

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

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

**September 21, 2022**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Five was called to order by President DeRungs on Wednesday, September 21, 2022 at 9:05 a.m. followed by the Pledge of Allegiance led by President DeRungs via Zoom/Video Conference Call and Conference Room B.

**ROLL CALL**

Present: President DeRungs, Vice President Murphy, Chief Financial Officer Cude, Secretary Gardner, Director Gould, Director Powell, and Director Shannon (entered at 9:14 a.m.) (all directors via zoom).

GRF Representative: Mr. Thompson (via zoom)

Guests: One Mutual Five Shareholders (via zoom)  
Three Mutual Five Shareholders (in-person)

Staff: Ms. Miller, Director of Finance  
Mr. Meza, Building Inspector (entered at 9:09 a.m.)  
Ms. Vasquez, Acting Portfolio Specialist  
Ms. Barua, Acting Recording Secretary

**SHAREHOLDER COMMENTS**

Several Mutual Five shareholder made a comment.

**GUEST SPEAKER**

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

RESOLVED to approve the 2023 Operating Budget for Mutual Five of \$1,584,701, resulting in a regular monthly Mutual assessment of \$268.41 per apartment per month, for an increase of \$29.74 per month over the total Mutual operating costs of 2022, as presented, and to adopt the budget forthwith, and to authorize the necessary transfer of funds during the budget year in accordance with the provisions of Civil Code §5502.

The MOTION passed unanimously with ROLL CALL vote.

Following questions, Ms. Miller left the meeting at 9:34 a.m.

**MINUTES**

The Regular Meeting Minutes of August 17, 2022 were approved by general consent of the board to stand as presented.

**GRF REPRESENTATIVE'S REPORT**

GRF Representative Thompson presented his report (attached).

Following questions, Mr. Thompson left the meeting at 9:42 a.m.

**BUILDING INSPECTOR'S REPORT**

Building Inspector Meza presented his report (attached).

Following questions, Mr. Meza left the meeting at 10:04 a.m.

**UNFINISHED BUSINESS**

No Unfinished Business.

**NEW BUSINESS**

Following a discussion and upon a MOTION duly made by Director Gould and seconded by Vice President Murphy, 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 August 2022.

The MOTION passed unanimously with ROLL CALL vote.

**SECRETARY / CORRESPONDENCE**

No correspondence received.

**CHIEF FINANCIAL OFFICER'S REPORT**

Chief Financial Officer Cude presented his report (attached).

**PRESIDENT'S REPORT**

President DeRungs provided an update.

**PORTFOLIO SPECIALIST'S REPORT**

Acting Portfolio Specialist Vasquez presented her report (attached).

**ANNOUNCEMENTS**

**NEXT MEETING:** Wednesday, October 19, 2022, at 9:00 a.m. via Zoom/Video Conference Call and Conference Room B.

**COMMITTEE REPORTS**

Landscape

No report was presented.

Physical Property

No report was presented.

Laundry Rooms/Emergency Information

No report was presented.

**DIRECTORS' COMMENTS**

Several Directors made comments.

**ADJOURNMENT**

President DeRungs adjourned the meeting at 10:36 a.m. and announced that there would be an Executive Session following the meeting to discuss members issues.

**EXECUTIVE SESSION SUMMARY**

The Board met in Executive Session on Wednesday, September 21, 2022, at 10:56 a.m., and took the following actions:

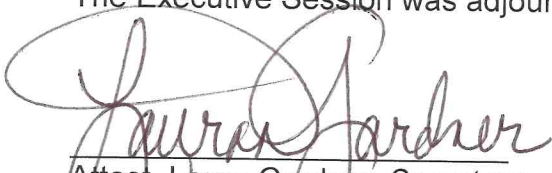
The board approved the Regular Executive Session Minutes of July 20, 2022 and August 17, 2022.

1. Legal Matters
  - a. No legal matter was discussed.
2. Contracts
  - a. One contract was discussed.
3. Assessments / Delinquencies
  - a. Several letters were drafted.
  - b. Several accounts to monitor.
  - c. No accounts were closed.
4. Disciplinary Hearings
  - a. No disciplinary hearing occurred.

**BOARD OF DIRECTORS  
MUTUAL FIVE**

**September 21, 2022**

The Executive Session was adjourned at 12:04 p.m.

A handwritten signature in cursive script, appearing to read "Laura Gardner", written in dark ink. The signature is fluid and somewhat stylized, with a large loop at the beginning.

Attest, Laura Gardner, Secretary  
SEAL BEACH MUTUAL FIVE  
RB/KV 09/21/22  
Attachments

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(05) FIVE** INSPECTOR: **Mike Meza**

MUTUAL BOARD MEETING DATE: **September, 2022**

## PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	Improvement Values	RECENT INSPECTION	CONTRACTOR
117-J	UNIT REMODEL	BOTH	07/05/21	02/20/22	\$135,200	FINAL 04/11/22	JC KRESS
121-G	NEW PATIO	GRF	08/30/21	02/20/22	\$0	FINAL 02/09/22	MP CONSTRUCTION
121-G	UNIT REMODEL	BOTH	08/30/21	01/30/21	\$165,000	FINAL 02/09/22	MP CONSTRUCTION
103-I	KITCHEN REMODEL/WALL	BOTH	11/15/21	01/20/22	\$41,250	FINAL 02/15/22	LOS AL BUILDER
91-F	FLOORING THRU OUT	GRF	12/08/21	01/08/22	\$8,630	FINAL 02/09/22	FAMILY FLOOR
109-E	PATIO FLOORING	GRF	12/13/21	01/30/22	\$875	FINAL 02/03/22	LW DÉCOR
115-J	SOLA TUBE/ WINDOWS	BOTH	12/13/21	03/30/22	\$13,500	FINAL 03/30/22	MP CONSTRUCTION
126-K	HEAT PUMP	BOTH	12/15/21	03/15/22	\$3,800	FINAL 02/09/22	GREENWOOD
117-C	FLOORING	GRF	12/30/21	01/30/22	\$800	FINAL 05/11/22	KARYS CARPET
91-A	CEILING FAN	GRF	01/11/22	01/18/22	\$0	FINAL 02/18/22	BERGIN ELECTRIC
98-D	HEAT PUMP	BOTH	01/19/22	04/19/22	\$4,050	FINAL 03/03/22	GREENWOOD
96-L	ICE MAKER LINE	GRF	01/19/22	01/22/22	\$200	FINAL 05/11/22	OGAN CONSTRUCTION
105-D	RETRACTABLE SCREEN	GRF	01/27/22	02/27/22	\$750	FINAL 02/18/22	NATIONWIDE
117-G	CARPET FLOORING	GRF	01/30/22	03/01/22	\$1,400	FINAL 02/03/22	KARYS CARPET
113-H	PATIO CARPET	GRF	02/01/22	03/01/22	\$1,400	FINAL 02/28/22	KARYS CARPET
115-J	ENTRY DOOR	GRF	02/01/22	05/31/22	\$600	FINAL 07/01/22	LW DÉCOR
120-K	SHOWER CUT DOWN	BOTH	02/07/21	03/07/22	\$2,815	FINAL 03/03/22	NUKOTE
112-D	SHOWER CUT DOWN	BOTH	02/09/21	03/09/22	\$3,695	FINAL 03/04/22	NUKOTE
123-K	UNIT REMODEL	BOTH	02/10/22	08/10/22	\$50,000	FINAL 06/28/22	NATIONWIDE
115-I	HEAT PUMP	BOTH	02/14/22	05/14/22	\$3,800	FINAL 04/05/22	GREENWOOD
108-C	SHOWER CUT DOWN	BOTH	02/14/21	03/14/22	\$2,815	FINAL 05/11/22	NUKOTE
119-J	MICROWAVE	BOTH	02/14/22	02/28/22	\$745	FINAL 03/28/22	OGAN CONSTRUCTION
91-A	WASHER/DRYER FLOORING	BOTH	02/15/22	05/30/22	\$10,550	waiting on contractor	BA CONSTRUCTION
107-E	FLOORING	GRF	02/15/22	03/30/22	\$3,700	FINAL 03/01/22	KARYS CARPET
117-D	WASHER/DRYER FLOORING	BOTH	02/18/22	04/30/22	\$8,080	FINAL 04/11/22	LOS AL BUILDER
109-D	ELECTRICAL OUTLETR	BOTH	02/21/22	05/30/22	\$250	FINAL 07/01/22	MP CONSTRUCTION
102-F	ENTRY WALK WAY	GRF	02/22/22	03/31/22	\$1,025	FINAL 03/31/22	BERGKVIST
115-D	PORCH FLOORING	GRF	02/28/22	03/30/22	\$3,000	FINAL 03/07/22	KARYS CARPET
117-L	FLOORING THRU OUT	GRF	02/28/22	04/30/22	\$7,600	FINAL 04/30/22	KARYS CARPET
93-A	CEILING FAN CUT OUT	GRF	03/05/22	04/05/22	\$750	FINAL 04/05/22	UNIVERSAL ABATEMENT
123-K	UNIT ASBESTOS REMOVAL	GRF	03/08/22	03/31/22	\$3,200	FINAL 03/31/22	SIRRIS ABATEMENT
72-G	PATIO ELECTRICAL OUTLET	BOTH	03/10/22	05/10/22	\$350	FINAL 07/01/22	LW DÉCOR
103-G	KITCHEN REMODEL	BOTH	03/12/22	05/30/22	\$28,540	FINAL 05/17/22	LOS AL BUILDER
111-L	SHOWER VALVE	BOTH	03/10/22	03/17/22	\$1,685	FINAL 03/20/22	A-1 TOTAL SERVICE
103-H	HEAT PUMP	BOTH	03/14/22	06/14/22	\$3,600	FINAL 04/05/22	GREENWOOD
103-H	FLOORING THRU OUT	GRF	03/15/22	04/30/22	\$3,750	FINAL 04/30/22	KARYS CARPET
92-C	HEAT PUMP	BOTH	03/22/22	06/22/22	\$11,123	FINAL 04/05/22	GREENWOOD
103-L	CENTRAL AIR SYSTEM	BOTH	03/25/22	06/25/22	\$7,548	FINAL 06/08/22	GREENWOOD
90-J	HEAT PUMP	BOTH	03/31/22	06/30/22	\$4,100	FINAL 04/11/22	GREENWOOD
110-F	ADDED 3/4 BATH	BOTH	04/01/22	08/31/22	\$15,900		BA CONSTRUCTION
118-D	FLOORING	GRF	04/11/22	05/31/22	\$3,295	FINAL 07/01/22	B&B CARPET
101-K	ADDED SHOWER	BOTH	04/11/22	05/11/22	\$15,104	waiting on contractor	REBORN CABINETS
93-I	PORCH ELECT. OUTLET	BOTH	04/12/22	06/30/21	\$600	FINAL 05/10/22	MP CONSTRUCTION
111-F	FLOORING THRU OUT	GRF	04/20/22	05/20/22	\$8,000	FINAL 04/26/22	KARYS CARPET
115-J	SLIDING DOOR	BOTH	04/20/22	07/30/22	\$2,150	FINAL 06/23/22	LW DÉCOR
125-C	HEAT PUMP	BOTH	04/25/22	07/25/22	\$3,750	FINAL 05/26/22	GREENWOOD
111-F	HEAT PUMP	BOTH	04/28/22	06/15/22	\$9,700	FINAL 05/17/22	SWIFT HEATING & AIR
102-I	COUNTER TOP	BOTH	05/01/22	07/30/22	\$6,000	FINAL 06/27/22	LW DÉCOR
104-B	PATIO FLOORING	GRF	05/01/22	06/01/22	\$3,000	FINAL 05/23/22	KARYS CARPET
109-K	FLOORING THRU OUT	GRF	05/09/22	06/30/22	\$6,390	FINAL 06/30/22	B&B CARPET
122-B	WINDOWS, DOORS, ELEC	BOTH	05/16/22	06/20/22	\$17,130	FINAL 05/25/22	OGAN CONSTRUCTION
112-G	PATIO FLOORING	GRF	05/16/22	07/08/22	\$3,283	FINAL 06/22/22	BERGKVIST
119-J	COUNTER TOP AND SINK	BOTH	05/20/22	06/30/22	\$6,400	FINAL 06/23/22	MP CONSTRUCTION
100-A	KITCHEN REM, WAS/DRYER	BOTH	06/10/22	11/30/22	\$35,500		BA CONSTRUCTION
122-B	FLOORING	GRF	06/15/22	07/15/22	\$4,725	FINAL 06/28/22	KARYS CARPET





## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>		<b>INSPECTOR: Mike Meza</b>					
<b>MUTUAL BOARD MEETING DATE:</b>		<b>September, 2022</b>					
116-K		02/18/22	04/14/22	04/14/22	04/27/22	05/27/22	
116-G		09/17/21	11/03/21	11/03/21	11/18/21		
117-G		02/18/22	03/09/22	03/14/22	3/28/22	05/27/22	
117-L		04/19/22	05/10/22	05/13/22	05/27/22	06/13/22	
118-D		04/26/22	07/01/22	07/11/22	07/25/22	08/11/22	
121-K		01/25/22	02/02/22	02/02/22	02/15/22	03/09/22	
123-K		10/21/21	10/26/21	11/03/21	11/18/21		
124-I		09/06/22					

**SHADED AREAS HAVE BEEN SIGNED OFF**

FI = Final Inspection   FCOEI = Final COE Inspection   ROF = Release of Funds

### CONTRACTS

CONTRACTOR	PROJECT
J&J LANDSCAPE      AUGUST 8th 2025	Landscaping & Irrigation
EMPIRE PIPE      DECEMBER 31st 2022	Annual inspection
FENN      MAY 31st 2023	Pest and rodent control services
ROOFING PROJECT	Buildings 70, 100, 101, 113, 120 Roofing is in process.

### SPECIAL PROJECTS

Contractor	Discription of Work
GRECO	Attic door installations. Pending BOD approval

### SHAREHOLDER AND MUTUAL REQUEST

101-C Ceiling fan issues	Inspect mutual sidewalks
109-F Install water heater access panel	
70-C Basin stoppage	Electrical panel inspection/count (all units)
101-I Inspect porch ceiling fan	
124-A Inspect entry sidewalk	
120-E Follow up with water damage	
94-H Inspect for roof leak	
120-F Meet with shareholders son	
109-K Unit issues	
98-H Porch issues	
118-K Bird nesting in flower pot	





Line No. **AUGUST Highlights:** [Please refer to the Monthly Financial Statement (MFS) for more details and page Nos.]

1 For the month of August, Mutual 5 was over budget with Excess Expenses of (\$5,927). For the year to date, Mutual 5 is in a favorable financial position (under budget) with excess income of \$8,613 as shown on page 5 of the MFS. This reflects the GRF refund received in April of **\$16,270** of excess income for the year 2021 (page 3 of MFS).

2 The main reason for the over-budget is a combination of operating expenses being over-budget by (\$2,818) and operating income being less than expected by (\$3,104). Maintenance Replacements, was below the average for the year at \$4,291, leaving a Reserve Fund balance of **\$24,690.47** (page 9 of MFS). Our goal is to have a balance of at least **\$42,341** at year end to lead into to the 2023 Budget. All of the Reserve Accounts and the SRO Reports are monitored very closely each month for budget performance.

Water expenses are under budget by \$1,517 for the month and over budget (\$3,375) for YTD. Water cost for August went down 20.4% from July. **Water conservation efforts in LW appear to be working to our benefit!**

**We all need to do our part by continuing to use water SUPER efficiently.  
Please Use Water Wisely! The More WATER We Save, The More MONEY We Save!**

3 Investment Portfolio: please see page 19 (hand written number at the bottom of page) of the MFS to see how the reserve Funds are invested. All of our available cash are in money-market accounts with a 0.005% interest rate.

**ENDING BALANCE BANK ACCOUNTS**

4	RESTRICTED RESERVES (acct ending...9690)	1,656,667.33
5	NON-RESTRICTED RESERVES (acct ending...3364)	324,846.39
6	CHECKING ACCOUNT (acct ending...3181) adjusted for outstanding checks	38,743.32

**ENDING BALANCE OF MAJOR RESERVES**

Types	Ending Balance	S/H Contribution		MFS Page No.
		Monthly	per unit	
7 ROOFING <i>After Project Commitments for 2022 ReRoofs</i>	459,427.29	44,317.50	90.08	12
8 APPLIANCES	24,690.47	4,758.08	9.67	9
9 PAINTING	315,517.60	686.67	1.40	10
10 INFRASTRUCTURE	190,080.56	13,795.83	28.04	16
11 CONTINENCY OPERATING FUNDS	65,519.68	-	-	11
12 EMERGENCY RESERVES	84,232.09	-	-	14
	1,139,467.69	63,558.08	129.18	

**INCOME AND EXPENSES**

	From Monthly Financial Statement Pages 4, 5, 20	August Actual	August Budget	August Variance	2022 YTD Actual	2022 YTD Budget	MFS Page No.
13	MUTUAL TOTAL INCOME	206,669	209,776	(3,107)	1,673,450	1,678,208	5, 20
14	CONTRIBUTION TO RESERVES	63,558	63,559	(1)	508,465	508,472	4, 5, 20
15	EXPENSES *	64,399	61,581	(2,818)	495,531	492,648	4
16	EXCESS INCOME over(under) EXPENSES	(5,927)			8,613		5, 20

\* Operating Expenses Do Not include reserve funded projects or GRF Carrying Charges Transfer.

# 2

## CONCRETE PROJECTS - (Jurado or SM or JJ) 2022

8/31/2022

Line #	Date of Work	Location	Project Cost	Date of Payments	Remarks
16					
17	Dec. 2021	Carports 60, 61,62,63 - Pavement	121,275.00	11/17/21	1/12/22 (2nd payment)
18	Dec. 2021	Carport 63 Change Order - Pavement	5,643.75	1/12/22	
19	Mar. 2022	Concrete Walks: Bldgs. 102 to 112 *	96,055.00	6/6/22	Also Includes Bldgs. 108,109,110,111
20	Sept 2022	Concrete Walks: Bldg. 100F *	11,682.00	9/14/22	
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33			* Infrastructure Reserves for Concrete Walks/Drains for 2022		
34		Total to Date:	<b>107,737.00</b>	2022 Budget: \$100,000; \$7,737 charged to 2023 Budget	

	Fees Collected	Monthly Budget	Aug '22	Jul '22	Jun '22	May '22	Apr '22	Mar '21	Feb '22	Jan '22
35	Buyer's Premium	2,500	1,500	750	3,000	3,000	3,000	3,750	2,250	2,250
36	Inspection Fees	4,700	2,400	4,800	3,600	3,600	3,600	1,200	6,000	2,400
37	Transfer Fee		250							

### ROOFING PROJECTS 2020 Budget Year (Construction in February- March, 2021)

	Building No. and Type	Roof Type	Roof SQ	Cost (\$) per SQ	Contract Cost (\$)
38	69 2 Bedroom	Low Slope	153	798	122,094
39	71 Laundry Room - 2 Bedrooms	Low Slope	158	798	126,084
40	99 1 and 2 Bedrooms	Low Slope	123	798	98,154
41	102 Laundry Room - 2 Bedrooms	Low Slope	158	840	132,720
42	TOTAL				479,052

Avg Cost/Apt = \$9,980

### ROOFING PROJECTS 2021 and 22 Budget Year (Start date: September 13, 2022 | Finish 11-6-22)

	Building No. and Type	Roof Type	Roof SQ	Cost (\$) per SQ	Contract Cost (\$)
44	113 2 Bedrooms (5) (Order of construction)	Low Slope	153	941	143,973
45	120 1 and 2 Bedrooms (3)	Low Slope	123	941	115,743
46	100 2 Bedrooms (4)	Low Slope	153	941	143,973
47	101 2 Bedrooms (2)	Low Slope	153	941	143,973
48	70 2 Bedrooms (1)	Low Slope	153	941	143,973
49	TOTAL			11,527.25	691,635

Avg Cost/Apt = \$11,527

Increase in cost/apt from 2020 to 2022 = 17.9%

# SUMMARY FOR REFERENCE—2022 OPERATING BUDGET

Line #

- 50 **EXPECTED MONTHLY M5 HOA Income: \$117,425.64** (\$238.67/month X 492 UNITS)
- 51 **M5 HOA Cost per month per unit \$238.67** (increase of \$12.43) for year 2022
- 52 **GRF HOA Cost per month per unit \$172.03** (increase of \$6.98) for year 2022

## 2022 OPERATING BUDGET

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2021 to 2022
53 <b>OPERATING EXPENSES</b>	125.16	738,945	38,915
54 <b>OPERATING INCOME</b>	15.67	92,515	23,498
55 <b>NET OPERATING COST</b>	109.49	646,430	34,480
56 <b>RESERVE FUNDING</b>	129.18	762,697	38,915

## 2022 RESERVE FUNDING DISTRIBUTION

	Project	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total Dollar Change
				Per Unit per Month
				From 2021 to 2022
57	<b>APPLIANCE</b>	9.67	57,097	(2.25)
58	<b>PAINTING</b>	1.40	8,240	1.40
59	<b>ROOFING</b>	90.08	531,810	2.63
60	<b>INFRASTRUCTURE</b>	28.04	165,550	6.18
61	TOTAL	129.18	762,697	6.59

\*See Appendix B of M5 Budget

## 2022 LANDSCAPING BUDGET

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2021 to 2022
62 <b>LANDSCAPE-CONTRACT</b>	29.70	175,349	5,432
63 <b>LANDSCAPE-EXTRAS</b>	3.39	20,015	(59)
64 <b>LANDSCAPE-TREES</b>	3.05	18,007	0
65 TOTAL	36.14	213,371	5,373

## 2022 SERVICE REQUEST ORDERS (SRO) BUDGET

	Average Monthly per Unit	Yearly Total for 492 Units	Total Dollar Change From 2021 to 2022
66 <b>STANDARD SERVICE</b>	\$18.12	\$106,980	\$3,955

P.O. Box 2069  
Seal Beach CA 90740

Aug Actual	Aug Budget		2022 Y-T-D Actual	2022 Y-T-D Budget
138,506	138,508	Carrying Charges	1,108,051	1,108,064
63,558	63,559	Reserve Funding	508,465	508,472
<b>202,064</b>	<b>202,067</b>	<b>Total Regular Assessments</b>	<b>1,616,515</b>	<b>1,616,536</b>
156	54	Financial Income	926	432
4,449	7,655	Other Income	56,009	61,240
<b>4,605</b>	<b>7,709</b>	<b>Total Other Income</b>	<b>56,935</b>	<b>61,672</b>
<b>206,669</b>	<b>209,776</b>	<b>Total Mutual Income</b>	<b>1,673,450</b>	<b>1,678,208</b>
84,639	84,639	GRF Trust Maintenance Fee	660,842	677,112
14,295	15,267	Utilities	128,279	122,136
1,112	694	Professional Fees	15,180	5,552
70	84	Office Supplies	279	672
32,889	31,341	Outside Services	223,094	250,728
16,034	14,195	Taxes & Insurance	128,698	113,560
63,558	63,559	Contributions to Reserves	508,465	508,472
<b>212,596</b>	<b>209,779</b>	<b>Total Expenses Before Off-Budget</b>	<b>1,664,837</b>	<b>1,678,232</b>
<b>(5,927)</b>	<b>(3)</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>8,613</b>	<b>(24)</b>
14,073	0	Depreciation Expense	111,462	0
<b>(20,000)</b>	<b>(3)</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>(102,849)</b>	<b>(24)</b>
		<b>Restricted Reserves</b>		
467	0	Appliance Reserve Equity	24,690	0
687	0	Painting Reserve	315,518	0
44,814	0	Contingency Operating Equity	65,520	0
44,318	0	Roofing Reserve	459,427	0
15,407	0	Emergency Reserve Equity	84,232	0
5,796	0	Infrastructure Reserve	190,081	0
<b>111,487</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>1,139,468</b>	<b>0</b>

The Golden Rain Foundation provides an enhanced quality of life for our active adult community of Seal Beach Leisure World.



August 23, 2022

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Approved Consent Agenda

MOVED and approved the consent agenda included the Minutes of the Recreation Committee Meeting of May 2, 2022 • Minutes of the Physical Property Committee Meeting of May 4, 2022 • Minutes of the GRF Administration Committee Meeting of May 5, 2022 • Minutes of the Communication/IT Committee Meeting of May 12, 2022 • Minutes of the Strategic Planning Ad Hoc Committee Meeting of May 18, 2022 • Special GRF Election Minutes from August 8, 2022 • GRF Board of Directors Minutes of August 23, 2022 • The acceptance of the Financial Statements, July 2022, for Audit • The approval of the Capital Improvement Funds Investment Purchase • Approval of Reinstating Paid Holiday.

GRF Administration Committee – Reinstatement of Paid Holiday

MOVED to approve the reinstatement of the day after Thanksgiving as a paid holiday, bringing the observed employee holidays from ten (10) days to eleven (11).

GRF Administration Committee - Reserve Funding Request – Administration Building Office Modifications

MOVED to approve Reserve Funds for the modifications as described above, at a cost not to exceed \$52,314, and authorize the President sign the needed contracts.

GRF Administration Committee - FINAL VOTE: Amend 30-5093-1, Authorized Resident Rules of Conduct

MOVED to ratify 30-5093-1, Authorized Resident Rules of Conduct, adding Theft of any Trust Property and Egregious behavior of any kind, to prohibited behaviors.

Recreation Committee - TENTATIVE VOTE: Adopt 70-1500-1, Woodshop Rules

MOVED to adopt 70-1500-1, Woodshop Rules as presented, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on October 25, 2022.

Recreation Committee - FINAL VOTE: Adopt 70-1487-1B, Recreational Vehicle Lot (RVL) – Rules and Regulations

MOVED to ratify 70-1487-1B, Recreational Vehicle Lot (RVL) - Rules and Regulations as presented.

Recreation Committee - FINAL VOTE: Amend 70-1487-2, Recreational Vehicle Lot (RVL) – Schedule of Fees and Monetary Fines

MOVED to ratify policy 70-1487-2, Recreational Vehicle Lot (RVL)- Schedule of Fees and Monetary Fines, updating Fee and document language as presented.



### July 28, 2022, GRF Administration Committee

- MOVED to recommend the GRF Board approve Reserve Funds for the modifications, at a cost not to exceed \$53,025, after review by the Finance Committee.

### August 1, 2022, Recreation Committee

- CONCURRED by the Committee to request "No Alcohol" sign be changed in the game room.
- CONCURRED by the Committee to approve the purchase of two picnic tables and two trash cans for the non-reservation picnic area at Clubhouse 1, not to exceed \$3,000, Capital Funding.
- CONCURRED by Committee to request an update on replacing of the broken umbrella at the main entrance.
- CONCURRED by Committee to request information to use reclaimed water to clean pickleball courts
- CONCURRED by Committee to fund grab bars in pool showers, Operation Funding.
- CONCURRED by Committee to request scheduling of electronic keyboard training for clubs.
- CONCURRED by Committee to request the Physical Property Committee resend fans for dance rooms.
- CONCURRED by Committee to request a report on the acoustics in Clubhouse 3, Room 9.
- CONCURRED by Committee to request the Strategic Planning Committee examine other opportunities for revenue.
- CONCURRED by Committee to request researching the cost for a new movie night projector.
  
- CONCURRED by Committee to permanently allow shareholder/members to bring minor children to game room.
- CONCURRED by the Committee to request Physical Property review the installation of a ramp by the amphitheater stage.
- CONCURRED by the Committee to request the Layout and Cost Requirement form be sent to Communication Committee for update.
- Concurred by the Committee to convene a work study in September regarding the Clubhouse Three Kitchen.

### **August 2, 2022, IT Committee**

- No Action/Request at this time.

### **August 3, 2022, Physical Properties Committee**

- MOVED to transfer the contract to Pacific 3 Electric, Inc, for the Clubhouse One Woodshop not to exceed the already approved amount of \$70,000 to the previous contractor and to authorize the President to sign the contract.
- The Committee discussed the Reduce 1.8-acre Trash Bin Cost. With the Committee's approval, the access hours will now be from at 9:00 a.m. – 5:00 p.m. and closed on Sundays. The Committee requested the Physical Property Manager immediately inform all contractors in writing of the rules for using the 1.8-acre dumpsters.

The Committee also agreed to provide information on the identified thrift store and junk hauler to the GRF Resource Liaison and on flyers at the 1.8-acre.

The Committee forwarded a request to the GRF Administration Committee to review establishing two part-time of 1.8-acre attendants.

- CONCURRED by the Committee to have a Concrete Driveway Estimate on Trust Property at Carports and requested the Physical Property Management include related costs into the associated Reserve Study in lieu of asphalt.

### **August 8, 2022, Mutual Administration Committee**

- MOVED and approve to recommend the Finance Committee accept the 2023 proposed Operating Budget for Cost Center 545 (Mutual Administration), as presented.
- MOVED and approve to recommend the Finance Committee accept the 2023 proposed Operating Budget for Cost Center 533 (Stock Transfer), as presented.
- MOVED and approve to recommend the Finance Committee the 2023 proposed Operating Budget for Cost Center 574 (Service Maintenance), as accepted.
- MOVED and approve the use of the updated Guest and Service Passes for 2023. Funds to come from Stock Transfer Cost Center GL Code 6410033-533.
- CONCURRED by the Committee to schedule a work study to review 50-5165-3, Mutual Administration & Service Maintenance Committee Charter.

### **August 11, 2022, Communications Committee**

- No Action/Request at this time.

### **August 12, 2022, Architectural Design Review Committee**

- CONCURRED by Committee to plant Kangaroo Paws, Polygata Virgata, Festival Grass, and Society Garlic at the Globe at a cost not to exceed \$12,410 to include labor and materials and to move this item for Board approval.

- CONCURRED by the Committee to purchase Arizona River Rocks at a cost not to exceed \$7,000 and to send this item for Board approval. Total cost of the Planting at the Globe is not to exceed the total of \$38,910.
- CONCURRED by the Committee to have J&J Landscape replace the flowers in the Circle with Golden Star Esperanza plants for the cost of \$6,500 and for the total cost of the Planting at the Globe not to exceed \$38,910.
- MOVED and approve to recommend the Finance Committee adopt the ADRC 2023 Budget Report.

#### **August 15, 2022, Finance Committee**

- MOVED and approved to raise the SRO to \$50 for 2023.
- MOVED to accept for audit and forward to the GRF Board the interim financial statements for the period ending July 31, 2022, as presented by the Director of Finance, and as reviewed by the Finance Committee.
- MOVED and recommend the Board to purchase brokered CDs through US Bancorp totaling \$300,000 of capital funds, with terms ranging from six (6) to eighteen (18) months at the prevailing interest rates at the time of purchase and at the discretion of the financial advisor.
- MOVED to inform the Board that the Finance Committee has determined Reserve Funding in the amount of \$48,285, is available and have placed a temporary hold, pending Board action for the modification at Stock Transfer and Administration, not to exceed \$48,285.

## Financial Recap – July 2022

As of the seven-month period ended July 2022, the draft financial reports indicate that GRF is in a favorable financial position with a surplus of \$488,141.

Major variances are:

Wages, Taxes & Benefits	\$480,841	Favorable: Wages \$280K; P/R Taxes \$28K; Workers' Comp \$31K; 401(k) ER Match \$32K; Group Ins \$110K; average FTE < budget by 20.0 FTEs
Employee Related Expenses	(230,087)	Unfavorable: Agency fees \$223K; Recruiting \$30K
Professional Fees	(48,295)	Unfavorable: System security monitoring
Facilities Maintenance	86,938	Favorable: Less YTD maintenance than planned; Janitorial contract renegotiated for less.
Community Entertainment	64,146	Favorable: Community events deferred due to COVID-19
Publication Printing	54,515	Favorable: Lower pricing due to change in printing company; less pages in newspaper due to COVID impacts.
Property & Liability Insurance	56,829	Favorable: Actual premiums less than budgeted
Certificate Preparation Income	40,187	Favorable: More unit sales than planned
Interest Income	24,501	Favorable: Increase in interest received on investments
News Advertising	36,466	Favorable: Display ads greater than budgeted
SRO Labor Cost Recovery	(119,447)	Unfavorable: Less billable hours than budgeted

	<b>Fund Balance</b>	<b>Allocated For Current Projects</b>	<b>Allocated For Future Projects</b>	<b>For details, see page</b>
<b>Reserve Funds</b>				
Repairs & Replacements	\$12,280,800	\$2,934,653	\$9,346,147	7

	<b>Fund Balance</b>	<b>Allocated Funds</b>	<b>Unallocated Funds</b>	<b>For details, see page</b>
<b>Capital Funds</b>				
Capital Improvements	\$2,927,832	\$468,472	\$2,459,360	8

Total year-to-date approved unbudgeted operating expenses are \$423,283.

# Portfolio Specialist's Report

## September 2022

### Coyote Safety



**Coyotes in populated areas are typically less fearful of people. They have been known to attack pets and approach people too closely.**

Coyotes are skilled hunters; we must be strong, motivated, and most importantly, **proactive**.

But what does being proactive mean?

- We must continue to haze the coyote. **DO NOT** turn your back and run. By running you are seen as prey. **Become BIG!** Wave your arms, scream, throw rocks, etc.
- We must not feed wildlife. Bird feeders on your property will attract rats, squirrels, and rabbits which will attract coyotes to your home.
- We must keep food and trash off our patios.
- We must protect our pets.

Small pets can easily become coyote prey. Cats and small dogs **should never be allowed outside alone**. It's highly recommended that small pets always be accompanied by their owner and dogs must be on a 6 foot leash. Do not use a retractable leash. Your pet can get too far away from you with a retractable leash. One may want to see their dog scamper around on a long retractable leash, but that is only placing the pet in harm's way and is a violation of policy.

Long Beach Animal Care Services recommends calling them at (562) 570-7387 (PETS) to report all coyote sightings and to determine if an Animal Control Officer is needed. Sightings can also be reported online using the link below:

<https://www.longbeach.gov/acs/wildlife/living-with-urban-coyote>

**IF A COYOTE IS POSING AN IMMINENT THREAT TO LIFE, CALL 911.**



# GRF & Mutual Board Director Training Seminar

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**Date:** October 11, 2022



**Location:** Clubhouse 4



**Time:** 10 a.m.-3 p.m.  
(Lunch will be provided)

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To RSVP, please contact Ripa Barua at (562) 431-6586, ext. 329  
or email : [ripab@lwsb.com](mailto:ripab@lwsb.com)