

**PLEASE DO NOT DROP INTO THE MAIL SLOTS**

**MINUTES OF THE REGULAR MONTHLY MEETING  
BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FIVE  
May 15, 2019**

The regular monthly meeting of the board of directors of Seal Beach Mutual Five was called to order by President Van Wyk on Wednesday, May 15, 2019, at 9:00 a.m., in Building Five, Conference Room B, followed by the *Pledge of Allegiance*.

**SHAREHOLDERS' COMMENTS**

Several shareholders made comments.

**ROLL CALL**

Present: President Van Wyk, Vice President DeRungs, Chief Financial Officer Tran, Secretary Boryta, and Directors Cude, Powell, and Deady

Absent: GRF Representative Gould

Guests: Eleven shareholders of Mutual Five

Staff: Ms. Hopkins, Mutual Administration Director  
Mr. Meza, Building Inspector  
Mrs. Ramos, Recording Secretary

**MINUTES**

The regular meeting minutes of April 17, 2019 were approved by general consent of the Board as written.

**BUILDING INSPECTOR'S REPORT**

Inspector Meza presented the monthly report (attached).

Following questions, Inspector Meza left the meeting at 9:15 a.m.

**GRF REPRESENTATIVE'S REPORT**

GRF Representative Gould was absent.

**UNFINISHED BUSINESS**

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

RESOLVED: to ratify adopted and posted Policy 7414.05 – Solar Panel Installation.

The MOTION passed.

Following a discussion and upon a MOTION duly made by Secretary Boryta and seconded by Director Powell, it was

RESOLVED: to approve that the *Buying and Selling Handout*, prepared and submitted by GRF, be placed on the Seal Beach Leisure World Website, be submitted to all real estate agents, and included in the new buyer packet.

The MOTION passed.

**NEW BUSINESS**

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

RESOLVED: to acknowledge, per the requirements of the civil code section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, an income and expense statement for the mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of March 2019.

The MOTION passed.

Following a discussion and upon a MOTION duly made by Chief Financial Officer Tran and seconded by Director Powell, it was

RESOLVED: to approve the transfer of funds in the amount of \$8,000 from the operating expenses to the appliance reserves for water heaters.

The MOTION passed.

**NEW BUSINESS (continued)**

Following a discussion and upon a MOTION duly made by Director Deady and seconded by Director Cude, it was

RESOLVED: to approve the proposal submitted by J & J Landscaping to remove a tree at unit 91-A, at a cost not to exceed \$700, and authorize the Building Inspector to create the work order.

The MOTION passed.

**SECRETARY / CORRESPONDENCE**

Secretary Boryta received no correspondence. President Van Wyk acknowledged receipt of one piece of correspondence.

**CHIEF FINANCIAL OFFICER'S REPORT**

Chief Financial Officer Tran presented her report (attached).

**PRESIDENT'S REPORT**

No report was submitted.

**MUTUAL ADMINISTRATION DIRECTOR**

Mutual Administration Director Hopkins presented her reports.

**ANNOUNCEMENTS**

ELECTION AND ANNUAL SHAREHOLDERS MEETING: Tuesday, June 11, 2019, at 10:00 a.m., Clubhouse 4

NEXT REGULAR BOARD MEETING: Wednesday, July 17, 2019, 9:00 a.m., Building Five, Conference Room B

**COMMITTEE REPORTS**

Pets & Carports

Secretary Boryta presented her report.

Laundry Rooms

Director Powell presented his report.

Landscape

Director Deady presented her report.

**COMMITTEE REPORTS (continued)**

Physical Property

Director Cude presented his report.

**DIRECTORS' COMMENTS**


No directors made comments.

**SHAREHOLDERS' COMMENTS**

Several shareholders made comments.

**ADJOURNMENT**

There being no further business to conduct, Vice President Van Wyk adjourned the meeting at 10:36 a.m. and stated an executive session would follow to discuss member issues.



Attest, Joan Boryta, Secretary  
SEAL BEACH MUTUAL FIVE  
sr/ck: 05-22-2019  
Attachments

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING MAY 15, 2019**

05-15-19 RESOLVED, To ratify adopted and posted Policy 7414.05 – Solar Panel Installation.

RESOLVED, To approve that the *Buying and Selling Handout*, prepared and submitted by GRF, be placed on the Seal Beach Leisure World Website, be submitted to all Real Estate Agents, and included in the new buyer packet.

RESOLVED, To acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, an income and expense statement for the Mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of March 2019.

RESOLVED, To approve the transfer of funds in the amount of \$8,000 from Operating Expenses to Appliance Reserves for water heaters.

RESOLVED, To approve the proposal submitted by J& J Landscaping to remove a tree at Unit 91-A, cost not to exceed \$700 and authorize the Building Inspector to create the work order.

## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>		<b>INSPECTOR: Mike Meza</b>
<b>MUTUAL BOARD MEETING DATE:</b>	<b>MAY, 2019</b>	

### PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	Improvement Values	RECENT INSPECTION	CONTRACTOR
113-C	UNIT REMODEL	BOTH	12/01/19	05/01/19		FOOT/PLUMB 04/22/19	TELEMACHUS FABRICATION
113-C	UNIT REMODEL	BOTH	12/01/18	05/01/19	\$32,000		TELEMACHUS FABRICATION
71-L	DISHWASHER	BOTH	12/07/18	01/04/19	\$925	FINAL 12/27/18	BERGKVIST
71-L	DECO BLOCK WALL	GRF	12/10/18	01/11/19	\$2,025	Final 02/08/19	BERGKVIST
98-H	FLOORING	GRF	12/15/18	01/20/19	\$1,200	FINAL 01/02/19	KARY'S CARPETS
95-H	UNIT REMODEL	BOTH	12/17/18	03/08/19		FRAM,ELEC,PLUM 01/10/19	BERGKVIST
95-H	UNIT REMODEL	BOTH	12/17/18	03/08/19		CHANGE ORDER 04/08/19	BERGKVIST
95-H	UNIT REMODEL	BOTH	12/17/19	03/08/19	\$103,020	FINAL 04/03/19	BERGKVIST
124-L	FLOORING	GRF	12/20/18	01/20/19	\$2,393	FINAL 01/08/19	KARY'S CARPETS
107-B	KIT/REMODEL WINDOWS	BOTH	12/26/18	06/26/19	\$31,000	FINAL 03/26/19	NATIONWIDE PAINTING
71-L	SOLATUBE	BOTH	01/01/19	01/31/19	\$3,117	FINAL 01/08/19	SOLATUBE HOME
109-G	HEAT PUMP	BOTH	01/17/19	04/30/19	\$3,200	FINAL 01/25/19	GREENWOOD
112-E	HEAT PUMP	BOTH	01/24/19	02/24/19	\$10,500	FINAL 01/25/19	ALPINE
124-B	HEAT PUMP	BOTH	01/28/19	03/01/19	\$3,500	FINAL 02/05/19	ALPINE
117-A	WINDOW/DOOR	BOTH	02/04/19	03/29/19	\$7,500	FINAL 03/01/19	MP CONSTRUCTION
93-E	ELECTRICAL PANEL	BOTH	02/06/19	04/06/19	\$1,800	FINAL 02/28/19	MP CONSTRUCTION
124-B	ELECTRICAL PANEL	BOTH	02/06/19	04/06/19	\$1,800	FINAL 02/28/19	MP CONSTRUCTION
108-K	PATIO WORK	BOTH	02/18/19	04/18/19	\$5,120		AC&R CONSTRUCTION
123-I	EZ ACCESS TUB	BOTH	02/19/19	03/19/19	\$1,600	FINAL 02/28/19	NUKOTE
113-E	HEAT PUMP	BOTH	03/12/19	04/12/19	\$6,500	FINAL 04/13/19	ALPINE
70-C	30" STUCCO WALL	GRF	03/15/19	05/15/19	\$2,500	FINAL 04/18/19	NATIONWIDE PAINTING
104-G	DRYWALL / RECESS LIGHT	BOTH	03/15/19	09/15/19	\$5,550		LW DÉCOR
111-E	HEAT PUMP	BOTH	03/18/19	04/30/19	\$3,200	WAITING ON FINAL	HEATWAVE A/C
102-J	FLOORING PATIO	GRF	03/25/19	04/25/19	\$1,500	FINAL 04/01/19	KARY'S CARPETS
121-I	EZ ACCESS TUB	BOTH	03/28/19	04/28/19	\$1,610	FINAL 04/23/19	NUKOTE
95-E	FLOORING	GRF	03/28/19	04/28/19	\$1,400	FINAL 04/08/19	KARY'S CARPETS
112-D	PATIO FLOORING	GRF	04/01/19	04/30/19	\$2,357	FINAL 04/24/19	CARROLL'S CARPET
94-D	WINDOWS	BOTH	04/01/19	04/01/19	\$4,957	FINAL 04/17/19	LAKWOOD GLASS
114-L	FLOORING	GRF	04/01/19	05/30/19	\$895	FINAL 05/08/19	LOS AL BUILDERS
107-L	FLOORING	GRF	04/01/19	05/15/19	\$7,830	FINAL 04/18/19	MICHAEL CARPET
103-C	SHOWER REMODEL	BOTH	04/04/19	05/12/19		ROUGH PLUMBING	LOS AL BUILDERS
103-C	SHOWER REMODEL	BOTH	04/04/19	05/12/19	\$5,460	FINAL 04/19/19	LOS AL BUILDERS
90-I	HEAT PUMP	BOTH	04/08/19	05/08/19	\$4,300	FINAL 04/12/19	ALPINE
117-A	HEAT PUMP	BOTH	04/15/19	07/15/19	\$5,200	FINAL 05/08/19	GREENWOOD
104-B	FLOORING	GRF	04/01/19	04/26/19	\$5,750	FINAL 04/24/19	BIXBY PLAZA
106-D	WINDOWS	BOTH	04/20/19	09/20/19	\$9,500		LW DÉCOR
111-A	WINDOWS	BOTH	04/22/19	05/31/19	\$1,200	FINAL 04/26/19	MP CONSTRUCTION
119-J	WINDOWS	BOTH	05/02/19	06/02/19	\$4,600		SWENMAN
106-K	FLOORING	GRF	05/06/19	06/06/19	\$3,800		GL GUNDERSON CARPET
123-E	FLOORING	GRF	05/06/19	06/10/19	\$4,400		KARY'S CARPETS
105-I	PATIO TILE	GRF	05/15/19	06/30/19	\$2,010		LOS AL BUILDERS
122-E	KITCHEN REMODEL	BOTH	05/27/19	07/12/19	\$36,461		BERGKVIST
102-H	SHOWER CUT DOWN	GRF	05/29/19	06/29/19	10/21/03		NUKOTE

### ESCROW ACTIVITY

Unit #	NMI	PLI	NBO	FI	FCOEI	ROF	ACTIVE, CLOSING, CLOSED
69-A		09/04/18	04/26/19	04/29/19	05/09/19		<b>18    5    8</b>
70-J		07/19/18					
71-G		04/10/19					
72-D		07/10/17					
90-G		02/09/18	06/05/18	06/05/18	06/15/18	07/24/19	
92-H		02/06/19	04/26/19	05/03/19			
93-E		02/06/19	03/26/19	03/26/19	04/05/19	0412/19	

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<b>MUTUAL: (05) FIVE</b>							<b>INSPECTOR: Mike Meza</b>	
<b>MUTUAL BOARD MEETING DATE:</b>		<b>MAY, 2019</b>						
93-I		04/10/19	04/25/19	04/26/19	05/08/19			
95-H		03/29/18	09/25/18	09/26/18	10/08/18	10/26/19		
96-G		11/08/18						
98-H		01/31/19						
99-J		12/20/18	01/29/19	03/01/19	03/13/19	04/04/19		
101-A		11/08/18						
102-J		04/10/19						
103-K		12/05/18	05/08/19	05/10/19				
104-F		11/08/18						
106-D		05/18/18	03/18/19	03/19/19	03/29/19			
107-B		06/07/18	03/11/19	03/18/19	03/28/19	04/18/19		
112-F		09/04/18	02/14/19	02/15/19	03/12/19	04/24/19		
112-K		03/22/19						
114-A		01/31/19	02/22/19	02/25/19	03/06/19	04/04/19		
114-L		03/13/18						
115-C		01/31/19						
121-B		04/04/19						
121-H		09/04/18						
122-E		12/05/18	03/12/19	03/13/19	03/21/19	04/25/19		
122-H		04/10/19						
123-F		03/22/19						
124-B		02/06/19						
124-L		03/22/19						
126-C		04/10/19						

**SHADED AREAS HAVE BEEN SIGNED OFF**

NMI = New Member Inspection   
 PLI = Pre-Listing Inspection   
 NBO = New Buyer Orientation  
FI = Final Inspection   
 FCOEI = Final COE Inspection   
 ROF = Release of Funds

<b>CONTRACTS</b>		
CONTRACTOR		PROJECT
BRIGHT VIEW	NOVEMBER 30th 2020	Landscaping
EMPIRE PIPE	DECEMBER 31st 2019	Sewer Cleanout
FENN	MAY 31st 2020	Insect, and Pest Control
TREE TRIMMING		Complete
		J&J Landscape to Remove Pine Tree 91-A. Apon Boead Approval, See Proposal
ERC INC.	August 2018	Currently on Building 116
CALIFORNIA RE-PIPE SPECIALIST	August 2018	Currently on Building 116
ROXYGEN PAINTING	August 2018	Currently on Building 116
ROOFING STANDARDS	JULY 2019	BLDG 115, 116, 119

## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>	<b>INSPECTOR: Mike Meza</b>
<b>MUTUAL BOARD MEETING DATE: MAY, 2019</b>	

### SPECIAL PROJECTS

	Contractor	Discription of Work
	BA CONSTRUCTION	FIRE INSPECTION WORK ORDERS. BATH FANS.
	SERVICE MAINTENAMCE/BA CONSTRUCTION	CUT END BEAMS PATCH & PRIMER. DRYROT/TERMITE REPAIR
	ROXYGEN PAINT/CRS	TOUCH UP PAINT END BEAMS, DRYROT/TERMITE REPAIRS
	MJ JURADO	INSTALL CONCRETE RADIUS WITH 4 INCH CURB AT SELECTED LOCATION
	M.P CONSTRUCTION	REPLACING ELECTRICAL PANELS

### Calls and Visits to Units

	<b>45</b>	



**Mutual 5 - May 15, 2019**  
**Financial Report**

**Portfolio balance of investment accounts :**

• US Bank Wealth Management	\$917,319.40
• US Bank Interest Earned	\$1,805.61
• Morgan Stanley	\$912,859.68
• MS Interest Earned	\$518.38

**Ending Balances of Designated Accounts Uses:**

• Restricted Reserves	\$81,269.41
• Non-Restricted Reserves	\$135,968.95
• Impound Tax Reserves	\$32,517.73
• Checking Account	\$97,824.22

**Budget Comparison:**

May Actual Mutual Income	\$183,445
May Budget Mutual Income	\$182,114
2019 YTD Actual Income	\$731,917
2019 YTD Budget Income	\$728,452

May Actual Mutual Expense	\$200,931
May Budget Mutual Expense	\$182,114
2019 YTD Actual Expense	\$734,785
2019 YTD Budget Expense	\$728,456

**Highlight Statement of Operations :**

May monthly expense is over monthly income : \$17,486 due to one-time unexpected large expenditure to fixing roof leakage caused by heavy raining season, upgrade electrical panel and heater/fan in bathrooms.

Respectfully submitted,

Debbie Tran - Chief Financial Officer

P.O. Box 2069  
Seal Beach CA 90740

Apr Actual	Apr Budget		2019 Y-T-D Actual	2019 Y-T-D Budget
125,732	125,731	Carrying Charges	502,929	502,924
51,870	51,871	Reserve Funding	207,480	207,484
<b>177,602</b>	<b>177,602</b>	<b>Total Regular Assessments</b>	<b>710,409</b>	<b>710,408</b>
2,939	2,332	Financial Income	13,188	9,328
2,904	2,179	Other Income	8,320	8,716
<b>5,843</b>	<b>4,511</b>	<b>Total Other Income</b>	<b>21,509</b>	<b>18,044</b>
<b>183,445</b>	<b>182,113</b>	<b>Total Mutual Income</b>	<b>731,917</b>	<b>728,452</b>
77,834	77,834	GRF Trust Maintenance Fee	308,281	311,336
14,622	13,712	Utilities	43,052	54,848
880	1,024	Professional Fees	3,454	4,096
0	20	Office Supplies	0	80
43,628	27,168	Outside Services	124,130	108,672
12,097	10,485	Taxes & Insurance	48,388	41,940
51,870	51,871	Contributions to Reserves	207,480	207,484
<b>200,931</b>	<b>182,114</b>	<b>Total Expenses Before Off-Budget</b>	<b>734,785</b>	<b>728,456</b>
<b>(17,486)</b>	<b>(1)</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>(2,867)</b>	<b>(4)</b>
10,153	0	Depreciation Expense	39,164	0
<b>(27,639)</b>	<b>(1)</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>(42,031)</b>	<b>(4)</b>
		<b>Restricted Reserves</b>		
5,365	0	Appliance Reserve Equity	7,298	0
2,431	0	Painting Reserve	274,578	0
0	0	Contingency Operating Equity	50,706	0
11,871	0	Roofing Reserve	505,132	0
0	0	Emergency Reserve Equity	102,283	0
16,840	0	Infrastructure Reserve	326,104	0
<b>36,507</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>1,266,101</b>	<b>0</b>

**MUTUAL OPERATIONS****ADOPT****PHYSICAL PROPERTY****Solar Panel Installation****MUTUAL OPERATIONS****Resident Regulations****Solar Panel Installation – Mutual Five**

California Civil Code section 714, Civil Code section 714.1, Civil Code section 4600, and most importantly, Civil Code section 4746, concern solar panel energy system rooftop installations.

All the Civil Codes noted above taken together, allow that the shareholder has the right to install a rooftop solar energy system “on the roof of the building in which the shareholder resides.” Under Civil Code section 714.1(b)(1).

Therefore, the Shareholder is allowed to have the exclusive use of that portion of the common area roof above their unit without the 67% approval required in Civil Code section 4600.

Architectural Solar panel installation rules, pursuant to Civil Code section 4746.

Any Shareholder applying for architectural approval:

- 1) Must notify each shareholder in his/her building of his/her proposed rooftop installation
- 2) Such Shareholder and each successor shareholder must maintain liability coverage, (\$100,000 liability insurance.) providing the Mutual with the certificate of insurance within 14 days of approval and annually thereafter.
- 3) Installation and removal of any product that penetrates the common area roof, such as solar system support jacks, shall be performed by the roofing contractor that holds the guarantee, at the shareholders expense and requires a Permit from Physical Properties.
- 4) Installation, repairs and removal of the solar system itself, (not the jack) may be done by the solar system contractor, at the shareholders expense.
- 5) Cleaning of the solar system must be done by LW Service Maintenance, a LW approved Handyman or the solar system contractor, at the shareholder’s expense.
- 6) The shareholder and any successor shall be responsible for any damage to the common area roof from: a. the installation, b. repairs, c. cleaning and/or d. removal of the solar panels.

**MUTUAL OPERATIONS****ADOPT****PHYSICAL PROPERTY****Solar Panel Installation**

- 7) The shareholder and any successor are responsible for maintenance and replacement of the panels. Replacement of the solar system itself (not the jack) requires a Permit from Physical Property.
- 8) The shareholder and any successor must restore the common area roof after panel removal. This requires a Permit from Physical Property. Any work that penetrates the roof must be done by the contractor company that holds the warrantee for that roof.
- 9) The shareholder and any successor must disclose the solar panel installation to prospective buyers and all related obligations as set forth above.

DRAFT

**MUTUAL**  
FIVE

**ADOPTION**

**AMENDMENTS**

**MUTUAL OPERATIONS****ADOPT****PHYSICAL PROPERTY****(DRAFT WITH REVISIONS SHOWN)****Solar Panel Installation****MUTUAL OPERATIONS****Resident Regulations****Solar Panel Installation – Mutual Five**

According to California Civil Code section 714, (~~amended~~) Civil Code section 714.1, Civil Code section 4600, and most importantly, Civil Code section 4746, concerning solar panel energy system rooftop installations.

All the Civil Codes noted above taken together, allows that the shareholder has the right to install a rooftop solar energy system “on the roof of the building in which the shareholder resides.” Under (~~amended~~) Civil Code section 714.1(b)(1).

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**MUTUAL OPERATIONS**

**ADOPT**

**PHYSICAL PROPERTY**

**(DRAFT WITH REVISIONS SHOWN)**

**Solar Panel Installation**

- 7) The shareholder and any successor are responsible for maintenance and replacement of the panels. Replacement of the solar system itself (not the jack) requires a Permit from Physical Property.
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DRAFT

**MUTUAL**  
FIVE

**ADOPTION**

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