subject to the limitations imposed by Civil Code § 51.3; and

WHEREAS, the Member is the owner and holder of one share of common capital stock, Series ____ Click here to enter text.
of the Corporation and has a bonafide intention to reside in the project;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Corporation hereby lets to the Member, and the Member hires and takes from the Corporation, dwelling unit number ____ Click here to enter text. ____ Lot (or Lots) ____ Click here to enter text.
Tract ____ Click here to enter text. ____, located at Leisure world.

TO HAVE AND TO HOLD said dwelling unit unto the Member, the Member's executors, administrators and authorized assigns, on the terms and conditions set forth herein and in the Articles of Incorporation and Bylaws of the Corporation and any rules and regulations of the

Corporation now or hereafter adopted pursuant thereto, from the date of this agreement for a term terminating on
renewable thereafter for successive three-year periods under the conditions provided for herein.

ARTICLE 1. MONTHLY ASSESSMENTS

Commencing at the time indicated in ARTICLE 2 hereof, the Member agrees to pay to the Corporation a monthly sum referred to herein as "Assessments," equal to the Member's proportionate share of the sum required by the Corporation, as estimated by its Board of Directors to meet its annual expenses, including but not limited to the following items:

- (a) The cost of all operating expenses of the project and services furnished, including charges by the Golden Rain Foundation (hereinafter called the "Foundation") for facilities and services furnished by the Foundation, in addition to any and all other charges required pursuant to that agreement between Golden Rain Foundation and the Corporation mentioned in Article 13 below.
- (b) The cost of necessary management, administration and professional services.
- (c) The amount of all taxes and assessments levied against the project of the Corporation of which it is required to pay, except that in the event the taxing authority makes a separate assessment as to the assessed value of each dwelling unit, the proportionate share of taxes to be paid as to said dwelling unit shall be determined by the ratio of the assessed value of the dwelling unit to the total assessed value of all dwelling units of the corporation, the Member agrees to and shall pay the amount of said taxes determined by the taxing authority for the said Member's respective dwelling unit, which shall be included in the "Assessments" hereinabove referred to, in said amount as separately determined for said dwelling unit.
- (d) The cost of fire and extended insurance on the project and such other insurance as the Corporation may effect. Member shall be responsible for obtaining personal property insurance for the purpose of insuring Member's personal property within Member's dwelling unit, alterations made to the dwelling unit by Member during the term hereof, and alterations made to the dwelling unit by previous occupants thereof.
- (e) The cost of furnishing water, gas, electricity, garbage and trash collection, other government mandated responsibilities, and other utilities to the extent furnished by the Corporation (See Article 10).
- (f) All reserves set up by the Board of Directors, including but not limited to the general operating reserve, contingency reserve and the reserve for repair or replacement of Mutual property.
- (g) The estimated cost of repairs, maintenance and replacement of Mutual property to be made by the Corporation.
- (h) Any and all other charges related to Members occupancy of the dwelling unit, including but not limited to repair orders not paid for by Member at the time of service, cable service, and any other fees and charges unrelated to the Mutuals regular assessment.
- (i) Any other expenses of the Corporation approved by the Board of Directors, including operating deficiencies, if any, for prior projects.

The Board of Directors shall determine the Assessments. Said sum shall be estimated on an annual basis and divided by the number of months remaining in the then current fiscal year; but in no event shall the Member be charged with more than the Member's proportionate share thereof as determined by the Board of Directors. That amount of the Assessments required for payment of any other capital expenditure shall be credited upon the books of the Corporation to the "Paid in Surplus" account as a capital contribution by the Member. Until further notice from the Corporation, the Assessments for the above mentioned dwelling unit shall be \$ _____.

ARTICLE 2. WHEN PAYMENTS OF ASSESSMENTS TO COMMENCE

After thirty days' notice by the Corporation to the effect that the dwelling unit is available for occupancy, or upon acceptance of occupancy, whichever is earlier, the Member shall make a prorated payment for Assessments covering the unexpired balance of the month. Thereafter, the Member shall pay Assessments in full each month in advance on the 1st day of each month.

ARTICLE 3. PATRONAGE REFUNDS

The Corporation agrees on its part that it may refund or credit to the Member within ninety (90) days after the end of each fiscal year, the Member's proportionate share of such sums as have been collected in anticipation of expenses which are in excess of the amount needed for expenses of all kinds, including reserves, in the discretion of the Board of Directors of the Corporation

Commented [BGT1]: This is an agreement between the Mutuals and the Shareholder. To that end, I have not reviewed same.

However, note that Article 1 provides that assessments will include charges by GRF for facilities and services. Article 13 require the shareholder to first become a resident member of GRF and states that a copy of the current Schedule of Membership Fees and Annual Dues must be provided to the buyer in escrow. Lastly, Article 14 provides that failure to comply with Foundation policies may result in termination of membership.

ARTICLE 4. MEMBER'S OPTION TO RENEW

It is covenanted and agreed that the term herein granted shall be extended and renewed from time to time by and between the parties hereto for further periods of three years each from the expiration of the term herein granted, upon the same covenants and agreements as herein contained unless (1) notice of the Member's election not to renew shall have been given to the Corporation in writing at least four months prior to the expiration of the then current term, and (2) the Member shall have on or before the expiration of said term (a) endorsed Member's membership for transfer in blank and deposited same with the Corporation, and (b) met all of Member's obligations and paid all amounts due under this agreement up to the time of said expiration, and (c) vacated the premises, leaving same in a good state of repair. Upon compliance with provisions (1) and (2) of this Article, the Member shall have no further liability under this agreement and shall be entitled to no payment from the Corporation.

ARTICLE 5. PREMISES TO BE USED FOR RESIDENTIAL PURPOSES ONLY

The Member shall occupy the dwelling unit covered by this agreement as a private residential dwelling for the Member, or for qualified members of Member's immediate family, who are over the age of 55 and for no other purpose, and may enjoy the use, in common with the other members of the Corporation, of all community property and facilities of the project, so long as Member continues to own the aforesaid common stock of the Corporation, occupies the dwelling unit, and abides by the terms of this agreement. Member shall not own more than one share of stock in Corporation, or any other Mutual Corporation located in Seal Beach Leisure World concurrently, Member being expressly obligated to fully divest ownership in Corporation prior to acquiring, owning or occupying a dwelling unit other than as set forth above.

The Member shall not permit or suffer anything to be done or kept upon said premises which will increase the rate of insurance on the building, or on the contents thereof, or which will obstruct or interfere with the rights of other occupants, or annoy them by unreasonable noises or otherwise, nor will Member commit or permit any nuisance on the premises or commit or suffer any illegal act to be committed thereon. The Member shall comply with all of the requirements of the Board of Health and of all other governmental authorities with respect to said premises. If by reason of the occupancy or use of said premises by the Member the rate of insurance on the building shall be increased, the Member shall become personally liable for the additional insurance premiums.

ARTICLE 6. MEMBER'S RIGHT TO PEACEABLE POSSESSION

In return for the Member's continued fulfillment of the terms and conditions of this agreement, the Corporation covenants that the Member may at all times while this agreement remains in effect, have and enjoy for Member's sole use and benefit the property hereinabove described, after obtaining occupancy, and may enjoy in common with all other members of the Corporation the use of all community property and facilities of the project.

ARTICLE 7. NO SUBLETTING WITHOUT CONSENT OF CORPORATION

The Member hereby agrees not to assign this agreement or sublet Member's dwelling unit without the written consent of the Corporation. Violation of this provision shall, at the option of the Corporation, result in termination and forfeiture of the Member's rights under this agreement. Rents under any sublease shall be assigned to the Corporation and the sublease shall be delivered to the Corporation, and the Corporation shall be irrevocably empowered to collect rents and apply the rents in reduction of sums due from time to time under this agreement. The sublease shall be in a form acceptable to the Corporation, shall require the subtenant to abide by the terms of the Occupancy Agreement during Member's subtenancy, and shall give to the Corporation an irrevocable power to dispossess or otherwise act for the sublessor in case of default under the sublease.

The liability of the Member under this agreement shall continue notwithstanding the fact that Member may have sublet the dwelling unit with the approval of the Corporation. The Member shall continue to be liable for all obligations hereunder and shall be responsible to the Corporation for the conduct of Member's sublessee.

ARTICLE 8. TRANSFERS

Neither this agreement nor the Member's right of occupancy shall be transferable or assignable except in the same manner as may now or hereafter be provided for the transfer of memberships in the Bylaws of the Corporation.

ARTICLE 9. MANAGEMENT TAXES AND INSURANCE

The Corporation shall provide necessary management, operation and administration of the project; pay or provide for the payment of all taxes or assessments levied against the project; procure and pay or provide for the payment of fire insurance and extended coverage, and other insurance procured by the Corporation as required by any mortgage on the property in the project, and such other insurance as the Corporation may deem advisable on the property in the project. The Corporation will not, however, provide insurance on the Member's interest in the dwelling unit or on Member's personal property.

ARTICLE 10. UTILITIES

- (a) The Corporation shall provide water, gas, electricity, and other government mandated services for exterior use, and sewage disposal. The cost of these services shall be included in the Assessments set forth in Article 1 hereof.
- (b) Member shall be responsible for electricity used within the dwelling unit, any telephone line other than the primary telephone line, internet, satellite, cable or other service provided to the dwelling unit.

ARTICLE 11. REPAIRS

- (a) By Member. The Member agrees to repair and maintain Member's dwelling unit at Member's own expense as follows:
 - (1) Any repairs or maintenance necessitated by Member's own negligence or misuse; and
 - (2) Any redecoration of the interior of Member's own dwelling unit, and minor repairs thereto, including but not limited to light bulbs, filters and similar items;
 - (3) Any repairs or maintenance of improvements and component parts thereof that were added by member or previous member(s) (whether within the interior of the unit or exterior to the unit) and other added items within the interior surfaces of the perimeter walls, floors and ceiling of the dwelling unit; and
 - (4) Any repairs or maintenance to non-standard items not available through the Purchasing, Maintenance and/or Physical Property departments of the Golden Rain Foundation located in or about Member's dwelling unit whether installed by member or previous member(s).
- (b) By Corporation. The Corporation shall provide and pay for all necessary repairs, maintenance and replacements, except as specified in Clause (a) of this Article. The officers and employees of the Corporation shall have the right to enter the dwelling unit of the Member in order to effect necessary repairs, maintenance, and replacements, and to authorize entrance for such purposes by employees of any contractor, utility company, municipal agency, or others, at any reasonable hour of the day and in the event of emergency at any time.
- (c) Right of Corporation to Make Repairs at Member's Expense. In case the Member shall fail to effect the repairs, maintenance or replacements specified in Clause (a) of this Article in a manner satisfactory to the Corporation and pay for same, the latter may do so

and bill the Member for such expenses upon completion of same. Member shall pay Corporation for such expense within fifteen (15) days from the date said obligation becomes due. Failure of Member to pay said sum to the Corporation within 15 days from the date said obligation becomes due shall be considered delinquent and shall bear interest thereon at an annual interest rate not to exceed 12% commencing 30 days after the obligation became due.

ARTICLE 12. ALTERATIONS AND ADDITIONS

The Member shall not without the written consent of the Corporation, make any structural alterations in the premises, or in the water, gas or other service/utility pipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements, or fixtures from the premises.

If the Member for any reason shall cease to be an occupant of the premises, Member shall surrender to the Corporation possession thereof, including any alterations, additions, fixtures and improvements.

The Member shall not, without the prior written consent of the Corporation, install or use in or about Member's dwelling unit any air conditioning equipment, washing machine, dishwasher, built-in microwave, hot tub/spa, clothes dryer, electric heater, power tools, or other item which, when installed, would be considered a fixture under California law. The Member agrees that the Corporation may require the prompt removal of any such equipment at any time, and that Member's failure to remove such equipment upon request shall constitute a default within the meaning of Article 14 of this agreement.

ARTICLE 13. MEMBERSHIP IN THE FOUNDATION, FACILITIES AND SERVICES FURNISHED

Prior to occupancy of the dwelling unit, the Member shall become a resident member of the Golden Rain Foundation, a California non-profit corporation, and shall pay a membership fee and such dues and assessments as are from time to time fixed and determined by its Board of Directors. A copy of the current Schedule of Membership Fees and Annual Dues has been furnished Buyer in escrow. Such dues and assessments shall be in addition to the monthly Maintenance Assessments specified in Article 1 hereof. The Foundation holds in trust, operates and maintains the community facilities, streets, and certain other off-site improvements and amenities within Leisure World for the benefit of the Members of the Corporation and other corporations owning and operating cooperative housing projects and condominiums located at Leisure World, (hereinafter called "Mutuals"), and in connection therewith, provide certain services, including but not limited to administrative and recreational.

The extent and nature of the facilities and services provided by the Foundation, the charges therefore and the persons to whom the same should be made available shall be as determined from time to time pursuant to agreement between the Corporation, the Foundation and other Mutuals.

ARTICLE 14. DEFINITION OF DEFAULT BY MEMBER AND EFFECT THEREOF

It is hereby mutually agreed as follows: If at any time after the happening of any of other events specified in Clauses (a) to (k) of this Article, the Corporation shall give to the Member a notice that the Member's right to occupy under this agreement will expire at a date not less than thirty (30) days thereafter (except that in the case of the default specified in Clause (h) of this Article, such date in the notice shall be 10 days instead of 30 days), the Member's right to occupy an apartment under this agreement will expire on the date so fixed in such notice, unless in the meantime the default has been cured in a manner deemed satisfactory by the Corporation, it being the intention of the parties hereto to create hereby conditional limitations, and it shall thereupon be lawful for the Corporation to re-enter the dwelling unit and to remove all persons and personal property therefrom, either by summary dispossession proceedings or by suitable action or proceeding at law or in equity or by any other proceedings which may apply to the eviction of the tenants by force or otherwise, and to repossess the dwelling unit in its former state as if this agreement had not been made:

- (a) In case at any time during the term of this agreement the Member shall cease to be the owner and legal holder of the aforesaid common stock of the Corporation.
- (b) In case the Member attempts to transfer or assign this agreement in a manner inconsistent with the provisions of the Bylaws.
- (c) In case at any time during the continuance of this agreement the Member shall be declared a bankrupt under the laws of the United States.
- (d) In case at any time during the continuance of this agreement a receiver of the Member's property shall be appointed under any of the laws of the United States or of any State.
- (e) In case at any time during the continuance of this agreement the Member shall make a general assignment for the benefit of creditors.
- (f) In case at any time during the continuance of this agreement any of the stock of the Corporation owned by the Member shall be duly levied upon and sold under the process of any Court.
- (g) In case the Member fails to effect and/or pay for repairs and maintenance as provided for in Article 11 hereof.
- (h) In case the Member shall fail to pay any sum due pursuant to the provisions of Article 1 or Article 10 hereof.
- (i) In case the Member fails to pay any charge which, if not paid, could become a lien against the housing project.
- (j) In case an individual or individuals occupy the dwelling unit covered by this agreement in violation of law, or in violation of the Bylaws or duly adopted written policies of the Corporation or Foundation.
- (k) In case the Member shall default in the performance of any of Member's obligations under this agreement.

The Member hereby expressly waives any and all right of redemption in case Member shall be dispossessed by judgment or warrant of any Court or judge. The words "enter", "re-enter", and "re-entry", as used in this agreement, are not restricted to their technical legal meaning, and in the event of a breach or threatened breach by the Member of any of the covenants or provisions hereof, the Corporation shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if re-entry, summary proceedings, and other remedies were not herein provided for.

The Member expressly agrees that there exists under this Occupancy Agreement a landlord-tenant relationship and that in the event of a breach or threatened breach by the Member of any covenant or provision of this agreement, there shall be available to the Corporation such legal remedy or remedies as are available to a landlord for the breach or threatened breach under the laws of the State of California by a tenant of any provision of a lease or rental agreement.

Notwithstanding any other provisions of this agreement the Member, in case Member is in default hereunder, hereby expressly waives any and all notices and demands for possession as provided by the laws of the State of California.

The failure on the part of the Corporation to avail itself of any of the remedies given under this agreement shall not waive nor destroy the right of the Corporation to avail itself of such remedies for similar or other breaches on the part of the Member.

ARTICLE 15. MEMBER TO COMPLY WITH ALL CORPORATE REGULATIONS

The Member covenants that Member will preserve and promote the cooperative ownership principles on which the Corporation has been founded, abide by the Articles, Bylaws, rules and regulations of the Corporation and any amendments thereto, and by Member's acts of cooperation with

its other members bring about for Member and Member's co-members a high standard in home and community conditions.

ARTICLE 16. EFFECT OF FIRE LOSS ON INTERESTS OF MEMBER

In the event of loss or damage by fire or other casualty to the above-mentioned dwelling unit without the fault or negligence of the Member, the Corporation shall determine whether to restore the damaged premises and shall further determine, in the event such premises shall not be restored, the amount which shall be paid to the member to redeem the common stock of the Member and to reimburse Member for such loss as Member may have sustained.

If, under such circumstances, the Corporation determines to restore the premises, Maintenance Assessments shall abate wholly or partially as determined by the Corporation until the premises have been restored. If on the other hand the Corporation determines not to restore the premises, the Assessments shall cease from the date of such loss or damage.

ARTICLE 17. INSPECTION OF DWELLING UNIT

The Member agrees that the representatives of any mortgagee holding a mortgage on the property of the Corporation, the officers and employees of the Corporation, and with the approval of the Corporation the employees of any contractor, utility company, municipal agency or others, shall have the right to enter the dwelling unit of the Member and make inspections thereof at any reasonable hour of the day.

ARTICLE 18. SUBORDINATION CLAUSE

It is specifically understood and agreed by the parties hereto that this agreement and all rights, privileges and benefits hereunder are and shall be at all times subject to, subordinate and inferior to the lien of any first mortgage or deed of trust hereinafter obtained by the Corporation, and to any and all modifications, extensions and renewals of such loans or advances and to any mortgage or deed of trust made in replacement of such mortgages or deed of trust and to such additional loans or advances as may thereafter be made by or borrowed from any beneficiary, its successors or assigns, together with interest thereon on the date any such loans or advances are made, and to any mortgages or deeds of trust, consolidation agreements and other accompanying documents given to secure any such additional loans or advances which may at any time hereafter be placed on the real property hereinafter described, or any part thereof. The Member hereby agrees to execute, at the Corporation's request and expense, any instrument which the Corporation or any lender may deem necessary or desirable to effect the subordination of this agreement to any such mortgage or deed of trust, and the Member hereby appoints the Corporation and each and every officer thereof, and any future officer, Member's irrevocable attorney-in-fact during the term hereof to execute any such instrument on behalf of the Member. The Member does hereby expressly waive any and all notices of default and notices of foreclosure of said mortgage which may be required by law. In the event a waiver of such notices is not legally valid, the Member does hereby constitute and appoint the Corporation as Member's agent to receive and accept such notices on the Member's behalf. The real property encumbered by or which may in the future be encumbered by said mortgage or deed of trust is as set forth herein.

ARTICLE 19. NOTICES

Whenever the provisions of law or the Bylaws of the Corporation or this agreement require notice to be given to either party hereto, such notice may be given in writing by depositing the same in a post office or letter box, in a postage paid, sealed wrapper addressed to the person to whom the notice is to be given, at Member's address as the same appears in the books of the Corporation, and the time when the same shall be mailed shall be deemed to be the time of the giving of such notice.

ARTICLE 20. FISCAL REPORTS

At the end of each fiscal year, the Corporation shall furnish to the Member a statement of the income and disbursements of the Corporation.

ARTICLE 21. ORAL REPRESENTATION NOT BINDING

No representations other than those contained in this agreement, the Articles of Incorporation and the Bylaws of the Corporation shall be binding upon the Corporation.

ARTICLE 22. REMEDIES

The exercise of any of the rights or remedies as herein provided with respect to any default shall not preclude or affect the subsequent exercise of such rights or remedies at different times and for different defaults.

The respective rights and remedies, whether provided by this agreement or by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such right or remedies for the same or different defaults, or for the same or different failures of the Member to perform or observe any provision of this agreement.

ARTICLE 23. LATE CHARGES AND OTHER COSTS IN CASE OF DEFAULT

The Member covenants and agrees that, in addition to the other sums that have become or will become due, pursuant to the terms of this agreement, the Member shall pay to the Corporation a late charge of \$10.00 or 10%, whichever is greater, for each month of delinquency for each payment of Assessments, or part thereof, more than 10 days in arrears or such other amount as the Board of Directors in its discretion may determine. In the event member fails to pay any amounts hereunder when due, the unpaid amount shall bear interest thereon at the rate of 1% per month per annum until paid in full.

If a Member defaults in making a payment of Assessments or in the performance or observance of any provision of this agreement, and the Corporation has obtained the services of any attorney with respect to the defaults involved, the Member covenants and agrees to pay to the Corporation any costs or fees involved, including reasonable attorney's fees, notwithstanding the fact that a suit has not yet been instituted. In case a suit is instituted, the Member shall also pay the cost of the suit, in addition to the other aforesaid costs and fees.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed and sealed the day and year first above written.

NOTE: THE TERM OF THIS OCCUPANCY AGREEMENT IS AUTOMATICALLY RENEWABLE FOR SUCCESSIVE THREE-YEAR PERIODS UNDER THE TERMS AND CONDITIONS OF ARTICLE 4 HEREOF.

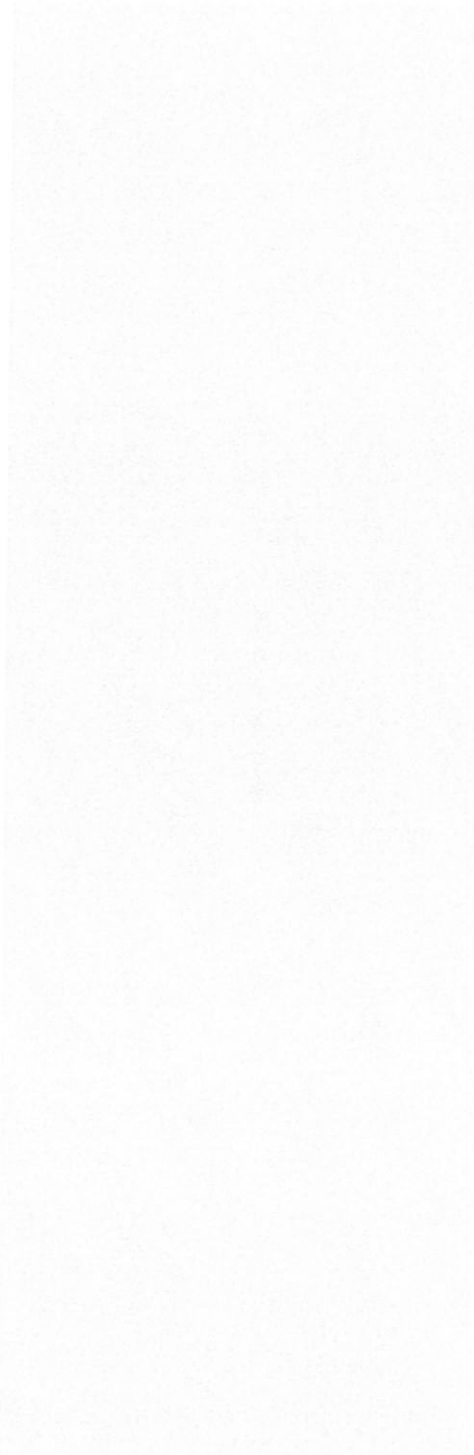
SEAL BEACH MUTUAL NO. [_Click here to enter text._](#)

Member

By: _____

Member

Member



Golden Rain Foundation Membership Application

Mutual/Unit _____
Confidential Information

Married ☐ Divorced ☐ Single ☐ Widow ☐ Widower ☐ Retired Yes ☐ No ☐

Last Name	First Name	Middle Initial
Date of Birth	Place of Birth/ City State	Male <input type="checkbox"/> Female <input type="checkbox"/>
Current Living Address		
Home Phone ()	E-Mail Address	
Work Phone ()		
Cell Phone ()		

Current Occupation: _____ If Retired, Previous Occupation: _____

Name Of Other Person to Live in Unit	Relationship
Will You Be Registering a Pet? Yes <input type="checkbox"/> No <input type="checkbox"/>	Approx. Weight of Pet?
Are you a current member of the Golden Rain Foundation (GRF)? Yes <input type="checkbox"/> No <input type="checkbox"/>	

IMPORTANT: NEXT-OF-KIN OR EMERGENCY CONTACT INFORMATION

Name	Address	Relationship
Home Phone ()	Work Phone ()	Cell Phone ()

Name	Address	Relationship
Home Phone ()	Work Phone ()	Cell Phone ()

Signature of Applicant: _____

Please attach a copy of your passport OR your birth certificate and driver's license

Seal Beach Leisure World

An Active Adult Community

Disclosure

To: Prospective Purchasers:

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

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

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

It is recommended that prospective applicants for ownership and residency should have reasonably good health for a person of his/or her age and be able to live independently.

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

▪Dress self with weather-appropriate clothing.	▪Able to shop and prepare meals, or eat out.
▪Maintain a clean, safe living environment.	▪Able to medicate self properly when necessary
▪Bathe (shower) & maintain personal hygiene.	▪Able to take care of personal finances.

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

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

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

Print Prospective Purchaser's Name: _____

Date: _____

Mutuals 3, 5, 6, 8, 10, 11, 15, 16, and 17; 09/19/17

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Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

MEMO

TO: MUTUAL ADMINISTRATION COMMITTEE
FROM: MUTUAL ADMINISTRATION OFFICE
SUBJECT: POLICY 7710 ESTATE TRANSACTION AND CREDITORS' CLAIMS
DATE: JANUARY 9, 2018

On January 9, 2018, the Mutual Administration Committee reviewed Policy 7710 Estate Transaction and Creditors' Claims. The Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) renumber the Policy into the 1000 Series, as it does not belong in the Mutual 7000 series.

Policy 7710 Estate Transaction and Creditors' Claims explains the services provided by the Stock Transfer Office to Leisure World. The policy is written as a procedure for estates and creditors to contact Stock Transfer to address items of a unit.

In addition, in researching Policy 7710 it was discovered that none of the housing Mutuals have adopted the policy.

I move to recommend MAC send it to the GRF BOD to renumber Policy 7710 Estate Transaction and Creditors' Claims.

MUTUAL OPERATIONS**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.

ADOPTED POLICY

ALL MUTUALS: APR 1987

MUTUAL 16:

AMENDMENTS

Rescinded 11-07-17

(Nov 17)



Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

MEMO

TO: MUTUAL ADMINISTRATION COMMITTEE
FROM: MUTUAL ADMINISTRATION OFFICE
SUBJECT: POLICY 7710.1 ADMITTANCE TO APARTMENTS – PUBLIC ADMINISTRATOR'S OFFICE
DATE: JANUARY 9, 2018

On January 9, 2018, the Mutual Administration Committee reviewed Policy 7710.1 Admittance to Apartments – Public Administrator's Office. The Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) renumber the Policy into the 1000 Series, as it does not belong in the Mutual 7000 series.

Policy 7710.1 Admittance to Apartments – Public Administrator's Office is a procedure for allowing a Public Administrator in to Leisure World.

In addition, in researching Policy 7710.1 Admittance to Apartments – Public Administrator's Office it was discovered that none of the housing Mutuals have adopted the policy.

I move to recommend MAC send it to the GRF BOD to renumber Policy 7710.1 Admittance to Apartments – Public Administrator's Office.

MUTUAL OPERATIONS**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 Administration
December 2017 - Monthly Reports
COLLECTIONS (Delinquent Accounts, Legal Fees)

MUTUAL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
One	\$6,418.68	\$418.68	\$890.00	\$2,896.00	\$1,471.00	\$15,010.00	\$1,114.00	\$11,491.00	\$17,553.00	\$25,182.00	\$3,850.00	\$3,951.00	\$90,245.36
Two	\$2,124.95	\$900.00	\$1,800.00	\$4,021.00	\$800.00	\$11,535.00	\$5,008.00	\$21,239.00	\$1,433.00	\$0.00	\$4,476.00	\$2,863.00	\$56,199.95
Three	\$6,881.25	\$0.00	\$8,163.00	\$10,347.00	\$1,940.00	\$11,475.00	\$5,700.00	\$1,124.00	\$2,257.00	\$1,800.00	\$2,233.00	\$8,960.00	\$60,880.25
Four	\$100.00	\$4,450.00	\$100.00	\$6,100.00	\$0.00	\$2,776.00	\$0.00	\$0.00	\$500.00	\$100.00	\$200.00	\$100.00	\$14,426.00
Five	\$560.00	\$0.00	\$396.00	\$0.00	\$3,870.00	\$813.00	\$0.00	\$3,392.00	\$955.00	\$1,090.00	\$21,475.00	\$5,117.00	\$37,668.00
Six	\$0.00	\$509.15	\$1,754.00	\$465.00	\$1,300.00	\$2,148.00	\$0.00	\$7,093.00	\$76.00	\$3,687.00	\$1,312.00	\$0.00	\$18,344.15
Seven	\$0.00	\$0.00	\$0.00	\$1,300.00	\$0.00	\$4,783.00	\$0.00	\$0.00	\$0.00	\$3,955.00	\$3,586.00	\$2,797.00	\$16,421.00
Eight	\$0.00	\$0.00	\$160.00	\$662.00	\$160.00	\$662.00	\$502.00	\$1,164.00	\$160.00	\$3,343.00	\$394.00	\$0.00	\$7,207.00
Nine	\$0.00	\$3,072.70	\$3,181.00	\$2,196.00	\$4,723.00	\$4,534.00	\$8,508.00	\$4,140.00	\$503.00	\$1,803.00	\$2,906.00	\$1,000.00	\$36,566.70
Ten	\$0.00	\$527.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$640.00	\$1,167.74
Eleven	\$0.00	\$0.00	\$834.00	\$4,593.00	\$508.00	\$5,717.00	\$0.00	\$3,006.00	\$480.00	\$487.00	\$0.00	\$605.00	\$16,230.00
Twelve	\$1,184.81	\$2,886.33	\$910.00	\$456.00	\$825.00	\$0.00	\$2,340.00	\$0.00	\$0.00	\$143.00	\$0.00	\$2,288.00	\$11,033.14
Fourteen	\$2,965.98	\$3,379.22	\$1,655.00	\$1,645.00	\$1,721.00	\$3,095.00	\$2,351.00	\$1,296.00	\$3,393.00	\$2,054.00	\$658.00	\$1,376.00	\$25,589.20
Fifteen	\$0.00	\$2,622.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,833.00	\$1,634.00	\$8,939.00	\$12,221.00	\$3,609.00	\$11,285.00	\$42,143.00
Sixteen	\$0.00	\$921.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$921.28
Seventeen	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS:	\$20,235.67	\$19,687.10	\$19,843.00	\$34,681.00	\$17,318.00	\$62,548.00	\$27,356.00	\$55,579.00	\$36,249.00	\$55,865.00	\$44,699.00	\$40,982.00	\$435,042.77

Collections through December 2017:	\$435,042.77	311%
Collections through December 2016:	\$139,891.00	

Mutual Administration

December 2017 - Monthly Reports

LETTERS

MUTUAL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
1 One	2	451	14	32	17	42	15	27	14	24	145	33	816
2 Two	11	10	22	13	86	162	16	29	13	18	13	18	411
3 Three	2	2	3	3	8	7	7	13	49	5	2	7	108
4 Four	6	7	3	11	1	3	2	2	0	1	3	3	42
5 Five	16	21	6	3	5	3	6	2	3	69	63	12	209
6 Six	1	12	1	3	5	0	3	3	0	7	1	74	110
7 Seven	3	3	1	0	6	2	118	7	1	14	12	4	171
8 Eight	1	3	2	5	2	1	4	3	63	3	52	25	164
9 Nine	14	10	8	12	6	11	8	28	208	32	36	31	404
10 Ten	0	4	1	0	10	6	3	288	2	352	2	2	670
11 Eleven	1	1	16	14	4	10	3	7	0	1	7	2	66
12 Twelve	16	6	8	517	2	10	13	647	17	2	21	1	1,260
14 Fourteen	16	4	12	4	3	11	10	15	36	28	14	11	164
15 Fifteen	4	0	1	13	1	3	13	15	7	8	5	21	91
16 Sixteen	0	0	0	10	1	3	1	0	0	2	0	1	18
17 Seventeen	1	0	0	0	0	0	2	1	0	0	3	19	26
2017 Totals:	94	534	98	640	157	274	224	1087	413	566	379	264	4,730
2016 Totals:	143	104	116	114	90	64	30	104	135	111	119	371	1,501
Insurance Cases	4	6	7	7	6	2	2	4	3	3	3	3	50

Budget Variance Report - November 2017

Mutual Administration - CC MAC

<u>GL Code</u>	<u>Account Description</u>		<u>Variance</u>	<u>Explanation</u>
6100000	Salaries & Wages	\$	1,983.00	Favorable-due to staffing changes
6140000	Employment Taxes	\$	1,523.00	Favorable: due to staffing changes and actual FUI rate charged: .6% vs. budgeted rate of 2%. Monthly budget includes the Federal payback at the end of the year.
6143000	Group Insurance	\$	13,390.00	Favorable-lower participation than budgeted
6213100	Temporary Agency Fees	\$	(18,306.00)	Unfavorable-additional staff needed (offsets favorable variance in salaries & benefits.)
6410030	Printer / Copier Supplies	\$	(1,287.00)	Unfavorable- due to increase in letter writing
6483201	Mailouts - Periodic	\$	(1,784.00)	Unfavorable- due to increase in mailout to shareholders
6434120	Legal/Fair Housing	\$	21,512.00	Favorable-use of legal counsel only when necessary
6438000	Other Professional fees	\$	6,400.00	Favorable-no educational training scheduled at this time.
6951000	Non-Budgeted for Committee	\$	1,000.00	Favorable-will be used by committee
	Total Explained Variances		<u>24,431</u>	

1020 Golden Rain Foundation
Budget Comparison - GRF
11/30/2017

Nov Actuals	Nov Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget
30,417	28,990	(1,427)	6100000 MAC	Expenses - Mutual Administration	312,953	314,936	1,983	342,608
2,265	2,163	(102)	6140000 MAC	Salaries & Wages - Mutual Admin	24,770	26,293	1,523	28,358
90	100	10	6142000 MAC	Employment Taxes - Mutual Admin	5,744	7,688	1,944	7,790
2,264	3,287	1,023	6143000 MAC	Workers' Compensation - Mutual Admin	22,767	36,157	13,390	39,444
82	60	(22)	6143000 MAC	Group Insurance - Medical - Mutual Admin	789	660	(129)	720
37	37	0	6143500 MAC	Group Insurance - Dental - Mutual Admin	426	407	(19)	444
611	701	90	6144000 MAC	Group Insurance - Vision - Mutual Admin	7,079	7,612	534	8,281
135	130	(5)	6145000 MAC	401(k) Match - Mutual Admin	1,378	1,430	52	1,560
114	151	37	6146000 MAC	Group Insurance - Life - Mutual Admin	1,171	1,661	490	1,812
0	200	200	6211000 MAC	Long Term Disability Insurance - Mutual	926	1,200	274	1,200
3,315	0	(3,315)	6213100 MAC	Continuing Education - Mutual Admin	18,306	0	(18,306)	0
87	300	214	6214000 MAC	Temporary Agency Fees - Mutual Admin	179	1,100	921	1,800
0	0	0	6215000 MAC	Meals & Special Events - Mutual Admin	0	75	75	75
11	275	264	6410000 MAC	Mileage - Mutual Admin	2,179	2,775	596	3,025
17	0	(17)	6410010 MAC	Office Supplies - Mutual Admin	138	0	(138)	0
0	0	0	6410015 MAC	Hospitality - Mutual Admin	917	1,000	83	1,200
172	0	(172)	6410030 MAC	Computer Supplies - Mutual Admin	1,787	500	(1,287)	500
0	2,500	2,500	6434120 MAC	Printer / Copier Supplies - Mutual Admin	3,488	25,000	21,512	25,000
0	1,600	1,600	6438000 MAC	Legal/Fair Housing - Mutual Admin	0	6,400	6,400	8,000
0	200	200	6482000 MAC	Other Professional Fees - Mutual Admin	427	800	373	800
1,784	0	(1,784)	6483201 MAC	Dues, Memberships & Books - Mutual Admin	1,784	0	(1,784)	0
0	0	0	6951000 MAC	Mailouts - Periodic - Mutual Admin	0	1,000	1,000	1,000
41,401	40,694	(707)		Committee Discretionary Expense - Mutual	407,207	436,694	29,487	473,617
				Total Expenses				
				Other Cost Recovery				
0	0	0	5385000 MAC	Other Income - Mutual Admin	27	0	27	0
0	0	0		Total Other Cost Recovery	27	0	27	0
39,468	39,468	0	5330000 MAC	Income / Refund from Mutuals - Mutual Ad	434,148	434,148	0	473,617
39,468	39,468	0		Total Cost Recovery	434,175	434,148	27	473,617
				Off Budget Items				
(1,933)	(1,226)	(707)		Net Income / (Expense)	26,969	(2,546)	29,515	0

Budget Variance Report - November 2017

Copy & Supply Center - Cost Center #44

Note: The Copy & Supply Center opened August 1st, at which time a separate cost center (44) was assigned to the Copy Shop.
The Stock Transfer Office contains both the Copy Shop budget and Stock Transfer Office budget. At this time, since the Copy Shop was not budgeted separately for 2017, all expenses and revenue create 100% variance for the Copy Shop.

The Net Income Combined of both cost centers:

Stock Transfer net income variance	45,387.00
Plus Copy Shop net loss variance	<u>(56,463.00)</u>
Equals Unfavorable Combined Variance	<u><u>(11,076.00)</u></u>

Budget Variance Report - November 2017

Stock Transfer - Cost Center #33

<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
6100000	Salaries & Wages	13,083.00	favorable - Previously unfavorable. The appropriate Copy Shop Salaries are now booked in the new Copy Shop Cost Center
6143000	Group Insurance - Medical	(2,414.00)	unfavorable - participation greater than budgeted
6410032	Photo ID Printing	(30,963.00)	unfavorable - unbudgeted ID Card Replacement Project. Total of \$30,000 approved by the GRF Board on 3/28/17. The remaining blank ID cards keep coming in. Original order is 20,000 cards, delivered through November is 16,800 cards.
6478000	Service Contracts	9,050.00	favorable - Contracts for Copy Shop equipment changed to the new Copy Shop Cost Center
6482500	Election Expense	3,067.00	favorable - reduction in election costs
6484500	Postage	18,001.00	Favorable - using less postage than anticipated
5345000	Certificate Preparation Fee - Escrow	55,550.00	favorable - increase in number of escrows
5345001	Certificate Preparation Fee - Non Escrow	3,600.00	favorable - increase in number of transfers
5380330	Guest Pass Income	(22,052.00)	unfavorable - decrease in guest pass
5380332	Trust Processing Fee	(9,170.00)	unfavorable - decrease in number of trusts sent to attorney for review
5385000	Other income	4,052.00	favorable - increase in co-occupant set-up fees
Total Explained Variances		<u>41,804.00</u>	

1020 Golden Rain Foundation
 Budget Comparison - GRF
 11/30/2017

 P.O. Box 2069
 Seal Beach CA 90740

Nov Actuals	Nov Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget
Expenses - Stock Transfer								
16,840	22,421	5,581	6100000 33	Salaries & Wages - Mutual Admin	230,491	243,574	13,083	264,976
1,236	1,666	430	6140000 33	Employment Taxes - Mutual Admin	19,094	20,488	1,394	22,078
30	34	4	6142000 33	Workers' Compensation - Mutual Admin	1,980	2,588	608	2,618
1,245	1,381	136	6143000 33	Group Insurance - Medical - Mutual Admin	17,605	15,191	(2,414)	16,572
158	60	(98)	6143300 33	Group Insurance - Dental - Mutual Admin	731	660	(71)	720
53	52	(1)	6143500 33	Group Insurance - Vision - Mutual Admin	431	572	141	624
15	508	493	6144000 33	401(k) Match - Mutual Admin	2,826	5,519	2,693	6,004
123	100	(23)	6145000 33	Group Insurance - Life - Mutual Admin	856	1,100	244	1,200
98	117	19	6146000 33	Long Term Disability Insurance - Mutual	798	1,287	489	1,404
0	0	0	6211000 33	Continuing Education - Mutual Admin	54	600	546	600
0	0	0	6213100 33	Temporary Agency Fees - Mutual Admin	2,556	0	(2,556)	0
0	0	0	6214000 33	Meals & Special Events - Stock Transfer	54	0	(54)	0
50	250	200	6410000 33	Office Supplies - Mutual Admin	6,064	2,775	(3,289)	3,025
1	0	(1)	6410005 33	Building Supplies - Mutual Admin	1	0	(1)	0
0	50	50	6410010 33	Hospitality - Mutual Admin	171	450	279	500
220	0	(220)	6410015 33	Computer Supplies - Mutual Admin	3,317	750	(2,567)	1,035
86	0	(86)	6410020 33	Equipment Expense - Mutual Admin	940	0	(940)	0
93	1,200	1,107	6410030 33	Printer / Copier Supplies - Mutual Admin	5,478	9,240	3,762	10,000
757	0	(757)	6410032 33	Photo ID Printing - Mutual Admin	30,963	0	(30,963)	0
12,029	12,500	471	6410033 33	Guest Pass Printing - Mutual Admin	13,214	15,000	1,786	15,000
2,406	2,361	(45)	6434115 33	Legal Fees - Trust Review - Mutual Admin	28,188	25,964	(2,224)	28,325
5	38	33	6435100 33	Bank Service Fees - Mutual Admin	289	418	129	456
109	1,700	1,591	6444000 33	Equipment Rental - Mutual Admin	4,491	8,970	4,479	9,761
0	0	0	6472000 33	Equipment Repair & Maintenance - Mutual	483	1,000	517	1,000
48	1,500	1,452	6478000 33	Service Contracts - Mutual Admin	8,341	17,390	9,050	18,890
26	0	(26)	6482500 33	Election Expense - Mutual Admin	60,003	63,070	3,067	63,070
0	0	0	6483201 33	Mailouts - Periodic - Mutual Admin	0	250	250	250
0	0	0	6484000 33	Permits & Licenses - Mutual Admin	109	100	(9)	100
0	3,000	3,000	6484500 33	Postage - Mutual Admin	14,999	33,000	18,001	36,000
35,628	48,938	13,310		Total Expenses	454,524	469,956	15,432	504,208
Other Cost Recovery								
20,500	18,450	2,050	5345000 33	Certificate Preparation Fee - Escrow - M	235,000	179,450	55,550	194,150
3,750	3,050	700	5345001 33	Certificate Preparation Fee - Non-Escrow	44,500	40,900	3,600	43,950
210	1,738	(1,528)	5380330 33	Guest Pass Income - Mutual Admin	15,655	37,707	(22,052)	39,445
0	300	(300)	5380331 33	Copy Fee Income - Mutual Admin	4,878	3,300	1,578	3,600
2,400	3,530	(1,130)	5380332 33	Trust Processing Fee - Mutual Admin	29,675	38,845	(9,170)	42,375
180	237	(57)	5380333 33	Member ID Card Income - Mutual Admin.	1,680	2,607	(927)	2,845
15	83	(68)	5380334 33	Map Sales Income - Mutual Admin.	655	917	(262)	1,000
170	208	(38)	5380335 33	Realtor's Service Pass - Mutual Admin.	4,000	2,292	1,708	2,500

1020 Golden Rain Foundation
Budget Comparison - GRF
11/30/2017

P.O. Box 2069
Seal Beach CA 90740

Nov Actuals	Nov Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget
740	281	459	5385000 33	Other Income - Mutual Admin	7,151	3,099	4,052	3,380
27,965	27,877	88		Total Other Cost Recovery	343,193	309,117	34,076	333,245
14,247	14,247	0	5330000 33	Income / Refund from Mutuals - Mutual Ad	156,717	156,717	0	170,963
42,212	42,124	88		Total Cost Recovery	499,910	465,834	34,076	504,208
				Off Budget Items				
6,584	(6,814)	13,398		Net Income / (Expense)	45,387	(4,122)	49,509	0

1020 Golden Rain Foundation
Budget Comparison - GRF
11/30/2017

P.O. Box 2069
Seal Beach CA 90740

Nov Actuals	Nov Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget
				Expenses - Copy & Supply Center				
6,039	0	(6,039)	6100000 44	Salaries & Wages - Copy & Supply Center	27,148	0	(27,148)	0
450	0	(450)	6140000 44	Employment Taxes - Copy & Supply Center	2,021	0	(2,021)	0
457	0	(457)	6143000 44	Group Insurance - Medical - Copy & Supply	1,777	0	(1,777)	0
13	0	(13)	6143300 44	Group Insurance - Dental - Copy & Supply	31	0	(31)	0
7	0	(7)	6143500 44	Group Insurance - Vision - Copy & Supply	26	0	(26)	0
57	0	(57)	6144000 44	401(k) Match - Copy & Supply Center	171	0	(171)	0
21	0	(21)	6145000 44	Group Insurance - Life - Copy & Supply C	171	0	(171)	0
23	0	(23)	6146000 44	Long Term Disability Insurance - Copy &	92	0	(92)	0
0	0	0	6410000 44	Office Supplies - Copy & Supply Center	693	0	(693)	0
0	0	0	6410020 44	Equipment Expense - Copy & Supply Center	322	0	(322)	0
519	0	(519)	6410030 44	Printer / Copier Supplies - Copy & Suppl	2,105	0	(2,105)	0
33	0	(33)	6435100 44	Bank Service Fees - Copy & Supply Center	138	0	(138)	0
3,257	0	(3,257)	6444000 44	Equipment Rental - Copy & Supply Center	9,913	0	(9,913)	0
27	0	(27)	6472000 44	Equipment Repair & Maintenance - Copy &	27	0	(27)	0
1,787	0	(1,787)	6478000 44	Service Contracts - Copy & Supply Center	4,954	0	(4,954)	0
3,000	0	(3,000)	6484500 44	Postage - Copy & Supply Center	9,000	0	(9,000)	0
(56)	0	56	6911500 44	Inventory Over / Short - Copy & Supply C	257	0	(257)	0
15,634	0	(15,634)		Total Expenses	58,845	0	(58,845)	0
				Other Cost Recovery				
821	0	821	5380331 44	Copy Fee Income - Copy & Supply Center	2,383	0	2,383	0
821	0	821		Total Other Cost Recovery	2,383	0	2,383	0
821	0	821		Total Cost Recovery	2,383	0	2,383	0
				Off Budget Items				
(703)	0	703	5990000 44	Materials Recovery - Copy & Supply Cente	(3,356)	0	3,356	0
703	0	(703)	6415000 44	Materials Pass-Thru - Copy & Supply Cent	3,356	0	(3,356)	0
0	0	0		Total Off Budget Items	0	0	0	0
(14,812)	0	(14,812)		Net Income / (Expense)	(56,463)	0	(56,463)	0