

PLEASE DO NOT DROP INTO THE MAIL SLOTS

**MINUTES OF THE REGULAR MONTHLY MEETING
BOARD OF DIRECTORS
SEAL BEACH MUTUAL FIVE**

May 18, 2016

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Five was called to order by President Coven on Wednesday, May 18, 2016, at 9:00 a.m. in the Administration Building Conference Room A, followed by the *Pledge of Allegiance*.

ROLL CALL

Present: President Coven, Vice President Trembly, CFO Sumners (9:03 a.m.), and Directors Boryta, Gould, and Meznik

Absent: Secretary Bittner, Advisory Director Mahaffie, and Project Coordinator Rudge

GRF Representative: Absent

Guests: Eight shareholders of Mutual Five

Staff: Mrs. Weller, Mutual Administration Director
Mr. Kranda, Building Inspector
Ms. Martin, Recording Secretary

MINUTES

President Coven called for approval of the April 20, 2016, Regular Board Meeting minutes. Upon a MOTION duly made by Director Meznik and seconded by Director Gould, it was

RESOLVED, To approve the April 20, 2016, Regular Monthly Meeting minutes, as printed.

The MOTION passed.

President Coven called for approval of the April 5, 2016, Special Meeting minutes. Upon a MOTION duly made by Director Meznik and seconded by Director Gould, it was

RESOLVED, To approve the April 5, 2016, Special Meeting minutes, as written.

The MOTION passed.

SHAREHOLDERS' COMMENTS

There were several comments from attending shareholders.

BUILDING INSPECTOR'S REPORT

Inspector Kranda presented his summary report (attached).

Following questions, Inspector Kranda left the meeting at 9:20 a.m.

GRF REPRESENTATIVE'S REPORT

In the absence of GRF Representative Hood, Director Boryta read his report (attached).

CORRESPONDENCE/SHAREHOLDER REQUESTS

In the absence of Secretary Bittner, President Coven presented her report.

President Coven discussed replacing the described broken window in Unit 111-C. Upon a MOTION duly made by CFO Sumners and seconded by Director Boryta, it was

RESOLVED, To replace the described broken window in Unit 111-C.

The MOTION passed.

President Coven discussed rescinding the first motion for the broken window in Unit 111-C. Upon a MOTION duly made by Director Gould and seconded by Director Boryta, it was

RESOLVED, To rescind the first motion for the broken window in Unit 111-C.

The MOTION passed.

President Coven discussed replacing the described broken window in Unit 111-C at a cost not exceeding \$1,000. Upon a MOTION duly made by Director Gould and seconded by President Coven, it was

RESOLVED, To replace the described broken window in Unit 111-C at a cost not exceeding \$1,000.

The MOTION passed.

PRESIDENT'S REPORT

President Coven presented her report (attached).

VICE PRESIDENT'S REPORT

President Trembly presented a flyer regarding Mutual Five Annual Meeting and Luncheon (attached).

CHIEF FINANCIAL OFFICER'S REPORT

CFO Sumners presented her report (attached).

CFO Sumners discussed investing money to Mutual Five accounts. Upon a MOTION duly made by CFO Sumners and seconded by Director Meznec, it was

RESOLVED, That Mutual Five invest \$200,000 of the May 16, 2016 matured CD in another CD to mature in 2018; \$45,000 of the matured May 16, 2016 CD plus \$55,000 from the general Money Market account into a CD that matures in January 2019.

The MOTION passed.

LANDSCAPE COMMITTEE REPORT

Vice President Trembly presented her report (attached).

PHYSICAL PROPERTY COMMITTEE REPORT

Director Meznec presented his report (attached).

CARPORT COMMITTEE REPORT

Director Gould presented his report (attached).

President Coven discussed extending the amount to \$800 for the golf cart parking space. Upon a MOTION duly made by Director Gould and seconded by Director Meznec, it was

RESOLVED, To extend the amount up to \$800 for M.J. Jurado, Inc. to mark the remaining 19 golf cart parking spaces identified in the map that was distributed.

The MOTION passed.

ARCHITECTURAL REVIEW COMMITTEE REPORT

In the absence of Advisory Director Mahaffie, President Coven discussed landscaping for two transformers at Units 92-L and 94-A.

EMERGENCY PREPAREDNESS REPORT

Director Boryta had no report.

WEBSITE COMMITTEE REPORT

President Coven had no report.

Recording Secretary left for a break from 10:00 a.m. to 10:15 a.m.

OLD BUSINESS

President Coven discussed the roofing contract bids (attached).

President Coven discussed the attic re-piping update. She signed the contract for two buildings. Buildings 92 and 125 had the worst fresh water pipe problems as found in the inspection out of the 41 buildings in Mutual Five. The other pipes will be repaired.

Director Gould discussed cart parking and additional loading zones

President Coven discussed SmartBurners warranty and returns.

Following a discussion, it was the consensus of the Board that memos written in Spanish, Korean, and Vietnamese languages will be posted in laundry rooms.

NEW BUSINESS

Following a discussion, President Coven stated that the nominating committee is disbanded.

President Coven stated that a policy provided by the seller for non-standard items will be discussed in the next meeting.

POLICIES

President Coven stated that Policy 7586.5 – Personal Property and Liability Insurance is being worked on by Advisory Director Mahaffie.

President Coven stated that Policy 7426.5 – SmartBurners will be tabled until the posting period is done.

President Coven discussed adopting Policy 7403.4.5 – Skylight. Upon a MOTION duly made by Director Boryta and seconded by Director Meznek, it was

RESOLVED, To adopt Policy 7403.4.5 – Skylight.

The MOTION **failed**.

President Coven discussed rescinding Policy 7403.4.5 – Skylight. Upon a MOTION duly made by Director Boryta and seconded by Director Meznek, it was

RESOLVED, To rescind Policy 7403.4.5 – Skylight until changes are made.

The MOTION passed.

President Coven discussed adopting Policy 7403.5 – Skylight. Upon a MOTION duly made by Director Meznek and seconded by Director Gould, it was

RESOLVED, To adopt Policy 7403.5 – Skylight, on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

SHAREHOLDER(S)' COMMENTS

Several shareholders made comments.

DIRECTOR'S COMMENTS

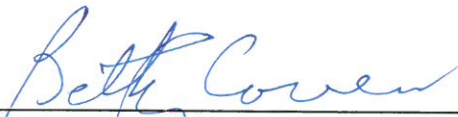
There were no comments from Directors.

EXECUTIVE SESSION

There were member issues discussed in Executive Session.

ADJOURNMENT

There being no further business to conduct, President Coven adjourned the meeting at 11:10 p.m. and stated an Executive Session would follow.



Attest, Betty Coven, President
SEAL BEACH MUTUAL FIVE
mm:06/09/16, Attachments

NEXT MEETING: June 15, 2016

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING MAY 18, 2016**

05/18/2016 RESOLVED, To replace the described broken window in Unit 111-C.

RESOLVED, To rescind the first motion for the broken window in Unit 111-C.

RESOLVED, To replace the described broken window in Unit 111-C at a cost not exceeding \$1,000.

RESOLVED, That Mutual Five invest \$200,000 of the May 16, 2016 matured CD in another CD to mature in 2018; \$45,000 of the matured May 16, 2016 CD plus \$55,000 from the general Money Market account into a CD that matures in January 2019.

RESOLVED, To extend the amount up to \$800 for M.J. Jurado, Inc. to mark the remaining 19 golf cart parking spaces identified in the map that was distributed.

RESOLVED, To adopt Policy 7403.4.5 – Skylight.

RESOLVED, To rescind Policy 7403.4.5 – Skylight until changes are made.

RESOLVED, To adopt Policy 7403.5 – Skylight, on a preliminary basis until the 30-day posting period is completed.

SEAL BEACH MUTUAL NUMBER FIVE

Golden Rain Foundation

Monthly Directors Report

May 18, 2016

Welcome to summer!!! At least that is what this time of year should indicate. It seems the Farmer's Market activity has declined so the Recreation Department will be researching other options that will be more appropriate and discontinue the current market. Bocce Ball will be allowed on Trust property adjacent to CH 1 for a six month period Monday through Sunday, from 8:00 A.M. to 5:00 P.M., beginning in June, with players responsible for providing their own equipment and outlining the court area. The lawn will be mowed very short as is required for the game to be played.

Security will be implementing a 90 day trial pilot vehicle identification program, to include date of issuance on the dashboard pass, to better ascertain controls and access of visitors.

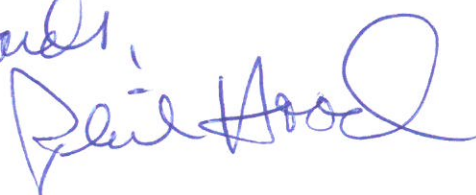
With programs providing beautiful music and beats for dancing in the amphitheater, designated areas will be evaluated and policy reviewed for dancing opportunities during shows.

The Use of Community Facilities, Smoking Prohibition Policy 1412.2-50 is being reviewed in an effort to protect our environmental and health issues even more.

Our Library Operations Supervisor, Mrs. Vanessa Morris, has recommended that the Library hours of operation be extended on Saturdays, from 9:30 A.M to 3:30 P.M., allowing our Shareholder/Members some additional time to enjoy the use of those facilities. A trial period from May 21, through September 16, 2016 will be implemented. Many utilize the computers, in addition to accessing movies, books, periodicals, magazines, and a plethora of informational materials.

The concept of revising St. Andrews to a single lane rather than the double lane from Golden Rain Road to the St. Andrews Gate has been rescinded by the Physical Property Committee. There were many questions and concerns regarding the issues involved from Shareholder/Members and this decision is appreciated by many.

The Golf Ball Hitting Cage will be moving from its location between CH 3 and the Library to the southwest corner of CH 2, the former Horse Shoe court.

Regards,


President's Report

Wednesday, May 18, 2016

6:34 PM

The Board has been working on a roofing contract. At the beginning of this year we only had one bidder to do the roofing. Then we asked David Rudge of the Physical Properties Department to go out to get us more bids. During this second round we had six contractors bid on the nine buildings we plan to re-roof this year. We had a Special Board meeting May 9th and met with the top four bidders. All your Directors have been involved in this exacting process. Round three involves getting answers to our questions from each of the remaining four bidders. Hopefully we will be able to make an informed choice before the end of this month.

After a three year hiatus, we had the fresh water pipes inspected for a second time. Many problems were identified and will be repaired on Saturdays. (We also had to do it on Saturdays three years ago.) You will be notified when your building is being done. We are starting a preventive maintenance program for the fresh water pipes and this year the two buildings identified as having the most water-pipe problems are going to be re-piped. These are Buildings 92 and 125. As everyone was satisfied by the job done by Nelson Plumbing in Building 112 three years ago we are doing the same as was done there. If you have a washing machine, there will be a \$400 fee for re-piping

Sales: for the first quarter of the year we have sold seven units.

Security: I thought you might like to know what happens at our gates. During the first quarter of this year a total of 1,415,369 vehicles passed through the gates. Whew! That's a lot of cars. And the phone calls? The Security staff fielded 54,612 calls during the first three months of this year. And each of those calls requires that something be done. Let's send the Security Department a big round of applause.

We are once again having a free luncheon during the ballot counting. Come hear about everything that has happened in Mutual 5 during the 2015-2016 term of office.

Maybe we'll hear a few jokes.

Respectfully submitted,

Betty Coven Ph.D.

President Mutual 5

Join us for the Mutual 5 Annual Meeting and Luncheon

Tuesday, June 14, 2016
10 a.m., Clubhouse 4

We invite all Mutual 5 residents to participate in this year's annual business meeting to join friends as the election season comes to an end with the official vote count, introduction of the new Board of Directors and important updates and accomplishments during the past year.

Join your fellow residents for morning coffee and a complimentary box lunch

Important!! Please RSVP for the lunch no later than Wednesday, June 8th

Susan Trembly – 562/446-0749

Ok to leave a message, indicate name, unit number and number of people

Hope to see you there!

Gladys Sumners, CFO Mutual 5:

| | |
|--|---------------|
| Report on Delinquent accounts: Overdue by 30 Days = \$ | 2,235.94 |
| Overdue by 60 Days = \$ | 874.72 |
| <u>Overdue by 90 Days = \$</u> | <u>914.87</u> |
| Total Overdue | = \$ 40,25.53 |

Proposal 18 May 2016: I propose that Mutual 5 invests \$200,000 of the 16th of May matured CD in another CD to mature in 2018. And, I propose that Mutual 5 invests \$45,000 of the matured 16th of May CD plus \$55,000 from in our general Money Market account into a CD that matures in January of 2019.

Please include the copy of the 30 April Financial statement in the Mutual 5 minutes.

1005 Seal Beach Mutual No. Five
 Financial Statement Recap
 04/30/2016

P.O. Box 2069
 Seal Beach CA 90740

| Apr Actual | Apr Budget | | 2016 Y-T-D Actual | 2016 Y-T-D Budget |
|----------------|----------------|---|----------------------|----------------------|
| 117,470 | 117,470 | Carrying Charges | 469,880 | 469,880 |
| 37,569 | 37,570 | Reserve Funding | 150,276 | 150,280 |
| 155,039 | 155,040 | Total Regular Assessments | 620,156 | 620,160 |
| 0 | 0 | Service Income | 35 | 0 |
| 2,838 | 2,494 | Financial Income | 11,125 | 9,976 |
| 2,303 | 2,593 | Other Income | 10,191 | 10,372 |
| 5,141 | 5,087 | Total Other Income | 21,351 | 20,348 |
| 160,180 | 160,127 | Total Mutual Income | 641,507 | 640,508 |
| 70,922 | 70,922 | GRF Trust Maintenance Fee | 283,688 | 283,688 |
| 8,937 | 12,409 | Utilities | 37,674 | 49,636 |
| 590 | 1,275 | Professional Fees | 1,853 | 5,100 |
| 0 | 39 | Office Supplies | 0 | 156 |
| 24,229 | 27,084 | Outside Services | 94,551 | 108,336 |
| 12,890 | 10,829 | Taxes & Insurance | 51,560 | 43,316 |
| 37,569 | 37,570 | Contributions to Reserves | 150,276 | 150,280 |
| 155,137 | 160,128 | Total Expenses Before Off-Budget | 619,602 | 640,512 |
| 5,043 | (1) | Excess Inc/(Exp) Before Off-Budget | 21,905 | (4) |
| 64 | 0 | Depreciation Expense | 255 | 0 |
| 4,979 | (1) | Excess Inc/(Exp) After Off-Budget | 21,650 | (4) |
| | | Restricted Reserves | | |
| 5,267 | 0 | Appliance Reserve Equity | 65,552 | 0 |
| 4,975 | 0 | Painting Reserve | 143,053 | 0 |
| 0 | 0 | Operating Reserve Equity | 50,706 | 0 |
| 23,210 | 0 | Roofing Reserve | 2,268,405 | 0 |
| 0 | 0 | Emergency Reserve Equity | 127,505 | 0 |
| 1,057 | 0 | Infrastructure Reserve | 279,484 | 0 |
| 34,508 | 0 | Total Restricted Reserves | 2,934,704 | 0 |

Wednesday, May 18, 2016

Turf Update:

I met with Andre Landscaping yesterday to discuss the turf. There are many dry areas. The solution is to water a little longer on days we are permitted to water. This should help until summer grass starts to fill in.

Gophers

Yes, Mutual 5 has gophers. In fact, they are all over Leisure World per the Maintenance Department. I was made aware of bldg. 100 and a few days ago, unit 93L. Andre Landscaping is going to take care of eradicating them. They're persistent little buggers...so please be patient. If you spot the telltale sign that you have gophers, please contact me or your director.

Trees

Class One Arboriculture is running a little behind. They will start next week and finish by June 15.

A reminder that we are still in a serious drought, so please make sure you do not water the grass. You can water your gardens as necessary if you have a hose with an on/off option.

As always, please contact me (562/446-0749) if you have questions or issues.

Respectfully submitted,
Susan Trembly, Chair, Landscape Committee

PHYSICAL PROPERTY REPORT LEISURE WORLD MUTUAL FIVE

The inspection of attic water lines located in mutual five buildings was authorized in March and completed in April 2016. Service Maintenance personnel inspected all residential structures for water line condition and leakage . One active water leak was found and immediately corrected. Multiple water lines showing advanced corrosion will be repaired in the months ahead. A system of water line re-piping has been instituted base upon the observed condition of water pipes. Two units, (buildings 92 &125) will be re-piped in the current budget year. Work is scheduled to begin May 25th. All mutual buildings will be re-piped within a 20 year time cycle. The inspection of mutual five water lines will continue to take place on a biannual basis.

Six new contractor bid proposals for the re-roofing of mutual five buildings 90, 91, 93, 94, 95, 98,103 114 and 121 were received in March . Directors meet during the week of April 3rd to open and discuss these bids. In May, four contractors were invited to provide presentations to mutual directors regarding their roofing proposals. It is anticipated that a contractor will be selected for the mutual's roofing project on May 18th. The project should be completed within eight months from the signing of a contract agreement.

Six building permits were authorized by the mutual since the last Physical Property Report. Permitted work included a bathroom remodel, shower stall cutdown,window replacements,patio floor resurfacing, garden apron installation and the setting up of a new heating system.

Approximately 150 service repair orders were placed in April for the mutual and it's residents.

Respectfully submitted, Jim Meznik

May 18, 2016

Carport and Sidewalk Report May 2016
Wayne R. Gould
Director Mutual 5

1. Proto-type cart parking space continuing to get use. Contacted Jurado concrete and their estimate is \$800 to mark the remaining 19 spaces.

2. The loading zone at the end of building 97 was completed and is getting a lot of use. Comments from shareholders have been overwhelmingly positive. Two additional areas identified near building 123 and building 99. Last meeting board members wanted to go and look at the proposed location. Recommend we approve this to be done.

3. Three areas of sidewalks have been identified as needing repair. We are awaiting pricing from Eric. Pricing was received, the areas examined and it was decided by the Mutual president and myself to defer any repair to these two areas.

4. Edison's Charge Ready Program will kick off today with a meeting at Edison Headquarters in Irwindale. We have been invited to attend the first meeting. I will be attending with Al Edington. We hope to learn about this new Electric Vehicle Charging assistance program.

Respectfully Submitted
Wayne R. Gould

