

PLEASE DO NOT DROP INTO THE MAIL SLOTS

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

September 21, 2016

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Five was called to order by President Coven on Wednesday, September 21, 2016, at 9:04 a.m. in Building Five, Conference Room B, followed by the *Pledge of Allegiance*.

ROLL CALL

Present: President Coven, Vice President Trembly, Secretary Boryta, CFO Sumners, and Directors Tran, Powell, and Gould

GRF Representative: Mr. Hood

Guests: Eight shareholders of Mutual Five

Staff: Ms. Hopkins, Mutual Administration Director
Mr. Kranda, Building Inspector
Ms. Day, Recording Secretary

ANNOUNCEMENTS

President Coven presented a resignation letter from Al Edginton resigning from the Board of Directors. The Board members regrettably accepted his resignation.

MINUTES

President Coven asked if there were any corrections on the July 20, 2016, Regular Meeting minutes. A correction was noted that on the last page the Special Meeting minutes of June 6, 2016, were incorrectly labeled and should be removed from the minutes. The minutes of July 20, 2016, were approved as corrected.

President Coven asked if there were any corrections on the August 17, 2016, Regular Meeting minutes. There being none, the minutes were approved as printed.

SHAREHOLDERS' COMMENTS

Several comments from attending shareholders were made.

BUILDING INSPECTOR'S REPORT

Inspector Kranda presented his summary report (attached).

Inspector Kranda left the meeting at 9:27 a.m.

GRF REPRESENTATIVE'S REPORT

GRF Representative Hood discussed GRF activity.

CORRESPONDENCE

Secretary Boryta reviewed correspondence from three shareholders.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Sumners submitted the Financial Statement Recap for August 31, 2016 (attached).

COMMITTEE APPOINTMENTS

Following a discussion, and upon a MOTION duly made by President Coven and seconded by Secretary Boryta, it was

RESOLVED, To appoint shareholder Christine Bittner to the Landscape Committee.

The MOTION passed.

Following a discussion, it was the consensus of the Board members to appoint Vice President Trembly to the new Ad Hoc Policy Committee.

COMMITTEES

Landscaping

Following a discussion, and upon a MOTION duly made by Vice President Trembly and seconded by Director Gould, it was

RESOLVED, To approve the Andre Landscape proposal to do the 10 tree plantings for November, at an approximate cost of \$500 per tree.

The MOTION passed.

Finance

President Coven reported that the Investment Finance Committee is still working on a comprehensive plan for investing.

Carports

President Coven discussed Director Edginton's carport issues.

COMMITTEES (continued)

Laundry Rooms

Director Powell presented the completed foreign language signs for posting in the Mutual laundry rooms.

Emergency Preparedness

Director Tran presented information on emergency preparedness.

Physical Properties

Director Gould discussed projects in the Mutual.

Following a discussion, and upon a MOTION duly made by Director Gould and seconded by President Coven, it was

RESOLVED, That the Mutual require the contractor install a smitty pan with a dual sensor alarm on all remodels installing stacked washer/dryer where the washer/dryer needs to be removed for access to the water heater.

Following further discussion, and upon a MOTION duly made by Director Gould that Mutual Five prohibits contractors from installing any stacked washer/dryer or any other installation, where the washer/dryer or other installation needs to be removed for access to the water heater. The motion was withdrawn and the issue is postponed for further research.

President Coven called a break from 10:43 a.m. to 10:59 a.m.

The Board members discussed adopting Policy 7491.5 – Roof Access (attached). Upon a MOTION duly made by Director Gould and seconded by Vice President Trembly, it was

RESOLVED, To adopt Policy 7491.5 – Roof Access on a preliminary basis until the 30-day posting period is completed.

The MOTION passed.

UNFINISHED BUSINESS

President Coven reported that she is working on arranging a cooking class for SmartBurners that will be coming soon in Clubhouse Three, Room 1.

NEW BUSINESS

Both items were addressed under the Building Inspector's report.

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins discussed Mutual Administration activity.

SHAREHOLDER(S)' COMMENTS

No comments were made.

DIRECTOR'S COMMENT

Several Directors made comments.

ADJOURNMENT

There being no further business to conduct, President Coven adjourned the meeting at 11:32 a.m. and stated an Executive Session would follow to discuss member issues.

Attest, Joan Boryta, Secretary
SEAL BEACH MUTUAL FIVE

cd:9/27/16
Attachments

(These are tentative minutes, subject to approval by the Board of Directors at the next Regular Board of Directors Meeting.)

STAFF WILL LEAVE THE MEETING BY 12:10 P.M.

**NEXT MEETING: Wednesday, October 19, 2016 @ 9:00 a.m.
BUILDING 5, CONFERENCE ROOM B**

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING SEPTEMBER 21, 2016**

09/21/16 RESOLVED, To appoint shareholder Christine Bittner to the Landscape Committee.

RESOLVED, To approve the Andre Landscape proposal to do the 10 tree plantings for November, at an approximate cost of \$500 per tree.

RESOLVED, To adopt Policy 7491.5 – Roof Access on a preliminary basis until the 30-day posting period is completed.

DRAFT

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (05) FIVE

INSPECTOR: Eric Kranda

MUTUAL BOARD MEETING DATE: September 21, 2016

CONTRACTS	
CONTRACTOR	PROJECT
Maintenance	repair sprinkler leak at 113 A-L side
Trust One	dryout interiors and repair damage.
Pinnacle	to install a root barrier at building 120

SPECIAL PROJECTS	
CONTRACTOR	PROJECT
Owens Corning	Production problems/ keeping you informed

1005 Seal Beach Mutual No. Five
 Financial Statement Recap
 08/31/2016

P.O. Box 2069
 Seal Beach CA 90740

Aug Actual	Aug Budget		2016 Y-T-D Actual	2016 Y-T-D Budget
117,470	117,470	Carrying Charges	939,760	939,760
37,569	37,570	Reserve Funding	300,553	300,560
155,039	155,040	Total Regular Assessments	1,240,312	1,240,320
0	0	Service Income	35	0
2,691	2,494	Financial Income	21,049	19,952
5,486	2,593	Other Income	23,942	20,744
8,177	5,087	Total Other Income	45,026	40,696
163,216	160,127	Total Mutual Income	1,285,338	1,281,016
70,922	70,922	GRF Trust Maintenance Fee	567,376	567,376
13,529	12,409	Utilities	87,954	99,272
433	1,275	Professional Fees	4,143	10,200
0	39	Office Supplies	242	312
35,300	27,084	Outside Services	299,784	216,672
12,890	10,829	Taxes & Insurance	103,120	86,632
37,569	37,570	Contributions to Reserves	300,553	300,560
170,643	160,128	Total Expenses Before Off-Budget	1,363,170	1,281,024
(7,427)	(1)	Excess Inc/(Exp) Before Off-Budget	(77,832)	(8)
0	0	Depreciation Expense	382	0
(7,427)	(1)	Excess Inc/(Exp) After Off-Budget	(78,214)	(8)
		Restricted Reserves		
4,775	0	Appliance Reserve Equity	77,578	0
3,675	0	Painting Reserve	160,351	0
0	0	Operating Reserve Equity	50,706	0
(595,574)	0	Roofing Reserve	1,739,799	0
(1,135)	0	Emergency Reserve Equity	125,652	0
2,957	0	Infrastructure Reserve	199,093	0
(585,303)	0	Total Restricted Reserves	2,353,179	0

INVESTMENT ACCOUNTS AND DESIGNATED USES - MUTUAL FIVE
AS OF AUGUST 31, 2016

INSTITUTION	MM / CDs	Total Available	USES										Total Uses		
			1320000 Appliance Reserve	1330000 Painting Reserve	1365000 Operating Reserve	1375000 Roofing Reserve	1376000 Emergency Reserve	1377000 Infrastructure Reserve	1181000 Tax Fund	1122000 General Investments					
Morgan Stanley															
CDs	1,704,062.15	1,704,062.15	50,000.00	40,000.00	1,375,643.59	79,000.00	71,309.85						88,108.71	1,704,062.15	0.00
USBancorp															
CDs	1,100,000.00	1,100,000.00	84,651.83	10,372.68	690,343.24	40,344.05	121,474.39						152,813.81	1,100,000.00	0.00
US Bank															
Impound MM															
General MM	APY														
	0.04%	303,264.38	77,578.05	25,698.96	333.00	292,596.64	6,308.15	6,308.47				303,264.38	71,335.10	303,264.38	0.00
	0.03%	480,158.37												480,158.37	0.00
Totals															
			77,578.05	160,350.79	50,705.68	2,358,583.47	125,652.20	199,092.71	303,264.38	312,257.62				3,587,484.90	0.00

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MUTUAL OPERATIONS

ADOPTION DRAFT POLICY

PHYSICAL PROPERTY

Roof Access – Mutual Five

Purpose: To protect the Mutual Five roofs from damage and premature wear by limiting the number or workmen and others on the roofs.

No person shall access the roof of any Mutual Five building without the express permission and approval of the GRF Physical Property Department or the Mutual Five President and Physical Property chair or in the absence of either of these Directors, one other Director for a total of two Directors.

Emergency circumstances to protect persons or property, of course, preempt any and all such restrictions and limitations.

Access to the roofs for the following should be performed by authorized personnel only and may, in addition, require a GRF permit:

- Skylight repair, upgrade, and cleaning.
- TV antennas: satellite installation for DIRECTV shall be connected to the master multi-family dish. All others shall be pole mounted per Mutual Five standard. This includes garden poles of the type required based on satellite line of sight. (See exhibit A, pg. 2)
- Gutter cleaning: shall not be done from the roof.
- Gutter guards: shall be installed, where necessary, by Mutual Five only.
- Holiday lights and decorations shall not be installed from or on the roof but may be attached to the gutters with plastic clips or to the fascia.
- Any foreign object landing on the roofs shall be removed by authorized personnel or Service Maintenance only, at the shareholder's expense.
- Roof access shall be at the ends of the building, not at any point covered by a gutter, except on high sloped buildings.
- Antennas or other objects placed on any Mutual Five roof without a permit shall be removed at the shareholder's expense.

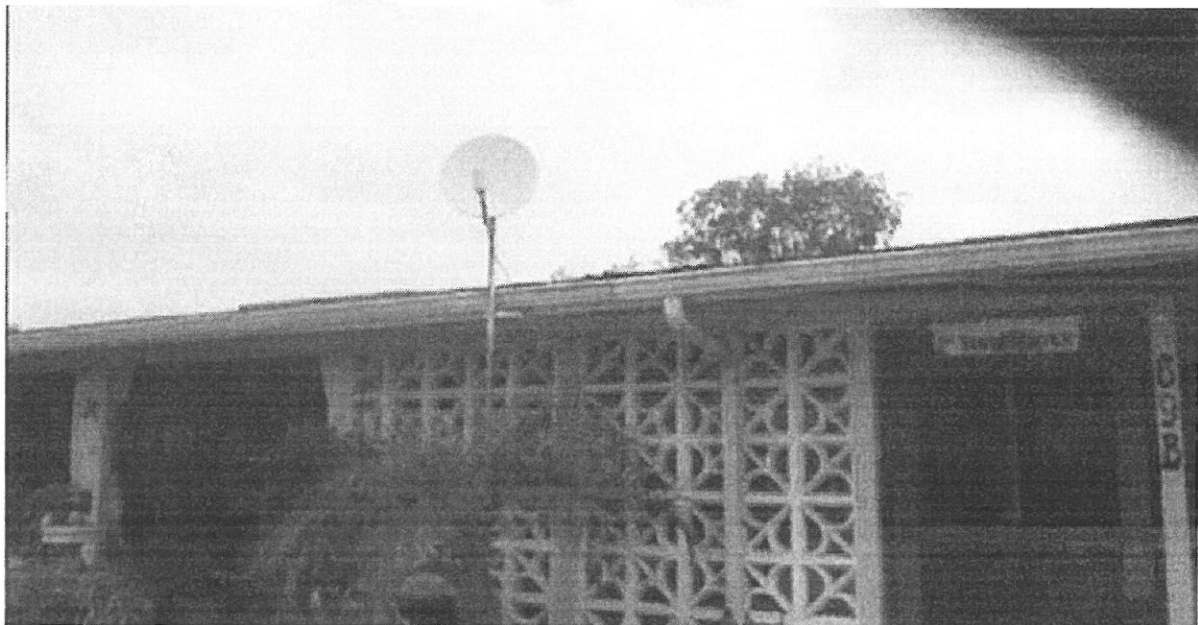
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PHYSICAL PROPERTY

Roof Access – Mutual Five

Exhibit A: Pole Mounts



MUTUAL ADOPTION

FIVE: *Ratified date*