

BUILDING/UNIT _____
BUILDING CAPTAIN _____

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE
BOARD OF DIRECTORS
SEAL BEACH MUTUAL FOURTEEN
February 18, 2014**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Bourhenne at 1:32 p.m. on Tuesday, February 18, 2014, in the Conference Room in the Administration Building, following an open forum at 1:00 p.m. for shareholder comments.

ROLL CALL

Present: President Bourhenne, Vice President Lukoff, Secretary/CFO Destra, and Directors Harrison, Melody, Bonnema, Moore, Jorgenson, and Pepper

GRF

Representative: Mr. Supple

Guests: Twenty-seven shareholders of Mutual Fourteen

Staff: Mrs. Weller, Mutual Administration Manager
Mr. Black, Building Inspector
Mrs. Westphal, Recording Secretary

President Bourhenne welcomed staff members and guests.

MINUTES

President Bourhenne asked for a motion to approve the Regular Monthly Meeting minutes of January 21, 2014. Following a discussion, and upon a MOTION duly made by Secretary/CFO Destra and seconded by Director Harrison, it was

RESOLVED, To postpone approval of the Regular Monthly Meeting minutes of January 21, 2014.

The MOTION carried by with three abstentions (President Bourhenne, Vice President Lukoff, and Director Melody).

BUILDING INSPECTOR'S REPORT

Inspector Black updated the Board on activity in the Mutual (see his attached summary).

Following a discussion with Inspector Black about servicing the laundry room fire extinguishers, and upon a MOTION duly made by Director Pepper and seconded by Secretary/CFO Destra, it was

RESOLVED, To accept the bid proposal from ASI Fire Protection to service, repair, or replace the fire extinguishers in the Mutual.

The MOTION carried by a unanimous vote of the Board members.

Following a discussion with Inspector Black about the patio request from Unit 14-C, and upon a MOTION duly made by Director Melody and seconded by President Bourhenne, it was

BUILDING INSPECTOR'S REPORT (continued)

RESOLVED, To postpone approval of the patio at Unit 14-C so the Board members may go to look at the patio and review further.

The MOTION carried by a unanimous vote of the Board members.

Inspector Case left the meeting at 2:15 p.m.

GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT

GRF Representative Supple submitted his report to be attached to the minutes. The GRF Committee Chair Reports and the GRF Board Meeting minutes are published in the *Golden Rain News*.

PRESIDENT'S REPORT

President Bourhenne presented his report (as attached).

CHIEF FINANCIAL OFFICER'S REPORT

Secretary/CFO Destra presented her report (as attached).

Upon a MOTION duly made by Secretary/CFO Destra and seconded by Director Pepper, it was

RESOLVED, To include the CFO report in the minutes as presented by Secretary/CFO Destra.

The MOTION carried by a unanimous vote of the Board members.

SECRETARY'S REPORT

Secretary/CFO Destra presented her report (as attached).

It was the consensus of the Board members to include the Secretary's report as presented today and that the elected Board Secretary follows the guidelines as presented for having minutes approved in the future.

COMMITTEE REPORTS

Communications Committee

Director Pepper presented her report (as attached).

Secretary/CFO Destra made a motion and Vice President Lukoff seconded it, that the Secretary's report that was left out of the January 21, 2014, Board Meeting minutes be included in today's Board Meeting minutes (attached).

The above motion failed because there was no vote, and President Bourhenne called for a break at 3:15 p.m. to 3:30 p.m.

Following the break, Secretary/CFO Destra read aloud her revised Secretary's Report from the January 21, 2014, Board Meeting that was not included in those minutes.

Upon a MOTION duly made by Secretary/CFO Destra and seconded by Director Harrison, it was

COMMITTEE REPORTS (continued)

RESOLVED, That the Secretary's report that was not included in the January 21, 2014, Board Meeting minutes be included with the February 18, 2014, Board Meeting minutes, as amended; the report will also be attached to the corporate file copy of the January 21, 2014, Board Meeting minutes.

The MOTION carried by a unanimous vote of the Board members.

APPROVAL OF BOARD MEETING MINUTES (continued)

President Bourhenne called for a MOTION to approve the January 21, 2014, Board Meeting minutes.

Upon a MOTION duly made by Director Bonnema and seconded by Secretary/CFO Destra, it was

RESOLVED, To approve the January 21, 2014, Board Meeting minutes with the following corrections: on page 5, in the last sentence of the last paragraph, it should read, "In addition, Director Melody requests that Controller Miller correct the brackets of the Income/Expense Report and the Recap Report"; on page 7 in the first paragraph, the date says "May 4" but it should be "May 15"; on page 9, the last motion should read, "RESOLVED, To replace laundry room washers and dryers when they are over eight

APPROVAL OF BOARD MEETING MINUTES (continued)

years old and the repairs exceed 50 percent of the cost of a new machine; the new replacement model washer to be reordered is Maytag MVW18CS, and FURTHER, That the washer amount will be increased to 75 cents per load, effective March 1, 2014; this motion will also be changed as listed on page 12 of the January 21, 2014, minutes.”

The MOTION carried by a unanimous vote of the Board members.

COMMITTEE REPORTS (continued)

Landscape/Grounds

Upon a MOTION duly made by Secretary/CFO Destra and seconded by Director Pepper, it was

RESOLVED, To include the Landscape/Grounds Committee Report as an attachment to these minutes.

The MOTION carried by a unanimous vote of the Board members.

Director Bonnema said that all shareholders/residents have to strive to save water. The landscape contractor has been working to adjust the sprinkler system to prevent runoff and still keep our lawns looking good. There are a few brown spots, but they have been fertilized; we are trying to remedy the problem. Remember, shareholders/residents should only water their garden areas, never the grass.

COMMITTEE REPORTS (continued)

Landscape/Grounds (continued)

Director Bonnema MOVED that Policy 7425.14 – Garden Areas, Trees, Shrubs – Mutual Fourteen, be amended as submitted by the Ad hoc Landscape Committee, and Vice President Lukoff seconded the motion. After discussion, the motion was withdrawn by Director Bonnema due to the extensive discussion and the length of this policy. The ad hoc committee is still working on revisions, and the Landscape Chair will try to schedule a Special Meeting when the committee is ready to present their final revision and report.

Social

Arrangements for roofing contractors to present information at the next two Board Meetings will be set up by Director Harrison to help the Board consider products in preparation for next year's roofing project.

Caregivers

Upon a MOTION duly made by Director Harrison and seconded by Secretary/CFO Destra, it was

RESOVLED, To amend Policy 7557.14 – Caregivers, on a preliminary basis until the 30-day posting period is completed.

Following a discussion, the motion was withdrawn until Mrs. Weller can confer with the Mutual attorney and report back to the committee.

COMMITTEE REPORTS (continued)

Upon a MOTION duly made by Secretary/CFO Destra and seconded by Vice President Lukoff, it was

RESOLVED, That Mrs. Weller will ask the Mutual attorney questions from the Board regarding caregiver passes, etc.

The MOTION carried by a unanimous vote of the Board members.

Emergency Preparedness

Director Pepper presented her report (as attached).

Solar Committee

Director Melody presented his report (as attached).

MUTUAL ADMINISTRATION MANAGER'S REPORT

Mrs. Weller presented her report (as attached.)

OLD BUSINESS

Director Melody presented his report from the Ad hoc Patio Committee (as attached).

NEW BUSINESS

A decision on Mutual Fourteen's participation in the Mutual deductible fund was postponed pending a decision by the GRF Board and a full accounting of the fund.

NEW BUSINESS (continued)

It was the consensus of the Board members that reports given by the GRF Representative and the President as well as the Patio, Solar, and Emergency Preparedness committees, be approved to be included as attachments to the minutes. Mrs. Weller's report was also approved by the Board to be included as an attachment to the minutes.

The Board discussed Policy 7590 – Feeding Wildlife (attached). Many shareholders may not be aware of California Codes covering wildlife and may be violating State Laws when they feed wildlife inappropriately.

Upon a MOTION duly made by Vice President Lukoff and seconded by Director Melody, it was

RESOLVED, To adopt Policy 7590 – Feeding Wildlife, on a preliminary basis until the 30-day posting period is completed.

The MOTION carried by a unanimous vote of the Board members.

The Board discussed Policy 7551 – Unsanitary Premises and Fire Loading Conditions (attached). The policy is focused to prevent fires, insect and rodent infestation and unsanitary conditions.

Upon a MOTION duly made by Secretary/CFO Destra and seconded by Director Pepper, it was

NEW BUSINESS (continued)

RESOLVED, To adopt Policy 7551 –
Unsanitary Premises and Fire Loading
Conditions, on a preliminary basis until the 30-
day posting period is completed.

The MOTION carried by a unanimous vote of the Board members.

Upon a MOTION duly made by President Bourhenne and seconded
by Vice President Lukoff, it was

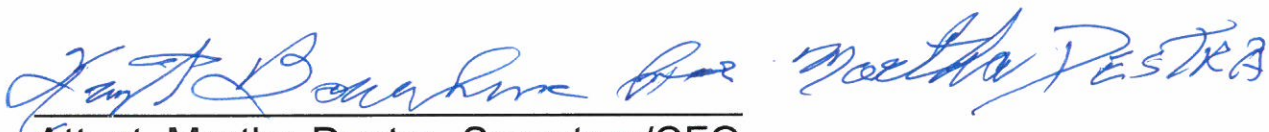
RESOLVED, To table the rest of the agenda in
order to consider the Bylaws amendment.

The MOTION carried by a unanimous vote of the Board members.

A MOTION to add a Bylaws amendment to the 2014 ballot to
reduce the Board from 9 to 7 Directors was made by Vice President
Lukoff and seconded by Director Melody. In order to be placed on
this year's ballot, the proposed amendment had to be approved by
a majority of the Board. The Bylaws amendment to reduce the
number of Directors, starting with the election in May 2015, passed
with a roll call vote: Five "yes" votes (Bourhenne, Lukoff, Bonnema,
Melody, and Moore) and four "no" votes (Destra, Harrison, Pepper,
and Jorgenson). Both the pros and cons of this proposal will be
included with the election ballot.

ADJOURNMENT

President Bourhenne adjourned the meeting at 5:32 p.m.



Attest, Martha Destra, Secretary/CFO
SEAL BEACH MUTUAL FOURTEEN

pw:3/6/14
Attachments

**NEXT MEETING: MARCH 18, 2014, 1:00 P.M. OPEN FORUM,
1:30 P.M. MEETING BEGINS**

**** PLEASE SUBMIT ALL REQUESTS FOR PATIO REMODELS,
CARPORT STORAGE CABINETS, AND CART PADS TO KEVIN
BLACK IN THE GRF PHYSICAL PROPERTY DEPARTMENT
SO HE CAN E-MAIL COPIES TO ALL MUTUAL FOURTEEN
DIRECTORS AT LEAST ONE WEEK PRIOR TO THE MUTUAL
FOURTEEN BOARD MEETING AT WHICH THE PROJECT
WILL BE DISCUSSED. ****

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF FEBRUARY 18, 2014**

2/18/14 RESOLVED, To accept the bid proposal from ASI Fire Protection to service, repair, or replace the fire extinguishers in the Mutual.

RESOLVED, To postpone approval of the patio at Unit 14-C so the Board members may go to look at the patio and review further.

RESOLVED, That the Secretary's report that was not included in the January 21, 2014, Board Meeting minutes be included with the February 18, 2014, Board Meeting minutes, as amended; the report will also be attached to the corporate file copy of the January 21, 2014, Board Meeting minutes.

RESOLVED, That Mrs. Weller will ask the Mutual attorney questions from the Board regarding caregiver passes, etc.

RESOLVED, To adopt Policy 7590 – Feeding Wildlife, on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To adopt Policy 7551 – Unsanitary Premises and Fire Loading Conditions, on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To add a Bylaws amendment to the 2014 ballot to reduce the Board from 9 to 7 Directors.

1) Mutual 14 Escrow Activity

A. Prelisting

- 52B
- 21F

B. New Buyer Orientation

- 33F
- 13F

C. Close of Escrow

- 14C
- 33F

2) Mutual 14 Permit/ Remodel Activity

- 17G, final skylight inspection= pass
- 15D, cp.153, sp.31, carport cabinet, final inspection= pass
- 13K, final duct less heat pump= pass
- 20A, final ducted heat pump= pass, President ok'd plants for blind
- 52J, final duct less heat pump= pass

3) Mutual 14 Projects

A. Solar

- Contractor had met with Physical Property Supervisor on February 14 to complete the requirements for Leisure World
- Contractor applied for building permit and was signed by mutual and physical property 2-19-14 for a free Thermal system at building 32 Laundry Rm.

4) Mutual 14 Contract Work

A. Fire Extinguishers

- pricing in from 3 bidders to service mutual's extinguishers
- Mutual board picked ASI for the service
- Pest/Termite Service bidding has been completed, GRF board and PP board looking at the numbers should be available by March meeting.

5) Mutual 14 Shareholder Requests

A. Patio

- 14C requested a patio, mutual board voted to take an extra look, to be site specific

Golden Rain Foundation Report - February 18, 2014

Mike Supple Mutual 14 Representative

At its' meeting on Tuesday, January 28, 2013, the GRF Board of Directors:

- Disbanded the Trust Ad hoc Committee.
- Approved the resolution placing real property assets into the Golden Rain Foundation Trust by proper filing at the County of Orange Clerk-Recorder's Office.
Property List: Library, Clubhouse Four, Flag/Veterans' Memorial, Mini Farm (1.8 acres), and RV Parking Area.
- Adopted Policy 4190, Anti-Fraud Policy, to provide additional protection to the assets and financial interests of the Golden Rain Foundation.
- Amended Policy 5601, Open Board Meetings, to change the GRF Board meeting date from the third Tuesday to the fourth Tuesday of the month.
- Authorized funds not to exceed \$5,000, for the legal review of the new employee handbook. All employment-related policies will be consolidated in one location. The 4000 Policy series now contains most policies. This handbook, when completed, will be on line at the Leisure web site. www.lwsb.com
- Awarded a contract to Prime Co Painting in the amount of \$19,985, for the interior and exterior painting of Clubhouse Five, using budgeted funds from the Trust Improvement Fund, and authorize the President to sign the contract.
- Awarded a contract to Golden State Surfaces, Inc., to replace the downstairs carpet in Clubhouse Five, using \$10,000 in the Capital Acquisitions Budget and \$10,200 in the Trust Improvement Fund, and authorize the President to sign the contract.
- Approved the purchase of 122 blue chairs from Office Interiors Plus, using funds from the 2014 Capital Acquisitions Budget. Cost \$16,547.74.
- Approved the construction of a café on the first floor of Clubhouse Five, including the acquisition of furniture and vending machines, at an approximate cost of \$11,040, not including tax or delivery, using reallocated monies from the Trust Improvement Fund, and to issue a three-year contract with First Class Vending, Inc., with a 30-60 day-out clause, to provide the vending machines, microwave, beverages, food supplies, and service as specified.
- Approved the purchase of four 2014 Chevrolet Impala Limited Police 1WS1 vehicles from George Chevrolet at a total price not to exceed \$110,000, using budgeted funds from the Capital Acquisitions Fund. The new cars are for the Gates and Patrol Department.
- Approved a Jenark and Micromain solution computer program systems, using Trust Improvement Funds not to exceed \$260,000, and authorize the President to sign the contract.

NOTE: I will NOT be running for another term on the Golden Rain Board of Directors.
We have accomplished the major Goals set four years ago.

Michael Supple GRF Representative for Mutual 14

Telephone #: 562-594-9104

E-mail: supplemike5@gmail.com

If any shareholder has a question or wants a point clarified, please either call or email me.