

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

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE  
BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FIVE  
August 16, 2023**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Five was called to order by President DeRungs on Wednesday, August 16, 2023 at 9:00 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, Secretary Lee, Chief Financial Officer Cude, Director Gould, Shannon and Powell (via zoom).

GRF Representative: Mr. Thompson (via zoom)

Guests: Two Mutual Five Shareholder (via zoom)  
One Mutual Five Shareholder (in-person)

Staff: Ms. Sedgwick, Executive Director (via zoom)  
Ms. Hopkins, Mutual Administration Director (via zoom)  
Mr. Mario, IT Director  
Mr. Meza, Building Inspector  
Ms. Barua, Sr. Portfolio Specialist

**SHAREHOLDER COMMENTS**

Several shareholders made a comment.

**GUEST SPEAKER**

The Executive Director, Ms. Sedgwick discussed having meeting documents, governing documents, and board roster on the Mutual Five lwsb website.

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

RESOLVED to have meeting documents: agendas, minutes, summary reports, governing documents, policies/rules, bylaws, occupancy agreement, and Board roster removed from the public LWSB Mutual Website and posted only to CINC for Mutual 05 shareholders viewing only.

The MOTION failed with two "yes" (Murphy and DeRungs) and five "no" (Shannon, Gould, Cude, Lee, Powell).

Following questions, Ms. Sedgwick left the meeting at 9:46 a.m.

**GUEST SPEAKER**

IT Director, Mr. Mario discussed with the Mutual Five Board of Directors LWSB email addresses.

Following questions, Ms. Mario left the meeting at 9:56 a.m.

**MINUTES**

The Regular Meeting Minutes of July 19, 2023, were approved by general consent of the board to stand as presented.

**BUILDING INSPECTOR'S REPORT**

Building Inspector Meza presented his report (attached).

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

RESOLVED to approve the patio proposal for Unit 05-121H. Work to be done at the shareholder's expense with note that the wall height approved is 26 inches.

The MOTION passed unanimously with ROLL CALL vote.

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

RESOLVED to deny the patio proposal for Unit 05-122-A.

The MOTION passed unanimously with ROLL CALL vote.

Following questions, Mr. Meza left the meeting at 10:15 a.m.

**GRF REPRESENTATIVE'S REPORT**

GRF Representative Mr. Thompson, provided an update on GRF projects.

Following questions, Mr. Thompson left the meeting at 10:21 a.m.

**UNFINISHED BUSINESS**

No Unfinished Business

**NEW BUSINESS**

Following a discussion and upon a MOTION duly made by Director Gould and seconded by Director Shannon, 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 months of June and July 2023.

The MOTION passed unanimously with ROLL CALL vote.

**SECRETARY / CORRESPONDENCE**

Secretary Lee received no correspondence.

**CHIEF FINANCIAL OFFICER'S REPORT**

Chief Financial Officer Cude presented his report (attached).

Secretary Lee left the meeting at 10:49 a.m.

**PRESIDENT'S REPORT**

President DeRungs had no report.

**PORTFOLIO SPECIALIST'S REPORT**

Sr. Portfolio Specialist Barua presented her report (attached).

**ANNOUNCEMENTS**

- a. **NEXT MEETING:** Wednesday, September 20, 2023, at 9:00 a.m. via Zoom/Video Conference Call and Conference Room B.

**COMMITTEE REPORTS**

Finance

President DeRungs provided an update.

Landscape

No report was presented.

Physical Property

No report was presented.

Laundry Rooms/Emergency Information

No report was presented.

**DIRECTORS' COMMENTS**

No Directors made comments.

**ADJOURNMENT**

President DeRungs adjourned the meeting at 10:54 a.m. and announced that there would be an Executive Session following the meeting to discuss members issues.

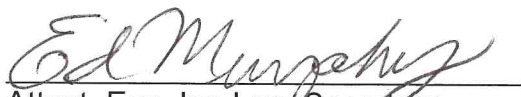
**EXECUTIVE SESSION SUMMARY**

The Board met in Executive Session on Wednesday, August 16, 2023, at 11:18 a.m., and took the following actions:

The board approved the Regular Executive Session Minutes of May 17, 2023.

1. Legal Matters
  - a. Several legal matters were discussed.
2. Contracts
  - a. No contracts were discussed.
3. Assessments / Delinquencies
  - a. Several letters were drafted.
  - b. Several accounts to monitor.
  - c. Several accounts were closed.
4. Disciplinary Hearings
  - a. No disciplinary hearings occurred.

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



Attest, Eun Jun Lee, Secretary

SEAL BEACH MUTUAL FIVE

RB: 08/16/23

Attachments

## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>	<b>INSPECTOR: Mike Meza</b>
<b>MUTUAL BOARD MEETING DATE:</b>	<b>August, 2023</b>

### PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	Improvement Values	RECENT INSPECTION	CONTRACTOR
100-A	KITCHEN REMODEL	BOTH	06/10/23	04/30/23	\$35,500	PLUMB, FRAM, ELEC, 03/27	BA CONSTRUCTINO
95-G	UNIT REMODEL	BOTH	11/20/22	03/15/23	\$138,700	FRAM, ELEC 01/26/23	JC KRESS
70-F	ELECTRICAL WORK	BOTH	11/01/22	01/30/23	\$750	FINAL 01/26/23	CJ CONSTRUCTION
98-C	COUNTERS/ WASH/DRYER	BOTH	11/12/22	03/30/23	\$20,000	FINAL 02/23/23	MP CONSTRUCTION
113-A	COUNTERTOP KIT	BOTH	11/14/22	12/10/22	\$9,350	Waiting on contractor	M&M SKYLIGHTS
106-E	FLOORING	GRF	12/28/23	02/28/23	\$4,600	FINAL 02/27/23	B&B CARPET
97-C	SLIDING DOOR	BOTH	12/31/23	02/28/23	\$7,800	FINAL 05/29/23	VICKERS CONSTRUCTION
121-B	UNIT REMODEL	BOTH	01/01/23	07/30/23	\$65,000	FINAL 06/01/23	MP CONSTRUCTION
105-C	WINDSCREEN PATIO	GRF	01/03/23	01/15/23	\$1,540	FINAL 01/11/2023	CUSTOM GLASS
93-L	ELECTRICAL OUTLETS	BOTH	01/05/23	04/30/23	\$2,000	FINAL 04/30/23	JULIAN AGUILAR ELECTRIC
72-J	FLOORING	GRF	01/15/23	02/28/23	\$4,625	FINAL 02/07/23	KARYS CARPET
102-K	PORCH FLOORING	GRF	01/16/23	02/16/23	\$1,188	FINAL 02/10/23	CORNERSTONE FLOORS
115-F	LOWER STORAGE CABINET	GRF	01/20/23	02/26/23	\$1,100	FINAL 02/25/23	VICKERS CONSTRUCTION
115-F	ELECTRICAL OUTLETS	BOTH	01/26/23	03/01/23	\$1,450	FINAL 02/10/23	VICKERS CONSTRUCTION
116-K	LOWER STORAGE CABINET	GRF	01/30/23	03/01/23	\$950	FINAL 02/10/23	VICKERS CONSTRUCTION
98-D	ROOM ADDITION	BOTH	02/01/23	07/30/23	\$28,000	FINAL 07/12/23	MP CONSTRUCTION
113-D	HEAT PUMP	BOTH	02/13/23	05/13/23	\$7,835	FINAL 03/22/23	GREENWOOD
97-H	SHOWER CUT DOWN	BOTH	02/13/23	03/13/23	\$3,512	FINAL 03/13/23	NUKOTE
116-A	SHOWER REMODEL	BOTH	01/30/23	05/18/23	\$23,450	FINAL 04/12/23	LOS AL BUILDERS
112-C	UNIT ABATEMENT	GRF	02/07/23	02/09/23	\$3,200	FINAL 02/09/23	UNIVERSAL ABATEMENT
112-C	UNIT REMODEL	BOTH	01/03/23	04/07/23	\$121,800	LATHE 06/08/23	BA CONSTRUCTION
115-B	CARPORT CABINET	GRF	02/13/23	03/18/23	\$950	FINAL 03/15/23	VICKERS CONSTRUCTION
118-F	UNIT REMODEL	BOTH	11/10/23	04/30/23	\$88,000	FINAL 07/10/23	MP CONSTRUCTION
123-D	COUNTERTOPS	BOTH	03/01/23	06/30/23	\$6,800	FINAL 03/27/23	MP CONSTRUCTION
121-K	LOWER STORAGE CABINET	GRF	03/16/23	04/15/23	\$950	FINAL 03/27/2023	VICKERS CONSTRUCTION
115-J	LOWER STORAGE CABINET	GRF	03/18/23	04/18/23	\$1,100	FINAL 04/18/23	VICKERS CONSTRUCTION
113-J	UNIT REMODEL					FINAL 06/01/23	OGAN CONSTRUCTION
69-J	SHOWER CUT DOWN	BOTH	03/28/23	04/28/23	\$4,535	FINAL 04/28/23	NUKOTE
115-J	WINDOWS	BOTH	03/30/23	04/30/23	\$3,280	FINAL 04/05/23	VICKERS CONSTRUCTION
115-I	WINDOWS	BOTH	03/31/23	04/30/23	\$4,920	FINAL 04/30/23	VICKERS CONSTRUCTION
111-E	ELECTRICAL OUTLET	BOTH	04/07/23	04/28/23	\$450	04/28/23	OGAN CONSTRUCTION
94-G	SKYLIGHT FLARE/SLIDER	BOTH	04/10/23	07/20/23	\$30,235	Window 08/01/23	LOS AL BUILDERS
126-K	FLOORING	GRF	04/10/23	05/30/23	\$5,570	FINAL 08/01/23	KARYS CARPET
120-E	SHOWER CUT DOWN	BOTH	04/13/23	05/13/23	\$2,815	FINAL 05/13/23	NUKOTE
118-K	PORCH TILE	GRF	04/15/23	05/30/23	\$3,000		KARYS CARPET
102-D	PATIO GLASS	GRF	04/15/23	06/15/23	\$707	FINAL 06/15/23	BODIES GLASS
115-F	PORCH GATE	GRF	04/17/23	05/10/23	\$690	FINAL 08/01/23	VICKERS CONSTRUCTION
103-K	SHOWER CUT DOWN	BOTH	04/25/23	05/25/23	\$4,535	FINAL 08/02/23	NUKOTE
125-E	FLOORING	GRF	04/30/23	05/30/23	\$4,500	FINAL 07/31/23	KARYS CARPET
97-G	UNIT REMODEL	BOTH	06/19/23	11/15/23	\$140,400		JC KRESS
121-D	LOWER STORAGE CABINET	GRF	05/08/23	06/30/23	\$1,750	FINAL 07/01/23	BERGKVIST
98-B	SHOWER CUT DOWN	BOTH	06/26/23	07/26/23	\$5,222	FINAL 07/26/23	NUKOTE
24-E	LOWER STORAGE CABINET	GRF	07/20/23	08/08/23	\$950		VICKERS CONSTRUCTION
122-A	ABATE FLOORING	GRF	08/09/23	08/20/23	\$3,100		SIRRIS ABATMENT
90-G	HEAT PUMP	BOTH	08/10/23	11/10/23	\$2,985		GREENWOOD

### ESCROW ACTIVITY

Unit #	NMI	PLI	NBO	FI	FCOEI	ROF	ACTIVE, CLOSING, CLOSED
							10      10      6

## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>		<b>INSPECTOR: Mike Meza</b>					
<b>MUTUAL BOARD MEETING DATE:</b>		<b>August, 2023</b>					
69-L		04/17/23					
71-L		03/24/22	07/07/23	07/07/23	07/21/23		
91-F		06/30/23	7/26/23	7/26/23	08/09/23		
91-J		06/23/23					
94-H		06/23/23					
95-K		03/29/23	05/08/23	05/12/23	05/24/203		
97-G		03/14/23	04/20/23	05/01/23	05/15/23	07/10/23	
98-F		05/23/23	06/26/23	06/30/23	07/17/23		
101-B		06/21/22					
101-L		02/21/23	06/26/23	06/26/23	07/10/23		
103-H		05/12/23					
104-F		01/27/23					
105-I		12/13/22	04/11/2023	04/11/23	04/23/23	05/16/23	
115-F		10/13/22	01/10/23	01/11/23	1/26/2023	03/01/2023	
116-E		12/06/22					
118-K		07/07/23					
120-J		03/17/23	05/03/23	05/03/23	05/17/23		
122-A		03/29/23	07/13/23	07/13/23	07/27/23		
122-L		11/17/22					
122-E		10/21/22	01/03/23	01/03/23	01/17/23	03/01/2023	
123-D		04/014/23	05/02/23	05/02/23	05/16/23	07/10/23	
124-J		11/17/22	03/09/23	03/14/23	03/28/23		
124-L		02/24/23					
125-E		06/15/23	07/21/23	07/21/23	08/04/23		
126-G		03/24/23	04/10/23	04/10/23	04/24/23	07/10/23	
126-K		03/10/23	03/23/23	03/24/23	04/07/23		

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 2026	Pest and rodent control services New contract is being drafted
FENN PEST CONTROL      JULY, 2026	Bait stations
ROOFING STANDARDS      October, 2023	Buildings 96, 97, 107, 112, 123, 125

### SPECIAL PROJECTS

Contractor	Discription of Work
121-H	New Patio

## INSPECTOR MONTHLY MUTUAL REPORT

<b>MUTUAL: (05) FIVE</b>		<b>INSPECTOR: Mike Meza</b>
<b>MUTUAL BOARD MEETING DATE:</b>	<b>August, 2023</b>	
122-A	New Patio	

### SHAREHOLDER AND MUTUAL REQUEST

123-E Sink stoppage	Inspect mutual sidewalks
99-k Termites in bathroom	Fire Inspection 12 of 42 Buildings completed
91-K Flooring repair	
97-D Question regarding cook top	
90-G Meet Greenwood at unit	
91--K Water damage inspection	
97-F Inspect bath fan	
121-E Termite at entry way door	
123-l Toilet stoppage	
123-l Follow up on toilet issues	
95-K unit issues	
121-L Have car moved for carport concrete replacement	
121-K Sidewalk and garden flooding	
107-E Rodent activity	
113-A TV cables hanging	
125-L Inspect attic for rodent activity	
123-E Inspect for dry rot	
115-B Leak at toilet	
113-D Leak under bathroom sink	
117-H Inspect for leak	

Line No. **June Highlights:** [Please refer to the Monthly Financial Report Package(MFRP) for more details]

1 **June financials show that M-5, overall, is in a favorable financial position (under budget) with excess income of \$32,841.85. See the 5th page of the MFRP and page 4 of this Report.**

2

3 Investment Portfolio: please see the last page of the MFRP to see how the reserve Funds are invested. Most of the available cash is in money-market accounts with an interest rate of 0.98% to 1.25%). The remainder is in CD's with 4.3% and 4.4% interest rates. **Accrued interest at the end of the month is \$6,472.70.** The first interest payment is due in October.

4 **ENDING BALANCE BANK ACCOUNTS**

5	RESTRICTED RESERVES (acct ending...9690)	1,601,011.22
6	OTHER RESERVES MM ACCOUNT (acct ending...3364)	272,115.23
7	CHECKING ACCOUNT (acct ending...3181) <small>adjusted for outstanding checks</small>	72,245.63
8	IMPOUND ACCOUNT (acct ending...3165)	235,476.70
9	REPAIR AND TAX DEPOSIT FUND (acct ending...5738)	55,486.38
10	M5 INVESTMENTS (US Bancorp Investments)	300,000.00

**ENDING BALANCE OF MAJOR RESERVES**

	Types	Ending Balance	S/H Contribution		Page of MFRP
			Monthly	per unit	
11	ROOFING <small>After Project Commitments for 2022 ReRoofs</small>	897,663.66	47,700.00	96.95	3rd
12	APPLIANCES	22,760.14	4,321.75	8.78	3rd
13	PAINTING	322,404.28	690.00	1.40	3rd
14	INFRASTRUCTURE	276,980.78	20,410.00	41.48	3rd
15	CONTINENCY OPERATING FUNDS	65,519.68	-	-	3rd
16	EMERGENCY RESERVES	75,401.30	-	-	3rd
		1,660,729.84	73,121.75	148.62	

**INCOME AND EXPENSES**

	From Monthly Financial Statement Pages	June Actual	June Budget	June Variance	2023 YTD Actual	2023 YTD Budget	Page of MFRP
17	MUTUAL TOTAL INCOME	234,604	234,493	112	1,399,769	1,406,956	4th
18	CONTRIBUTION TO RESERVES	73,122	73,122	-	438,731	436,731	4th
19	OPERATING EXPENSES *	59,493	66,302	6,809	298,289	331,510	4th
20	<b>EXCESS INCOME over(under) EXPENSES</b>	<b>6,921</b>			<b>32,842</b>		4th

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



Line #	Date of Work	Location	2023 Project Cost	Date of Payments	Remarks
21	Sept 2022	Concrete Walks: Bldg. 100F *	7,737.00	9/14/22	Total project cost was \$11,682.00.
22	April 2023	Concrete Walks: 70F Phase 1 *	15,045.00	Pending	
23		Concrete Walks: Near 70/71 Phase 1 and 2 *	40,754.00	Pending	
24					
25					
26					
27					36464
28		* Infrastructure Reserves for Concrete			Balance Remaining: \$36,464
29		Walks/Drains for 2023			
30		Total to Date:	<b>63,536.00</b>	2023 Budget: \$100,000	

**Please Use Water Wisely! The More WATER We Save, The More MONEY We Save!**

Fees Collected	Mthly Budget	Jun '23	May '23	Apr '23	Mar '23	Feb'23	Jan '23	Dec '22	Nov '22	Oct '22
Buyer's Premium	2,436	0	2,250	2,250	1,500	0	750	3,750	750	1,500
Inspection Fees	4,349	4,350	3,525	4,800	0	1,875	2,400	6,000	2,400	1,200
Transfer Fee						250	250			

### ROOFING PROJECTS 2023 Budget Year (Construction starts in October 2023 | Finish: \_\_\_\_\_)

Building No. and Type	Roof Type	Roof Area (SQ)	Cost (\$) per SQ	Contract Cost (\$)
96 2 Bedrooms	Low Slope	153	1008	154,224
97 2 Bedrooms Laundry Room	High Slope	163	617	100,571
107 2 Bedrooms Laundry Room	High Slope	163	617	100,571
112 2 Bedrooms Laundry Room	High Slope	163	617	100,571
123 1 & 2 Bedrooms Laundry Room	Low Pitch	127	1008	128,016
125 1 & 2 Bedrooms	Low Pitch	123	1008	123,984
TOTAL				707,937

Avg Cost/Apt = \$9832

### ROOFING PROJECTS 2022 Budget Year (Start date: September 13, 2022 | Finish 4-7-23)

Building No. and Type	Roof Type	Roof SQ	Cost (\$) per SQ	Contract Cost (\$)
113 2 Bedrooms (4) <b>Completed</b>	Low Slope	153	941	143,973
120 1 and 2 Bedrooms (5) <b>Completed</b>	Low Slope	123	941	115,743
100 2 Bedrooms (3) <b>Completed</b>	Low Slope	153	941	143,973
101 2 Bedrooms (2) <b>Completed</b>	Low Slope	153	941	143,973
70 2 Bedrooms (1) <b>Completed</b>	Low Slope	153	941	143,973
TOTAL				691,635

Avg Cost/Apt = \$11,527

**SUMMARY FOR REFERENCE—2023 OPERATING BUDGET**

Line #

- 51 **EXPECTED MONTHLY M5 HOA Income: \$132,057.72** (\$268.41/month X 492 UNITS)
- 52 **M5 HOA Fees per month per unit: \$268.41 [58.1%]** (increase of \$29.74) for year 2023
- 53 **GRF HOA Fees per month per unit: \$193.23 [41.9%]** (increase of \$21.20) for year 2023

**2023 OPERATING BUDGET**

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2022 to 2023
54 <b>OPERATING EXPENSES</b>	134.76	795,622	56,677
55 <b>OPERATING INCOME</b>	14.97	88,382	(4,133)
56 <b>NET OPERATING COST</b>	119.79	707,240	60,810
57 <b>RESERVE FUNDING</b>	148.62	877,461	114,764
58 <b>Total Operating-Reserve</b>	268.41	1,584,701	175,574

**2023 RESERVE FUNDING DISTRIBUTION**

Project	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total Dollar Change
			Per Unit per Month
			From 2022 to 2023
59 <b>APPLIANCE</b>	8.78	51,861	(2.25)
60 <b>PAINTING</b>	1.40	8,280	0.00
61 <b>ROOFING</b>	96.95	572,400	9.50
62 <b>INFRASTRUCTURE</b>	41.48	244,920	19.62
63 <b>TOTAL</b>	148.62	877,461	26.03

\*See Appendix B of M5 Budget

**2023 LANDSCAPING BUDGET**

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2022 to 2023
64 <b>LANDSCAPE-CONTRACT</b>	29.70	185,031	15,114
65 <b>LANDSCAPE-EXTRAS</b>	3.39	18,007	(2,067)
66 <b>LANDSCAPE-TREES</b>	3.05	16,000	(2,007)
67 <b>TOTAL</b>	36.14	219,038	11,040

**2023 SERVICE REQUEST ORDERS (SRO) BUDGET**

	Average Monthly per Unit	Yearly Total for 492 Units	Total Dollar Change From 2022 to 2023
68 <b>STANDARD SERVICE</b>	\$19.14	\$113,003	\$9,978

## Worksheet to Calculate Net Income Before Off Budget for the 5th page of the MFRP

	Monthly Budget	Actual Monthly Total	# Apt/M-5 492.00	Actual YTD
M-5 Oper	119.79	58,936.68		
M-5 Res	148.62	73,121.04		
GRF	193.23	95,069.16		
(M-5 +GRF)*492		154,005.84		924,030.78
Int.		3,076.88		12,209.11
Other inc		4,400.00		24,798.49
Contri. to Cap		73,121.75		438,730.50
Total Net Oper Income		234,604.47		1,399,768.88
GRF		95,069.00		570,414.00
Utilities		16,686.01		89,232.19
Pro Fees		217.00		2,720.00
Outside Services		23,939.19		153,924.34
Taxes and Ins		18,651.00		111,906.00
Contri. to Cap		73,121.75		438,730.50
Total Exp		227,683.95		1,366,927.03
Net Income Before Depr		6,920.52		32,841.85
Depr		16,063.60		95,288.83
Total Exp After Depr		243,747.55		1,462,215.86
Net Income After Depr		(9,143.08)		(62,446.98)

Line No. **July Highlights:** [Please refer to the Monthly Financial Report Package(MFRP) for more details]

- 1 July financials show that M-5, overall, is in a favorable financial position (under budget) with excess income of **\$41,664.83**. See the 5th page of the **MFRP** and page 4 of this Report.
- 2 M-5 received \$895.34 for Laundry Room revenue that will be deposited to Appliance Reserves, and a separate payment of \$2,000 for purchase of the old laundry machines. Both checks were received in August and will be reflected in next month's report.

**Please Use Water Wisely! The More WATER We Save,  
The More MONEY We Save!**

- 3 Investment Portfolio: please see the last page of the **MFRP** to see how the reserve Funds are invested. Most of the available cash is in money-market accounts with an interest rate of **0.98% to 1.25%**). The remainder is in CD's with 4.3% and 4.4% interest rates. **Accrued interest at the end of the month is \$7,556.03**. The first interest payment is due in October.

**4 ENDING BALANCE BANK ACCOUNTS**

5	RESTRICTED RESERVES (acct ending...9690)	1,544,963.63
6	OTHER RESERVES MM ACCOUNT (acct ending...3364)	261,176.17
7	CHECKING ACCOUNT (acct ending...3181) <small>adjusted for outstanding checks</small>	99,181.54
8	IMPOUND ACCOUNT (acct ending...3165)	235,476.70
9	REPAIR AND TAX DEPOSIT FUND (acct ending...5738)	51,838.99
10	M5 INVESTMENTS (US Bancorp Investments)	300,000.00

**ENDING BALANCE OF MAJOR RESERVES**

Types	Ending Balance	S/H Contribution		Page of MFRP
		Monthly	per unit	
11	945,363.66	47,700.00	96.95	3rd
12 APPLIANCES	23,191.98	4,321.75	8.78	3rd
13 PAINTING	323,094.28	690.00	1.40	3rd
14 INFRASTRUCTURE	297,390.78	20,410.00	41.48	3rd
15 CONTINENCY OPERATING FUNDS	65,519.68	-	-	3rd
16 EMERGENCY RESERVES	65,401.30	-	-	3rd
	1,719,961.68	73,121.75	148.62	

**INCOME AND EXPENSES**

From Monthly Financial Statement Pages	July Actual	July Budget	July Variance	2023 YTD Actual	2023 YTD Budget	Page of MFRP
17 MUTUAL TOTAL INCOME	238,055	234,493	3,562	1,399,769	1,406,956	4th
18 CONTRIBUTION TO RESERVES	73,122	73,122	-	438,731	436,731	4th
19 OPERATING EXPENSES *	61,041	66,302	5,261	418,823	331,510	4th
20 EXCESS INCOME over(under) EXPENSES	8,823			41,665		4th

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

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

7/31/2023

Line #	Date of Work	Location	2023 Project Cost	Date of Payments	Remarks
21	Sept 2022	Concrete Walks: Bldg. 100F *	7,737.00	9/14/22	Total project cost was \$11,682.00.
22	April 2023	Concrete Walks: 70F Phase 1 *	15,045.00	Pending	Approved by Board 4-19-23- Completed
23		Concrete Walks: Near 70/71 *	40,754.00	Pending	Approved by Board 7-19-23
24		Phase 1 and 2			Construction pending.
25					
26					
27					
28		* Infrastructure Reserves for Concrete			Balance Remaining: \$36,464
29		Walks/Drains for 2023			
30		Total to Date:	<b>63,536.00</b>	2023 Budget: \$100,000	

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Fees Collected	Mthly Budget	Jul '23	Jun '23	May '23	Apr '23	Mar '23	Feb'23	Jan '23	Dec '22	Nov '22
Buyer's Premium	2,436	3,000	0	2,250	2,250	1,500	0	750	3,750	750
Inspection Fees	4,349	3,600	4,350	3,525	4,800	0	1,875	2,400	6,000	2,400
Transfer Fee						250	250			

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### ROOFING PROJECTS 2023 Budget Year (Construction starts in October 2023 | Finish: April 2024)

Building No. and Type	Roof Type	Roof Area (SQ)	Cost (\$) per SQ	Contract Cost (\$)
96 2 Bedrooms	Low Slope	153	1008	154,224
97 2 Bedrooms Laundry Room	High Slope	163	617	100,571
107 2 Bedrooms Laundry Room	High Slope	163	617	100,571
112 2 Bedrooms Laundry Room	High Slope	163	617	100,571
123 1 & 2 Bedrooms Laundry Room	Low Pitch	127	1008	128,016
125 1 & 2 Bedrooms	Low Pitch	123	1008	123,984
TOTAL				707,937

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Avg Cost/Apt = \$9832

### ROOFING PROJECTS 2022 Budget Year (Start date: September 13, 2022 | Finish 4-7-23)

Building No. and Type	Roof Type	Roof SQ	Cost (\$) per SQ	Contract Cost (\$)
113 2 Bedrooms (4) <b>Completed</b>	Low Slope	153	941	143,973
120 1 and 2 Bedrooms (5) <b>Completed</b>	Low Slope	123	941	115,743
100 2 Bedrooms (3) <b>Completed</b>	Low Slope	153	941	143,973
101 2 Bedrooms (2) <b>Completed</b>	Low Slope	153	941	143,973
70 2 Bedrooms (1) <b>Completed</b>	Low Slope	153	941	143,973
TOTAL				691,635

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Avg Cost/Apt = \$11,527

**SUMMARY FOR REFERENCE—2023 OPERATING BUDGET**

Line #

- 51 **EXPECTED MONTHLY M5 HOA Income: \$132,057.72** (\$268.41/month X 492 UNITS)
- 52 **M5 HOA Fees per month per unit: \$268.41 [58.1%]** (increase of \$29.74) for year 2023
- 53 **GRF HOA Fees per month per unit: \$193.23 [41.9%]** (increase of \$21.20) for year 2023

**2023 OPERATING BUDGET**

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2022 to 2023
54 <b>OPERATING EXPENSES</b>	134.76	795,622	56,677
55 <b>OPERATING INCOME</b>	14.97	88,382	(4,133)
56 <b>NET OPERATING COST</b>	119.79	707,240	60,810
57 <b>RESERVE FUNDING</b>	148.62	877,461	114,764
58 <b>Total Operating-Reserve</b>	268.41	1,584,701	175,574

**2023 RESERVE FUNDING DISTRIBUTION**

Project	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total Dollar Change
			Per Unit per Month
			From 2022 to 2023
59 <b>APPLIANCE</b>	8.78	51,861	(2.25)
60 <b>PAINTING</b>	1.40	8,280	0.00
61 <b>ROOFING</b>	96.95	572,400	9.50
62 <b>INFRASTRUCTURE</b>	41.48	244,920	19.62
63 <b>TOTAL</b>	148.62	877,461	26.03

\*See Appendix B of M5 Budget

**2023 LANDSCAPING BUDGET**

	Monthly-Average \$ per Unit	Yearly-Total \$ for 492 Units	Total \$ Change From 2022 to 2023
64 <b>LANDSCAPE-CONTRACT</b>	29.70	185,031	15,114
65 <b>LANDSCAPE-EXTRAS</b>	3.39	18,007	(2,067)
66 <b>LANDSCAPE-TREES</b>	3.05	16,000	(2,007)
67 <b>TOTAL</b>	36.14	219,038	11,040

**2023 SERVICE REQUEST ORDERS (SRO) BUDGET**

	Average Monthly per Unit	Yearly Total for 492 Units	Total Dollar Change From 2022 to 2023
68 <b>STANDARD SERVICE</b>	\$19.14	\$113,003	\$9,978

## Worksheet to Calculate Net Income Before Off Budget for the 5th page of the MFRP

	Monthly Budget	Actual Monthly Total	# Apt/M-5 492.00	Actual YTD
M-5 Oper	119.79	58,936.68		
M-5 Res	148.62	73,121.04		
GRF	193.23	95,069.16		
(M-5 +GRF)*492		154,005.13		1,078,035.91
Laundry Room Income	900.94	900.94		900.94
Int.	3185.98	3,185.98		15,395.09
Other inc	6840.62	6,840.82		31,639.31
Contri. to Cap	73121.75	73,121.75		511,852.25
Total Net Oper Income	238054.62	238,054.62		1,637,823.50
	5			
GRF		95,069.00		665,483.00
Utilities		18,636.73		107,868.92
Pro Fees		124.00		2,844.00
Outside Services		23,629.16		177,553.50
Taxes and Ins		18,651.00		130,557.00
Contri. to Cap		73,121.75		511,852.25
Total Exp		229,231.64		1,596,158.67
Net Income Before Depr		8,822.98		41,664.83
Depr		16,063.60		111,352.43
Total Exp After Depr		245,295.24		1,707,511.10
Net Income After Depr		(7,240.62)		(69,687.60)

# PORTFOLIO SPECIALIST'S REPORT

## AUGUST 2023



In the summer heat a reminder to rest and cool down in the shade, minimize direct exposure to the sun and stay hydrated, drink plenty of water and reduce the intake of sugar. **Don't wait until you feel thirsty!**

Slow down: reduce, eliminate, or reschedule strenuous activities until the coolest time of the day.

Dress for summer: Wear lightweight, loose fitting, light-colored clothing to reflect heat.

Avoid extreme temperature changes.

### **Hot weather brings out the thirsty, hungry critters!**

- We must not feed wildlife. Bird feeders will attract rats, squirrels, and rabbits which will attract coyotes to your home.
- We must keep food, water, and trash off our patios/porches. Keep pet food and water bowls inside and not on your patio/porches.

Cats and small dogs **should never be allowed outside alone.** Pets must always be accompanied by their owner and must always be on a 6-foot leash while outside. Do not use a retractable leash.

Never leave pets unattended in vehicles LOOK before you LOCK!