



## What Are We Paying For?

**Reserve Funding** is the money allotted annually to major projects, repairs and replacements. Some projects are completed in a short period of time. Others, like roofing, take years to complete. They include:

### Roofing Reserves

22 our 41 roofs, (plus 12 carport roofs) remain to be completed by 2026.

### Appliance Reserves

Many refrigerators, stovetops, ovens, washers, dryers, garbage disposals, toilets and much more are replaced annually.

### Painting Reserves

The whole Mutual will be repainted after the roofing is completed, or sooner if possible.

### Infrastructure Reserves

This includes concrete pavement, sewers, walklights, meter cabinet doors, signage, and much more.

CFO Ken Cude has developed a long-range plan timing reserve projects so funding will be available at the right time. Inflation and higher costs make it necessary to frequently readjust this long-range plan.



## this issue

What Are We Paying For?	P.1
A Message From the CFO	P.1
Water Management	P.1
Directors' Corner	P.2
Who You Gonna Call?	P.2
Updates, Reminders and More	P.2

## A Message From CFO Ken Cude

The Budget Committee will meet throughout August to develop a budget for 2022. This budget will be presented and voted on in September and October.

Mutual 5 is faced with some significant water increases:

- Water rates increased this year (May 2021) by 18%
- Water rates will increase again in 2022 by another 12%

Due to a fire in another Mutual that caused a fatality, our insurance rate has increased significantly. The California fires, and the collapse of the Florida condo building that was managed by an HOA, might also impact our insurance premiums.

Most importantly, a major increase in wood product prices will severely impact our future roofing projects. As a result, the Mutual needs to increase the shareholder contribution to Reserve Funding in 2022 and the years to come until 2026, when the long-range roofing plan will be complete. The Budget Committee is committed to the responsible management of our resources.

## New M5 Water Management Policy, and More

As we informed our shareholders last month, the City of Seal Beach has implemented its Mandatory Water Conservation Ordinance, and a City Inspector will be conducting spot inspections in our community. Mutual 5 will have a new policy regarding water use, with a fine attached. Avoid a fine:

- Please do not wash down walkways and sidewalks. Use a broom.
- Please do not water the grass. Our irrigation system is sufficient.
- Never turn on your garden hose and walk away.
- Replace your leaky garden hose and repair your leaky personal irrigation.
- Turn off the faucet while brushing teeth, and take shorter showers.
- Call Service Maintenance to repair leaky plumbing and running toilets.

Due to the high number of policy violations, the Policy Committee is revising the parking, vehicle, caregiver and fine policies in order to improve the quality of life in Mutual 5.



Next Meeting

AUGUST 18  
9 A.M.

## Directors' Corner

### LINDA DeRUNGS

#### President

GREAT news! Mutual 5 has a record number of units sold this year. Welcome to our new shareholders!

### ED MURPHY

#### Vice President

To avoid fines, use water sparingly and wisely, and follow all Mutual 5 rules.

### KEN CUDE

#### CFO

The Finance Committee will be spending many hours creating the 2022 budget.

### GLORIA SHANNON

#### Secretary

Please call me if you need to report a violation. I have the form for you to fill out.

### CONNIE DEADY

#### Landscape Director

Many garden scallops need some attention. Garden edging is a shareholder responsibility.

### WAYNE GOULD

#### Physical Properties Director

Please complete the Emergency Contact update form you received with your newsletter TODAY!

### KEVIN POWELL

#### Laundry Director

Water rates are going up dramatically. It's more important than ever to do full loads to save water BUT not so large you will damage the washer or cause flooding.



## WATER-FRIENDLY GARDENS

Consider planting low-maintenance, colorful, agaves, yuccas, grasses and succulents in your garden. They require less water than daisies, roses, impatiens and other flowers. Do a Google Image search of succulent gardens or drought-resistant gardens to get design ideas you can use to plan your new water-conserving garden. Our landscaper will be glad to help you create your new garden.

## ROOFING UPDATE

The Board rejected a recent bid for our next roofing project and the Physical Properties Committee continues to monitor lumber costs. A new bid will be requested as soon as the prices go down.

## STOVETOP SAFETY

"Stand by your pan" is our motto! Forgetting about a pan on a stove can lead to serious damage, and even fatalities. Make a habit of checking the knobs on your stove when you are in the kitchen, and never walk away while cooking.

## MEMBER RULES OF CONDUCT

In response to numerous incidents of unacceptable shareholder conduct, Mutual 5 is working on a policy based on the recently ratified GRF Member Rules of Conduct. Please be kind and courteous to your neighbors.

## WHO YOU GONNA CALL?

LINDA DeRUNGS 562-666-5476

[lwindaderungs@gmail.com](mailto:lwindaderungs@gmail.com)

ED MURPHY 714-403-9539

[edm92649@gmail.com](mailto:edm92649@gmail.com)

KEN CUDE 562-921-0024

[cudekb@verizon.net](mailto:cudekb@verizon.net)

GLORIA SHANNON 714-313-9831

[lw5secretary@gmail.com](mailto:lw5secretary@gmail.com)

CONNIE DEADY 562-804-5525

[cmdedee@gmail.com](mailto:cmdedee@gmail.com)

WAYNE GOULD 562-794-9346

[capy235@aol.com](mailto:capy235@aol.com)

KEVIN POWELL 562-522-0282

[kbpowell51@verizon.net](mailto:kbpowell51@verizon.net)

## ALWAYS DIAL THE AREA CODE!

Security 562-594-4754

Service Maintenance 562-431-3548

Landscape Hotline 562-804-5525

GRF Switchboard 562-431-6586

Billing Ext. 330

Stock Transfer Ext. 339

M5 Inspector Ext. 397

## COMMUNITY GUIDE

The new GRF COMMUNITY GUIDE will be distributed by the end of September to every household. Mutual Presidents were asked to help proof some of the pages so they got a sneak preview of the publication. It will be full of useful information, and the layout is nicely done.

## BIENNIAL FIRE INSPECTIONS

In September every unit will be inspected by Inspector Mike Meza, accompanied by a Director. During the inspection the duo will be looking for egress violations, checking smoke alarms, and much more. **NEW THIS YEAR:** You must show proof of your household insurance by leaving a recent invoice or the policy on the kitchen counter. The date of your inspection will be posted in advance on your door. You are free to leave or be present during the inspection, which will only take a few minutes.