

**MINUTES OF THE ANNUAL SHAREHOLDERS' MEETING
SEAL BEACH MUTUAL FIVE
JUNE 14, 2022**

The Annual Meeting of the Shareholders of Seal Beach Mutual Five, a California corporation, was called to order by President DeRungs at 10:01 a.m. on Tuesday, June 14, 2022, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Susan Trembly led the *Pledge of Allegiance*.

QUORUM

President DeRungs advised that a quorum was present, either in person or by ballot, and she declared the meeting officially in session.

CERTIFICATION OF NOTICE OF MEETING

Secretary Laura Gardner read the Certification Notice:

I, Laura Gardner, Secretary for Seal Beach Mutual No. Five, hereby certify that the Notice of Stockholders' Meeting and Ballots were mailed in accordance with Article IV, Section 4, of the Bylaws of said Corporation to all subscribers of common stock as of May 12, 2022.

INTRODUCTION OF CANDIDATES

The 2022–2024 candidates were introduced as follows:

Kenneth “Ken” Cude (Incumbent)
Edward “Ed” Murphy (Incumbent)
Kevin Powell (Incumbent)
Gloria Shannon (Incumbent)

CLOSING OF NOMINATIONS

President DeRungs called for nominations from the floor. There being no further nominations, President DeRungs requested a motion to close the nominations.

Upon a MOTION duly made by Howard Brass of Unit 94A and seconded by Pauline Marino of Unit 105G, it was

RESOLVED, That the nominations be closed.

The MOTION passed.

BALLOTING

Ms. Lynn Colclough from Accurate Voting Services thanked the Mutual for the opportunity to provide this election procedure for the Mutual. They are the outside independent election service company that was selected to create the ballot, mail the ballot to the shareholders, and receive the return ballots to be opened today to determine Mutual Five new Directors.

President DeRungs announced that the voting was now closed. She announced that shareholders are welcome to observe the counting process on the monitors.

POSTING RESULTS

President DeRungs stated that within 15-days of the election, the Board will publicize the results of the election in a communication directed to all shareholders. Results of this election will be posted on the main doors of all the clubhouses upon completion on the final tally of ballots.

MINUTES

President DeRungs asked for a motion to dispense with reading the minutes of the last Annual Shareholders' Meeting held on June 8, 2021 and that they be approved as printed and distributed.

Upon a MOTION duly made by Carol Martin of Unit 99K, and seconded by John Shields of Unit 126B, it was

RESOLVED, That the Annual Shareholders' Meeting minutes of June 8, 2021 be approved as printed and distributed.

The MOTION passed.

INTRODUCTION OF CURRENT BOARD MEMBERS AND GUESTS

President DeRungs introduced the current 2021-2022 Board members:

Linda DeRungs, President

Gloria Shannon, Director

Ed Murphy, Vice President

Wayne Gould, Director

Ken Cude, Chief Financial Officer

Kevin Powell, Director

Laura Gardner, Secretary

President DeRungs then introduced the Golden Rain Foundation Representative, William Thompson; Portfolio Specialist Barua; and Mutual Recording Secretary Vasquez.

PRESIDENT'S REPORT

President DeRungs presented her report (attached).

VICE PRESIDENT'S REPORT

Vice President Murphy presented his report (attached).

SECRETARY'S REPORT

Secretary Gardner presented a verbal report.

CHIEF FINANCIAL OFFICER'S REPORT

Chief Financial Officer Cude presented his report (attached).

DIRECTORS' REPORTS

Director Gould presented his report (attached).

GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT

GRF Representative Thompson presented his report (attached).

MUTUAL ADMINISTRATION DEPARTMENT'S REPORT

Recording Secretary Vasquez presented Mutual Administration Report (attached).

ELECTION RESULTS

Accurate Voting Services, Inc., reported the following results of the election to the shareholders present. With 221 members representing 44% of the total voting power in Seal Beach Mutual No. Five the following candidates were elected for the 2022-2024 term of office. Kenneth "Ken" Cude elected with 193 votes, for a two-year term; Edward "Ed" Murphy elected with 195 votes, for a two-year term; Kevin Powell elected with 193 votes, for a two-year term and Gloria Shannon elected with 183 votes, for a two-year term.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 10:51 a.m.

**ANNUAL SHAREHOLDERS' MEETING
SEAL BEACH MUTUAL FIVE**

JUNE 14, 2022

Ed Murphy for Laura Gardner

Attest, Laura Gardner, Secretary

SEAL BEACH MUTUAL FIVE

KV: 06/14/2022

Attachments

A Message from the President, June 14, 2022

This past year, the diminishing COVID pandemic has brought greater hope and significant achievements in making Mutual 5 an even better place to live.

In 2021, Mutual 5 proved to be the most popular mutual, at least according to sales. Forty-two units changed hands during 2021, surpassing any sales during at least the past 10 years. The reason may be that Mutual 5 remains one of the most moderately priced locations in Leisure World, which remains an oasis of affordable living in Southern California. Our assessment ranks fifth lowest of the community's 16 mutuals.

What do you and your newest neighbors see for that low assessment?

In the past 18 months, you've found yourself walking on 135 thousand dollars worth of new concrete. During your walks you'll notice shiny white meter cabinets replacing the peeling plywood ones. You'll stroll past new shareholder patios and seating areas, as well as expanded private gardens. You may also notice the additions to the public butterfly gardens near buildings 91 and 107, whose drought-resistant plants are slowly growing to maturity. By September, your walk will take you past 60 more units with new roofs.

We have made remarkable progress in replenishing our reserve accounts, the money we set aside to pay for expected future repairs for roofs, concrete, painting, and appliances. In the past 18 months, Mutual 5 has increased the funded proportion of our 30-year reserves from 22 percent to 33 percent. By 2025, we project the reserves will be funded at nearly 50 percent, well into the safety zone.

During the past few months, we've encountered bits of evidence that our caution and foresight was financially wise. We've been experiencing more walk-light outages. During our concrete work, we routinely replace the walk-light wiring, and we annually inspect sewers with video footage, replacing those sections that are compromised.

While we look forward to the coming year, we recognize that it comes with challenges. The 10-foot wall around Leisure World does not isolate us from the financial turmoil in the world today. GRF faces severe difficulties in finding refrigerators, cooktops and ovens, and the increased price of these appliances is three or four times the rate of inflation. It's the same situation for exhaust fans and washers and dryers.

However, recognize that you have a hard working, highly effective board of directors to solve those new challenges. Vice president Ed Murphy, chair of the policies committee, shepherded major new policies on parking and vehicle usage through the ratification process. Secretary Laura Gardner filled the secretary's position on very short notice and has brought technical skills and energy to the board. CFO Ken Cude is one of the best money managers in Leisure World. The intelligence and detail he communicates through his reports continue to amaze the board. Director Wayne Gould, our physical properties chair, has guided the board through some difficult decisions that help preserve our infrastructure. Our new landscape chair Gloria Shannon is doing an excellent job of identifying and addressing problems, working with our landscaping company, and keeping Mutual 5 beautiful. And Director Kevin Powell, despite a series of health challenges this year, continues to offer close oversight of the Mutual's seventeen laundry rooms.

I'd also like to offer my gratitude and admiration for Mutual 5's building inspector, Michael Meza, and our landscaping contractor, Jose Anguiano. Both Michel and Jose apply their years of experience every single day to make the Mutual look better and function better. I call on them daily to help me function better as well.

Finally, I'd like to thank the shareholders of Mutual 5 whose cooperation and support are so necessary to living in a cooperative community such as ours. I look forward to your help in making Mutual 5 even better in the coming year.

V.P. REPORT 2022

The past twelve months have been a very productive time for this board. I'm happy to say much was accomplished through persistence, due diligence and cooperation.

We are blessed with a president in Linda DeRungs who has made the management of Mutual 5 a full time job. She has kept the board on a track of continuous improvement, always looking for ways to make our mutual a better place to live while keeping our costs in line.

Gloria Shannon spent most of the year performing the myriad of tasks involved in the Secretary's position, keeping the board supplied with the numerous reports required, while also keeping an eye on our carports and parking situations.

Laura Gardner graciously agreed to join the board to replace Connie Deedee, picking up where Gloria left off as secretary so Gloria could replace Connie as the Landscape chair. Laura has been a real asset to the board in filling the secretary position.

Wayne Gould is an invaluable asset to our board, and not just as Physical Properties Director. Wayne's years of experience on the Mutual 5 and GRF Boards provide much needed wisdom in the myriad of decisions we must make.

Kevin Powell does an amazing job of managing all of our laundry rooms, minimizing the machine downtime and coordinating service with the GRF Maintenance dep't.

Ken Cude is a master at taking all the budget and expense figures this board needs to work with, and putting them in formats we can all understand, allowing us to make much more informed decisions regarding the management of the shareholders money.

I have learned a great deal from working with each member of this board, and look forward to putting that knowledge to use for another term.

Chief Financial Officer (CFO) Report Annual Meeting June 14, 2022

The Mutual 5 Bylaws, Article VI, Section 7 (www.lwsbmutual05.com), states that the CFO is responsible for the oversight of the Mutual financial accounts for all receipts and disbursements in the books of the Mutual 5 Corporation. This covers the Operating Budget and Reserve Funds, and both are included in the overall Annual Budget (Budget). The third major part of the Budget is the GRF Management costs. For the 2022 Budget the three major components are broken down as follows:

1. Golden Rain Foundation (GRF) Management Fee	\$1,015,665		41.9%
2. Mutual Operating Budget	646,430	45.9%	26.6%
3. Annual Contribution to Capital Reserves	762,697	54.1%	31.5%
	\$2,424,792	100.0%	100.0%

The 2023 Budget process will commence in late July with a GRF Finance Training meeting and conclude in September when the new Budget will be presented to the Board for review, shareholder input and tentative approval. The final approval has historically occurred in October.

A major part of the Budget process is the Annual Reserve Study as required by the Davis-Stirling Act (California Civil Code Section 5550) and is prepared by Association Reserves, Inc., Orange County. We have provided input for the new Study and expect the new 2023 Report to be here by the first week in August when the Budget Committee will start working on the 2023 Budget.

The monthly assessment (often referred to as the carrying charge) paid each month by shareholders provide funds to pay Mutual operating expenses such as water, trash, and electricity; legal services fees, landscaping services, minor building repairs and painting, and Standard Services such as appliance and plumbing repairs and replacements. Funds are placed into the Reserve Fund accounts for future major replacement projects like sewer repairs, painting the buildings, re-roofing the buildings, and repairing and replacing concrete sidewalks, concrete carport pavement and the Mutual's walk light system. The Mutual in 2019 completed the \$1.5 million fresh water re-piping project of all Mutual buildings. In December 2021, the Mutual completed the final carport concrete pavement project. All carport pavement is now concrete. We are on schedule to complete the roof replacement project by 2026.

The Finance Committee (CFO Cude, President DeRungs, Vice President Murphy, and Shareholder Steve Schneider) along with the full Board are committed to responsibly maintaining our units and our quality of life while avoiding unnecessary costs. This requires good planning, good management and continuous attention to expenses and details. The 2023 Budget carrying charge will reflect the Committee and Board's best efforts in estimating the income and expense levels next year.

The 2021 Financial Statements Audit Report prepared by Mutual Auditor CliftonLarsonAllen LLP, showed Occupancy Income from regular assessments were \$2,310,176; of that \$723,782 were set aside for Reserves, leaving \$1,586,394 for operations. Other income of \$96,871 increased the total amount available for operations to \$1,683,265. Operating expenses were \$1,618,451 (including \$935,430 for GRF's share of the carrying charge). Subtraction of expenses from income left a surplus of \$64,814 for the year. It is expected the Board will transfer the excess income into the Reserve Fund to help pay for future project expenses. The Audit Report included the following statement by Auditor CliftonLarsonAllen, "In our opinion, the financial statements referred to above

present fairly, in all material respects, the financial position of Seal Beach Mutual No. Five as of December 31, 2021, and the results of its operation and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.” This is a high-level finding issued by this Auditor firms.

The Mutual's 2022 Operating Budget is in decent shape at mid-year; however, the Mutual Reserve Fund is at the 30% funded level, up from 21.4% in 2021. A 30% level is the brake point between a Weak and Fair funding level. The Mutual Budget Committee meetings starting in August will address the appropriate Reserve Funding level for the Mutual for the coming years.

Thank you to the GRF Finance Department, Carolyn Miller, Barbara Shuler, Diane Schultze, and all the other staff members for their invaluable efforts, help and guidance throughout the year.

Ken Cude, CFO and Chair Finance Committee and Budget Committee

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

- 1 For the month of May, Mutual 5 was over budget with Excess Expenses of (\$6,689) because of an unusual occurrence of stable income but higher than usual expenses in Water Usage, Landscape Extras, and Structural Repairs. Fortunately, for year to date, Mutual 5 is in a favorable financial position (under budget) with **excess income of \$24,078** as shown on page 5 of the **MFS**. This includes the GRF refund received in April of **\$16,270** of excess income for the year 2021 (page 3 of **MFS**).
- 2 The three over-budget expense items: Electricity, Legal Fees and Property and Liability Insurance are still on track to even out at the end of the Budget year. And, the other over-budget account, Maintenance Replacements, is now starting to come back to normal. All of the Reserve Accounts and the SRO list will continue to be monitored very closely each month for budget performance.
Water expenses are over budget by (\$1,584). **Water usage in Leisure World for May was 25% higher than May, 2021. Everyone needs to do their part 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 15 (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)	1,510,504.43
5	NON-RESTRICTED RESERVES (acct ending...3364)	325,311.10
6	CHECKING ACCOUNT (acct ending...3181) adjusted for outstanding checks	104,990.33

ENDING BALANCE OF MAJOR RESERVES

Types	Ending Balance	S/H Contribution		MFS Page No.
		Monthly	per unit	
7 ROOFING	1,020,959.79	44,317.50	90.08	11
8 APPLIANCES	29,922.11	4,758.08	9.67	8
9 PAINTING	313,457.59	686.67	1.40	9
10 INFRASTRUCTURE	169,068.07	13,795.83	28.04	13
11 CONTINGENCY OPERATING FUNDS	20,705.68	-	-	10
12 EMERGENCY RESERVES	68,825.57	-	-	12
	1,622,938.81	63,558.08	129.18	

INCOME AND EXPENSES

	From Monthly Financial Statement Pages 4, 5, 16	May Actual	May Budget	May Variance	2022 YTD Actual	2022 YTD Budget	MFS Page No.
13	MUTUAL TOTAL INCOME	209,374	209,776	(402)	629,837	629,328	5, 16
14	CONTRIBUTION TO RESERVES	63,558	63,559	(1)	317,790	317,795	4, 5, 16
15	EXPENSES *	67,866	61,581	(6,285)	299,792	307,905	4
16	EXCESS INCOME over(under) EXPENSES	(6,689)			24,078		5, 16

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

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CONCRETE PROJECTS - (Jurado or SM or JJ) 2022

5/31/2022

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	Pending	Concrete Walks: Bldgs 102 to 112 *	96,055.00	Pending	Also Includes Bldgs 108,109,110,111
20					
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:	96,055.00	2022 Budget: \$100,000; balance available: \$3,945	

	Fees Collected	Monthly Budget	May '22	Apr '22	Mar '21	Feb '22	Jan '22	Dec '21	Nov '21	Oct '21
35	Buyer's Premium	2,500	3,000	3,000	3,750	2,250	2,250	3,000	3,000	3,750
36	Inspection Fees	4,700	3,600	3,600	1,200	6,000	2,400	1,200	7,200	6,000
37	Transfer Fee			250				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 (Contract signed with start date of: July11, 2022)

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

Avg Cost/Apt = \$11,527

Increase in cost/aprt from 2020 to 2022 =

17.9%

SUMMARY FOR REFERENCE—2022 OPERATING BUDGET

Line #

- 49 **EXPECTED MONTHLY M5 HOA Income: \$117,425.64** (\$238.67/month X 492 UNITS)
- 50 **M5 HOA Cost per month per unit \$238.67** (increase of \$12.43) for year 2022
- 51 **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
52 OPERATING EXPENSES	125.16	738,945	38,915
53 OPERATING INCOME	15.67	92,515	23,498
54 NET OPERATING COST	109.49	646,430	34,480
55 RESERVE FUNDING	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
56	APPLIANCE	9.67	57,097	(2.25)
57	PAINTING	1.40	8,240	1.40
58	ROOFING	90.08	531,810	2.63
59	INFRASTRUCTURE	28.04	165,550	6.18
60	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	
61	LANDSCAPE-CONTRACT	29.70	175,349	5,432
62	LANDSCAPE-EXTRAS	3.39	20,015	(59)
63	LANDSCAPE-TREES	3.05	18,007	0
64	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	
65	STANDARD SERVICE	\$18.12	\$106,980	\$3,955

5-31-22

P.O. Box 2069
Seal Beach CA 90740

1005 Seal Beach Mutual No. Five Financial Statement Recap 05/31/2022
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May Actual	May Budget		2022 Y-T-D Actual	2022 Y-T-D Budget
138,506	138,508	Carrying Charges	692,532	692,540
63,558	63,559	Reserve Funding	317,790	317,795
202,064	202,067	Total Regular Assessments	1,010,322	1,010,335
104	54	Financial Income	509	270
7,206	7,655	Other Income	37,740	38,275
7,310	7,709	Total Other Income	38,248	38,545
209,374	209,776	Total Mutual Income	1,048,570	1,048,880
84,639	84,639	GRF Trust Maintenance Fee	406,925	423,195
17,686	15,267	Utilities	80,077	76,335
492	694	Professional Fees	11,452	3,470
0	84	Office Supplies	129	420
33,654	31,341	Outside Services	127,538	156,705
16,034	14,195	Taxes & Insurance	80,596	70,975
63,558	63,559	Contributions to Reserves	317,790	317,795
216,063	209,779	Total Expenses Before Off-Budget	1,024,508	1,048,895
(6,689)	(3)	Excess Inc/(Exp) Before Off-Budget	24,063	(15)
14,042	0	Depreciation Expense	69,296	0
(20,731)	(3)	Excess Inc/(Exp) After Off-Budget	(45,233)	(15)
		Restricted Reserves		
1,696	0	Appliance Reserve Equity	29,922	0
687	0	Painting Reserve	313,458	0
0	0	Contingency Operating Equity	20,706	0
44,318	0	Roofing Reserve	1,020,960	0
(1,648)	0	Emergency Reserve Equity	68,826	0
(24,286)	0	Infrastructure Reserve	169,068	0
20,765	0	Total Restricted Reserves	1,622,939	0

Hi everyone, I am Laura Gardner, your Mutual 5 secretary. It has been my privilege to serve on the board for the past five months. I wanted to say a couple of things about communications with our shareholders.

All of our meeting agendas, minutes and notices of special meetings etc. are posted in the laundry rooms. If you are a computer user they are also available on the internet at [lwsb.com/mutual 5](http://lwsb.com/mutual5).

Another method of receiving this info is via email blast which I send out. If you would like to receive this info via email, please contact me at secretarylwm5@gmail.com. Or by calling our hotline at 562.804.5525 and pressing 2. You can leave me a message there. My contact info is also on the roster and in the newsletters.

A reminder to please register your caregivers and your pets, too!

Thank you for putting your faith in me; let me know how I can help you!

Mutual 5 2022 Annual Meeting GRF representative report

During the past 12 months, the Golden Rain Foundation has confronted more serious issues than I had experienced during my three years representing Mutual 5 on the GRF board.

We experienced the abrupt resignation of our previous executive director, which plunged GRF President Susan Hopewell into a quick remake of the organizational leadership team...while managing a national executive recruitment effort.

On the morning of January 31st, a cyberattack was launched on the GRF email system. That afternoon, the board had met and by that evening, we had temporarily safeguarded the system.

The community was at the end of its 19-year television cable services agreement. The management agreement between GRF and the 16 mutuals was 60 years old and in need of significant updating. Our previous trash and recycling contract expired when the company was sold, and GRF put the contract out for bid.

As the economy came back to life after the pandemic, Leisure World experienced the same pressures as the rest of the world in competing in wages and benefits for a seemingly smaller pool of capable workers.

So, how did we do in meeting the challenges?

We launched a search for a new executive director within hours of Mr. Ankeny's resignation. We interviewed and selected an executive search firm, picked five finalists from among over 30 candidates for the position, and before the end of April had completed live interviews of the finalists and offered the job to Jessica Sedgwick, who will be assuming the executive director's position on June 22.

This was during a year in which we also conducted two other major job searches, for a new director of recreation, and for GRF's new information technology hire. Just a couple of weeks after assuming the IT position, that new IT hire conducted a comprehensive survey of Leisure World's entire computer and wireless network, and GRF funded a hardening of the system, so our community could help avoid the fate of Laguna Woods, who had to pay a half-million-dollar ransom after its system was attacked.

A GRF ad hoc committee investigated the chaotic changes in the cable TV and streaming industries, and presented what we perceive to be a much more affordable and adaptable service that we hope the mutuals will present as an alternative to the \$50 price rises that Spectrum will put in place on January 1, 2023.

GRF's facilities director met with representatives of four trash companies, signing a deal with the only one that would provide our requirement of a spring-loaded lid on its dumpsters.

GRF's 60-year-old management agreement with the mutuals took longer. During a three-year period, representatives from GRF and the mutuals enumerated every single service that the GRF provided to the mutuals, or the mutuals wanted the GRF to provide. A five-page contract, along with 38 closely spaced lists of services and their contracts is now in the hands of the mutual boards for their consideration.

The GRF administration committee and the community's human resources department spent an intense four months cataloging every GRF job title, then comparing our pay rates to similar GRF adjusted salary ranges based on area survey of like job titles in our region. Using that data, GRF has recalculated salary levels across the board to enable GRF to effectively retain and competitively recruit capable employees that deliver services to the shareholders.

This is all in addition to the usual fare of being a GRF representative:

We approved \$2.3 million to repave mutual streets...and outlawed being barefoot on the golf course.

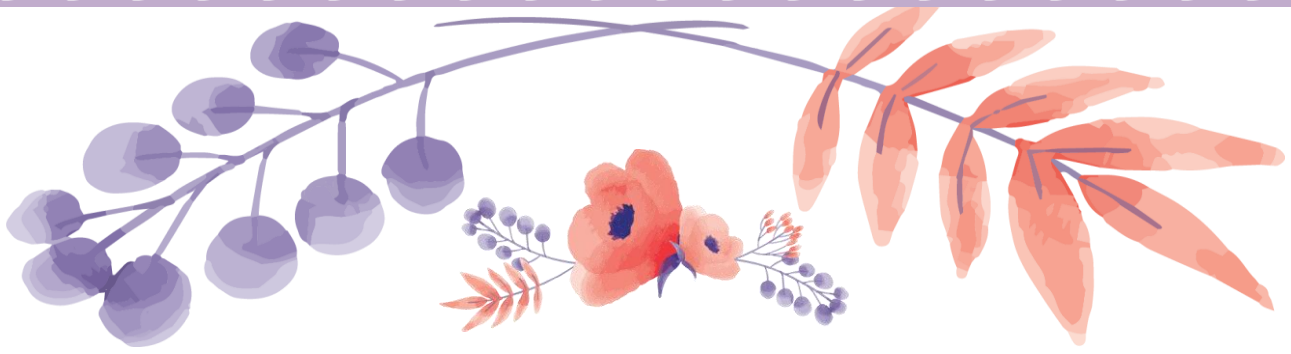
We established an Orange County social services office in downtown Leisure World ... and studied spec sheets from three forklift manufacturers to select the successor to our failing 28-year-old model.

GRF published an updated disaster preparedness plan after a multi-year effort involving state, county and city officials...and amended our rules to counter seniors running businesses from looted items gathered during their dumpster diving.

We've finishing a major plan to refurbish the textiles and lapidary studios, consolidate the woodshop into an expanded Clubhouse 1 area, established a game room and refurbished the billiards room...and then dealt with the participants in an elderly girl-fight in the same, new and improved billiards room.

From the vital issues of the day to the annoying occurrences of guiding 9,700 free spirits into the necessary dampening of their passions into a functional communal living experience. I thank the residents of Mutual 5 for giving me this opportunity.

William Thompson
Mutual 5 GRF representative
June 14, 2022



ANNUAL HOMEOWNERS' MEETING 2022

Good Morning,

Wow, what a year! We are so happy to be here with you all again to acknowledge all that you have voluntarily given to our community. Your ongoing commitment and support continued as we had another challenging year.

We experienced another year filled with uncertainties So, thank you for keeping up your spirits and continuing to volunteer through the unknowns and lifting the spirits by being flexible, being open minded, and doing the work to keep our community moving forward.

A heart filled thank you to the GRF Board for being calm and patient as they took on the many challenges and for continuing to spearhead our way out of this historical period.

Thank you as we could never do anything here in Leisure World without the vision, ideas, labor, and support of all of you who volunteer on the boards and committees. Thank you to the Mutual Board of Directors for your dedication, loyalty, commitment, experience, and resources to the job of making life better for all of us. Thank you to the Mutual Directors whom year after year commit to represent their shareholders, effectively run their Mutuals, and provide insightful knowledge to staff.

The work continues and we look forward to working with a team dedicated to providing the best to our community.

Sincerely,
Mutual Administration Department