

BUILDING/UNIT \_\_\_\_\_

BUILDING CAPTAIN \_\_\_\_\_

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE  
BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FOURTEEN  
December 16, 2014**

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Fourteen was called to order by President Pepper at 1:30 p.m. on Tuesday, December 16, 2014, in the Conference Room in the Administration Building, following an open forum at 1:00 p.m. for shareholder comments, and then followed by the *Pledge of Allegiance*.

**ROLL CALL**

Present: President Pepper, Vice President Jorgenson, Secretary Johnstone, CFO Destra (1:47 p.m.), and Directors Bourhenne, Harrison, Supple, Luther, and Melody

GRF

Representative: Mr. Lukoff

Guests: Twenty shareholders of Mutual Fourteen

Staff: Mrs. Weller, Mutual Administration Director  
Mrs. Westphal, Recording Secretary

President Pepper welcomed staff members and guests.

### **AGENDA APPROVAL**

President Pepper asked for approval of the agenda. Upon a MOTION duly made by Secretary Johnstone and seconded by Vice President Jorgenson, it was

RESOLVED, To approve the agenda for today's meeting.

The MOTION carried by a unanimous vote of the Board members present.

### **PRESIDENT'S REPORT**

President Pepper presented her report (as attached). She spoke about the passing of Carl Larsen and his many years of service to the shareholders of Mutual Fourteen. Upon a MOTION duly made by President Pepper and seconded by Director Supple, it was

RESOLVED, To dedicate today's Board Meeting to Mr. Carl Larsen to honor his many years of service to the shareholders of Mutual Fourteen.

The MOTION carried by a unanimous vote of the Board members present.

Upon a MOTION duly made by President Pepper and seconded by Director Harrison, it was

RESOLVED, To donate \$200 to the Golden Age Foundation in the name of Carl Larsen on behalf of a grateful Mutual Fourteen.

The MOTION carried by a unanimous vote of the Board members present.

### **APPROVAL OF MINUTES**

President Pepper called for approval of the minutes of November 18, 2014. There being no corrections made, and upon a MOTION duly made by Director Supple and seconded by Secretary Johnstone, it was

RESOLVED, To approve the Regular Board Meeting minutes of November 18, 2014, as written.

The MOTION carried by a unanimous vote of the Board members present.

### **BUILDING INSPECTOR'S REPORT**

In the absence of Building Inspector Black, Director Supple reviewed his report summary (attached).

He mentioned clotheslines where the emergency sheds are located. Upon a MOTION duly made by Director Supple and seconded by Secretary Johnstone, it was

RESOLVED, To remove five clotheslines not in use where the emergency sheds are located.

The MOTION carried by a unanimous vote of the Board members.

It was mentioned that signs need to be posted in the laundry rooms about leaving clothes in the machines for long periods of time.

## **GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT**

GRF Representative Lukoff presented his report before the meeting was called to order (attached).

## **MUTUAL ADMINISTRATION DIRECTOR'S REPORT**

Mrs. Weller reported that the Directors will be receiving a year-end review from her office to see how the Mutual did all year.

She reported that there will be a Parliamentary Law & Procedure Workshop for all Directors on January 5, 2015, in Clubhouse Four – Section B, at 9:00 a.m.

She expressed her sincere sorrow for the loss of Carl Larsen.

Mrs. Weller also said that a copy of the Mutuals' insurance coverage is available and she will answer questions if needed.

## **NEW BUSINESS**

Following a discussion, and upon a MOTION duly made by CFO Destra and seconded by Secretary Johnstone, it was

RESOLVED, To accept Edison's offer of energy saving bulbs for walkway and carport lights at no cost to the Mutual.

The MOTION carried by a unanimous vote of the Board members.

The Directors will check in another Mutual who has the bulbs to see how bright they are.



## **OLD BUSINESS**

The Board members agreed to emergency Board actions via e-mail on December 1, 2014. Upon a MOTION duly made by Director Supple and seconded by Vice President Jorgensen, it was

RESOLVED, To ratify the emergency e-mail vote to rescind the Board's November vote to deposit \$250,000 in an FDIC insured CD at Pacific Premier for 1 year at 1% interest.

The MOTION carried by a unanimous vote of the Board members.

Upon a MOTION duly made by Secretary Johnstone and seconded by CFO Destra, it was

RESOLVED, To ratify the emergency e-mail vote to invest \$250,000 in an FDIC insured CD at Pacific Premier for 18 months for 1.15% interest.

The MOTION carried by a unanimous vote of the Board members.

The Board members discussed at length amendments to the Mutual's Patio Policy.

(A break was called at 3:00 p.m. to 3:10 p.m.)

Following further discussion, and upon a MOTION duly made by Secretary Johnstone and seconded by CFO Destra, it was

**OLD BUSINESS (continued)**

RESOLVED, To include the Patio Policy on the Mutual's May election ballot to bring the Mutual into compliance with the Davis-Stirling law and Mutual Fourteen Bylaws.

Following a roll call vote, the motion carried with six "yes" votes and three "no" votes (Bourhenne, Luther, Melody).

Following further discussion, and upon a MOTION duly made by Vice President Jorgenson and seconded by Director Supple, it was

RESOLVED, To hold a Town Hall Meeting in February about the Patio Policy.

Following a roll call vote, the motion carried with six "yes" votes and three "no" votes (Bourhenne, Luther, Melody).

Following further discussion, and upon a MOTION duly made by Director Supple and seconded by CFO Destra, it was

RESOLVED, To include Mutual Fourteen's Corporate Attorney Chris Bonkowski as a participant in the Town Hall Meeting on Wednesday, February 11, 2015, from 10:00 a.m. to 12:00 noon.

Following a roll call vote, the motion carried with six "yes" votes and three "no" votes (Bourhenne, Luther, Melody).

**OLD BUSINESS (continued)**

Upon a MOTION duly made by CFO Destra and seconded by Director Supple, it was

RESOLVED, To authorize Director Ruth Harrison to spend up to \$150 on refreshments for the Town Hall Meeting.

The MOTION carried with seven "yes" votes and two "no" votes (Bourhenne and Melody).

Upon a MOTION duly made by CFO Destra and seconded by Director Supple, it was

RESOLVED, To have Mutual Fourteen's Corporate Attorney Chris Bonkowski attend the Executive Session after the January 20, 2015, Mutual Fourteen Regular Board Meeting.

The MOTION carried with five "yes" votes and four "no" votes (Bourhenne, Harrison, Melody, Luther).

Upon a MOTION duly made by CFO Destra and seconded by Director Harrison, it was

RESOLVED, To have Corporate Attorney Chris Bonkowski review Mutual Fourteen's Patio Policy for compliance with the Davis-Stirling Act in advance of putting the Patio Policy on the ballot in the next Mutual Fourteen Election of Directors.

The MOTION carried with six "yes" votes, two "no" votes (Bourhenne, Melody), and one abstention (Luther).

## **VICE PRESIDENT'S REPORT**

Vice President Jorgenson presented her report (as attached).

## **CFO REPORT**

CFO Destra presented her report (as attached).

During a discussion of the efficacy of going to solar energy for the laundry rooms, CFO Destra pointed out that electricity for Mutual Six's laundry rooms exceeded \$250 per month, while none of Mutual Fourteen's laundry rooms even reached this cost in the past year. A review of the numbers she discovered showed that it would take around 25 years for Mutual Fourteen to recover their investment.

Director Supple asked that the numbers be obtained and worked up with some prevision to show the shareholders the exact cost versus benefit situation.

## **SECRETARY'S REPORT**

Secretary Johnstone submitted her report to be attached to the minutes.

## **COMMITTEE REPORTS**

### **Grounds/Landscaping**

Director Luther indicated that due to the rain, there has been no watering done by Mutual Fourteen for the past three weeks. She also provided information regarding the gardening and the painting which will begin in January. Her report is attached.

## **COMMITTEE REPORTS (continued)**

### **Emergency Preparedness**

Vice President Jorgenson gave her report, a copy of which is attached. She also reminded shareholders and Board members that there were some Emergency Preparedness Classes planned for 2015 and that the cost of attending would be reimbursed by the Board if shareholders submit their certificate showing they completed the 2015 program.

### **Pets**

Director Melody gave his report, a copy of which is attached. He indicated that there is one new dog in the Mutual and that other pet issues would be handled in an Executive Session Meeting.

### **Solar Committee**

The Committee did not meet this month and had no report.

## **EXECUTIVE SESSION**

There were no matters before the Board for consideration at this time.

December 16, 2014

**ADJOURNMENT**

President Pepper adjourned the meeting at 4:53 p.m.



Attest

Carol Johnstone, Secretary  
SEAL BEACH MUTUAL FOURTEEN

pw:12/30/14  
Attachments

(These are tentative minutes, subject to approval by the Board of Directors at the next Regular Board of Directors Meeting.)

NEXT MEETING: JANUARY 20, 2014

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF DECEMBER 16, 2014**

12/16/14      RESOLVED, To dedicate today's Board Meeting to Mr. Carl Larsen to honor his many years of service to the shareholders of Mutual Fourteen.

RESOLVED, To donate \$200 to the Golden Age Foundation in the name of Carl Larsen on behalf of a grateful Mutual Fourteen.

RESOLVED, To remove five clotheslines not in use where the emergency sheds are located.

RESOLVED, To accept Edison's offer of energy saving bulbs for walkway and carport lights at no cost to the Mutual.

RESOLVED, To ratify the emergency e-mail vote to rescind the Board's November vote to deposit \$250,000 in an FDIC insured CD at Pacific Premier for 1 year at 1% interest.

RESOLVED, To ratify the emergency e-mail vote to invest \$250,000 in an FDIC insured CD at Pacific Premier for 18 months for 1.15% interest.

RESOLVED, To include the Patio Policy on the Mutual's May election ballot to bring the Mutual into compliance with the Davis-Stirling law and Mutual Fourteen Bylaws.

RESOLVED, To hold a Town Hall Meeting in February about the Patio Policy.

RESOLVED, To include Mutual Fourteen's Corporate Attorney Chris Bonkowski as a participant in the Town Hall Meeting on Wednesday, February 11, 2015, from 10:00 a.m. to 12:00 noon.

RESOLVED, To authorize Director Ruth Harrison to spend up to \$150 on refreshments for the Town Hall Meeting.

RESOLVED, To have Mutual Fourteen's Corporate Attorney Chris Bonkowski attend the Executive Session after the January 20, 2015, Mutual Fourteen Regular Board Meeting.

**BOARD OF DIRECTORS  
MUTUAL FOURTEEN**

**December 16, 2014**

RESOLVED, To have Corporate Attorney Chris Bonkowski review Mutual Fourteen's Patio Policy for compliance with the Davis-Stirling Act in advance of putting the Patio Policy on the ballot in the next Mutual Fourteen Election of Directors.



President's Report  
December 16, 2015

Neighbors, by the time you receive this we will be just about through the holidays and I hope they were wonderful for everyone.

We began our board meeting this month by dedicating it to the memory of Carl Larsen, who died in December of natural causes at the age of 89.

For those of you who don't know: Carl served our mutual in many capacities for many years. He served 12 terms on our board of directors, seven of them as I count it, as president. That tells a lot of the story right there. He also served for two years as Mutual 14's representative to the Golden Rain Board of Directors.

Beyond that, he acted as a mentor to numbers of newly elected board members, helping them learn the ropes and to understand mutual policies and what past boards had been thinking when they made the choices they did.

This level of effort on his community's behalf can only be respected.

He was also a wonderful friend with a great sense of humor and a deep caring heart.

He has our gratitude.

As does his wonderful wife, Ellen, who served a stint on the GRF board of directors herself and was always by Carl's side in whatever he did.

Moving to business:

As you know, our painting project gets underway Jan. 12. Please read those flyers Mike Supple and the rest of the Physical Properties team had distributed. Follow the direction in them to be ready.

Vice President Jorgensen reminds everyone that coyotes are still around from time to time. They are hungry and searching for food. This is natural. Please do not let down your guard when you are walking your pet and keep all pet food and other edibles off your porches and patios.

We will have spent the bulk of our December meeting on our new patio policy. I believe we will come close to completing it and that we will approve working with our attorney to finalize a policy that is both in our community's best interest and complies with the law.

We will have voted on whether to hold a Town Hall on the Patio Policy where I hope to include our attorney so you may ask him questions about the policy and why the board has chosen to proceed as it has.

The Town Hall is proposed for 10 a.m., Wednesday, Feb. 11 in Clubhouse 4. Please plan to attend if this subject is of interest to you.

In January, much of our meeting will again be taken up with getting the policy completed. My goal is to put it before you for a vote on the annual mutual ballot.

This year, the chairs of our committees and their team members have been wonderfully productive on behalf of their neighbors. I am grateful to them. And I can report to you that at the beginning of the New Year, Mutual 14 remains in good financial and physical shape and our general good harmony has, in my opinion, increased.

Never hesitate to call me with any questions you might have. Finally, I wish everyone a very happy New Year, Ann Pepper, president.

P.S. Since our meeting, CFO Martha Destra's husband, Frank, underwent heart surgery. He is doing well and we all wish him a speedy recovery.

December 16, 2014

**1. ESCROW ACTIVITY**

- **Prelisting Inspections**
  - 17G
- **New Buyer Orientation**
  - 5L
- **Close of Escrows**
  - 24F

**2. MUTUAL PERMITS and REMODELS**

- **See Attached Spreadsheet Permit Log**

**3. MUTUAL PROJECTS**

- **Painting**
  - **Hutton Painting is on schedule for 3<sup>rd</sup> week in January (1/12/15)**
- **Street painting**
  - **Mr. Supple and I feel like we can wait till spring or even a bit longer, pricing would not be the same, estimate of move in costs to be 1,500.00( Late Summer 2015)**
- **Termite/Dry Rot**
  - **Maintenance has started our list**
  - **Bait Stations, ok to add the 2 new ones last month, may I make up a contract for another year with Fenn we are on a month to month with this at the moment**
- **Sewer Line Cleaning**
  - **Completed week of Thanksgiving**
  - **Clean out at Bldg. 12 need to look at**
  - **2 buildings had roots rest of the report marked ok**
- **Side walk replacement**
  - **After the first of the year will have several areas that need attention, North side of bldg. 12 with the steel plates and also an area on the south side of building 16**

December 16, 2014

- **Irrigation/Landscaping**
  - Have a walk scheduled with Oscar this week for irrigation check (Tuesday 16<sup>th</sup>). Irrigation Controls, Nozzles, Rebates
  - Pinnacle has provided cost for dethatching and new sprinkler control stations. Costs are with me. Please ask
  - Gutter Cleaning; completed
- **Roof Leaks**
  - 54A- loose shingles, turned into maintenance
  - 18G- keeping an eye, leak at closet

#### **4. MUTUAL CONTRACT WORK**

- **Landscape / Gardening**
  - Contracting with Pinnacle Landscape, current and on-going
- **Termite/ Pest Control**
  - Contracting with Fenn Pest Control, current and ongoing
  - FYI, for insects please contract service maintenance (431-3548) and for termites and rodents please contact Kevin Black (431-6586 x.359)

#### **5. MUTUAL and SHAREHOLDER REQUESTS**

- 13C- patio at flower bed
- 22A- check on shower
- 27D- termites
- 27B- termites
- 5F- met with maintenance
-

## 2014 PERMIT LOG

<u>BLDG. #</u>	<u>DESCRIPTION</u>	<u>START DATE</u>	<u>DUE DATE</u>	<u>CONTRACTOR</u>	<u>GROUND INSP.</u>	<u>ROUGH INSP.</u>	<u>FINAL INSP. DATE</u>	<u>PLAN CHK DATE</u>
14-31A	1/2 bath flare skylites	7/28/2014	9/30/2014	Kress	8/7/2014	8/7/2014	10/9/2014	7/1/2014
14-24H	Central FAU	7/8/2014	8/30/2014	Greenwood			8/20/2014	
14-003F	bath/closet/patio	7/20/2014	10/30/2014	Roberts const.	10/20/2014	10/24/2014-drywall 11/5/14-lath 11/13/1412/14/14, tile and finish painting on the inside patio still needs compl.		7/23/2014
14-021D	3 zone ductless heat pump	8/19/2014	9/19/2014	Alpine				8/12/2014
14-33g	bath remodel/ started 9/12-14 found small amount of mold 1sq.ft. on 2x4, contractor to bleach and water area	8/22/2014	12/5/2014	Jim Huth	10/17/2014	10/17/2014/shower pan 11/3/14-11/4/14 lath		8/20/2014
14-16E	carport cabinet	8/20/2014	9/30/2014	solarcon			12/11/2014	8/20/2014
14-15F	carport cabinet	8/20/2014	9/30/2014	solarcon			12/11/2014	8/20/2014
14-31D	tile interior patio	9/15/2014	9/26/2014	Kress			9/23/2014	9/10/2014
14-49J	Therapeutic walk in tub	9/16/2014	11/16/2014	Galkos			10/13/2014	9/10/2014
14-50H	repl. Ducted heat pump	9/24/2014	11/15/2014	Greenwood			10/3/2014	9/12/2014
14-16C	exterior brick facing and condenser	9/22/2014	10/16/2014	Kress			11/4/2014	9/16/2014
14-13B	exterior brick facing and entry walk with brick	10/10/2014	11/10/2014	Pena			11/5/2014	9/29/2014
14-17G	washer/dryer/granite counter	10/10/2014	11/20/2014	Pena	10/9/2014	10/9/2014	11/13/2014	10/3/2014

2014 PERMIT LOG

14-20D	sola tube	10/24/2014	11/14/2014	Los AI			10/28/2014	10/15/2014
14-22A	new shower	10/23/2014	11/30/2014	Los AI	10/29/2014	10/29/2014	12/4/2014	10/15/2014
14-33F	new shower	11/25/2014	2/30/15	Kress				11/20/2014
14-28D	3 zone ductless heat pump	12/16/2014	1/10/2015	Alpine			12/12/2014	12/5/2014
14-24L	under counter washer/dryer	12/8/2014	12/10/2014	Bergkvist				12/9/2014

# Mutual 14 Physical Property Chair Report

## December 16, 2014

### UPDATE CURRENT & ON GOING PROJECTS:

1. **Dry Rot/Termite & Building Repairs:** Buildings # 1, 2, 3 and 4 have been completed. The carpenters are working on building 5 and will move to Building 12 next.
2. **Painting Project:** This plan is still scheduled to start the week of January 12<sup>th</sup>, 2015, weather permitting, with Building #1 in sequential order through Building 54. The carports will be painted after all the buildings are completed.
3. **Mutual Paint Notification Letters:** We have these letters for the Mutual 14 Board of Directors' to be distributed to the shareholders.
4. **Contractor's Letter:** A Second (2) letter will be distributed by Hutton Painting at least 3 days prior to the work beginning on specific buildings.
5. **Clean Dryer Vents In All Mutual Laundry Rooms:** Service Maintenance will start this work after the first of the year.
6. **Street and Curb Painting:** Kevin Black and I have both reviewed and concurred that this job can wait until after the rainy season. We may be able to tie this work in with the next Golden Rain Foundation (GRF) paving plan.
7. **Clothes Lines:** Motion to remove only One Half (1/2) of the clothes lines in the laundry room patio areas where the emergency preparedness sheds are located. These clothes lines are disconnected and not being used. The only areas affected are laundry rooms are 3, 19, 23, 32, and 53.

Respectfully Submitted:

Mike Supple,

Mutual 14 Director & Physical Property Chair

[supplemike5@gmail.com](mailto:supplemike5@gmail.com)

562-598-4390



**Mutual 14**  
**GRF Representative's Report**  
**December 16, 2014**

It's Christmas time. Last year there was no formal "Toys for Tots" sponsored by the GRF. Our new Executive Director was unaware of the annual program but he promised to make up for it this year. And he did. On Saturday one of our Leisure World buses was filled to overflowing with toys from you and your neighbors. A military honor guard was on hand to load and accept the toys for distribution to needy children.

The Executive Committee is now working on a thorny issue. It is the issue of service dogs. What exactly are the laws and what can we do to regulate them. Some people who have "comfort" service dogs want them at the pool and in the clubhouses. Speaking of the pool, for those of you who use it, you have noticed that it is currently closed for annual repair and deep cleaning. It should re-open on the 27th.

At the Recreation Committee there was a discussion of the possibility of charging a fee for non-residents to the weekly Saturday night dances. It seems that more than 50% of the people attending these dances are not residents.

The committee also started taking a hard look at the mini-farmers club. There has been a waiting list of over 5 years to get a plot. The club uses Trust property and Trust utilities. We are looking at ways to make the current turnover a little faster. Perhaps by limiting the time any one person can have a plot.

I would like your feedback on this.

The Security Bus & Traffic Committee had a long morning session with our corporate attorney regarding the proposed traffic policy which will be up for a vote of the entire board later this week. This policy has been under study for at least 4 years. Numerous committees and sub-committees have tried tackling the problem with no success. The new policy, enforceable on trust property only, calls for a system of tickets and an appeals process.

The policy can require proof of the ability to operate a vehicle safely in the community by taking a safe driving course from AAA or AARP. It also has authority to contact the Department of Motor Vehicles when concerns are noted by 2 moving violations in a rolling 6 month period. The policy also provides for the removal of a vehicles sticker from the windshield for



**Mutual 14**  
**GRF Representative's Report**  
**December 16, 2014**

chronic offenders. In other items, the GRF is starting a pilot safety program that will use flags placed in an umbrella type or other holder on each side of a busy crosswalk. A pedestrian will take out a flag, wave it as he or she crosses the street and deposit it in a container on the other side. We are also training all security personnel in the use of body worn cameras in their duties.

The Physical Properties Committee has been busy this last month. As most of you have noticed, the re-striping of the community is almost half complete. It will continue after Christmas. I am `happy to report that I expect a contract to be signed next month for the repaving of Del Monte Rd. This should cause a minimum of disruption because it may be completed in as little as a week from start to finish. Along with Del Monte, I expect a contract to be signed soon for the reconstruction and re-alignment of Tam O' Shanter Drive and the exit from amphitheater. The lighted pavement crosswalk on St. Andrews is underway. The weather has caused a small delay but the project will continue soon and should be completed next month. Work is continuing, or should i say that study is continuing regarding the Westminster wall project. At last months GRF Board meeting the board voted on the concept to expand our property to it's furthest extent. This could add about 90,000 square feet of space to the community. Now the problem, what to do with it. A sub-committee is listening to ideas from all quarters. Your ideas are welcome too.

The 3rd annual LW holiday lights tour goes from December 17th to the 19th. There will be 2 daily tours, 1 at 5:50 PM and the other at 7:20 PM. Seating is first come first served and begins at the Health Care Center.

Lastly, I would like to wish all of you a very Merry Christmas and a Happy New year. It has been both an honor and a great pleasure serving you on the GRF Board.

Respectfully Submitted

Barry Lukoff

MUTUAL 14  
VICE PRESIDENT'S REPORT  
DECEMBER 16, 2014

I recently had the pleasure to welcome Mr. and Mrs. Pham. They are relocating to Mutual 14, Building 5, from Mutual 8. They are enthused about living so close to many of Leisure World's attractions.

Currently, there are several attractive, well-located units for sale in Mutual 14. So far this year, 25 units have closed escrow.

*Valerie Jorgenson*  
Valerie Jorgenson  
Mutual 14 Vice President

**STOCK TRANSFER—ESCROW SALES AND RECAP**

MUTUAL →	1	2	3	4	5	6	7	8
Jan	1	2	0	1	2	3	1	1
Feb	2	0	2	3	1	1	3	1
Mar	3	0	2	3	4	2	4	3
Apr	4	4	4	0	4	1	2	0
May	9	7	7	0	2	1	1	5
June	5	4	3	0	5	1	2	4
July	6	5	2	2	4	0	1	1
Aug	8	11	3	2	1	4	2	0
Sept	6	5	2	4	2	2	1	2
Oct.	5	7	3	5	2	3	2	1
Nov.	2	0	1	1	2	1	1	2
Year-to-Date	51	63	29	21	29	25	20	20
MUTUAL →	9	10	11	12	14	15	16	17
Jan	1	0	0	2	1	1	0	1
Feb	2	0	1	2	1	0	0	0
Mar	3	1	0	2	5	3	0	2
Apr	0	2	3	2	0	4	0	0
May	4	1	2	2	1	3	0	2
June	3	0	3	1	2	1	0	0
July	4	1	4	2	1	2	0	2
Aug.	1	0	2	1	2	2	1	0
Sept.	1	2	1	1	1	5	0	0
Oct.	0	1	2	7	4	3	0	0
Nov.	0	3	3	3	0	3	0	0
Year-to-Date	19	11	21	25	25	27	1	7
Total Sales Through 2014								387

Escrow Sales Recap & Comparison Year-to-Date through November, 2014				
2014	Total Sales	387	Total Money Sales 2014 →	\$74,928,538.00
2013	Total Sales	629	Total Money Sales 2013 →	\$95,240,826.00
2012	Total Sales	453	Total Money Sales 2012 →	\$54,062,056.00
2014	Total Sales	387	-38.1% down over 2013 -15.5% down over 2012	

## Financial Review for November, 2014

The operating accounts reconciliation shows we are under budget by \$36,562. The reserve reconciliation shows that we have \$258,337.07 in our money market account at US Bank and \$12,105.45 in our money market account at BNY Mellon. This amount of cash will not only cover the painting project but gives us about \$70,000 that could be used to invest in another CD or FDIC insured savings account. So I am looking for another bank offering at least 1% interest with the option to add to the account as we acquire more funds. For example we have a bond of \$45,000 maturing in February that could be added. The CD of \$250,000 at Pacific Premier bank which matured on November 30<sup>th</sup> has been reinvested for 18 months at 1.15%.

The inspections and repairs on water pipes for \$20,000 authorized in July have not yet been completed and billed. In addition to the \$453,360.18 bond reserves earning approximately 5% at BNY Mellon. We have the following FDIC insured accounts

Banc of California	250,000	earning 1.14% translated to \$2734.02 year to date
Pacific Western	244,801.80	earning 1.04% translated to 2333.78 in 2014
America West	249,000	earning .9% translated to \$2054.25 year to date
Pacific Premier	250,000	earning 1.15% translated to \$2538.24 year to date
Synchrony Online	100,000	earning 1.15% translated to \$499.35 year to date
& another	100,000	earning 1.0% translated to \$499.35 year to date

Reviewing the income and expense statements shows we are over budget in legal expenses by \$3,600. And \$750 over budget for miscellaneous expenses. The over budget amount of \$5,240 for property and liability insurance is due to incorrect information given by the insurance broker at the time of last years' budgeting. Painting is under budget by \$5,968 and structural repairs is under budget by \$2,787. There is \$4500 left in landscape extras. Much of this has been spent and the invoices will process in the December statements. Pest control is under budget by approx. \$3300. And we are under budget in service maintenance by \$19,400, but still only 20 of our 34 inspections for water pipes have been billed as of November 30. On the income side there is extra income in

the categories of laundry room receipts (\$2300 rounded), interest (\$642.00) and inspection fees (\$837).

In October we had a presentation on the solar project being used by Mutual 6. I have been asked to evaluate this project from a financial prospective.

Here are my findings.

Mutual six accepted the "rule of thumb" that if your monthly bill is over \$250.00 you would be a candidate for solar power. I am not sure where that rule originates. But none of our Laundry rooms is currently costing \$250. Only LR 23 at \$249.00 this month is close. And this is the first month LR23 has been billed correctly under the GS1 TOU rate. So using the actual amounts billed to that LR previously, would not give accurate results. In fact, this month I received the first bill with all our laundry rooms now in the GS1 TOU (time of use) category. Here are the separate amounts.

LR 3 \$166.	LR 19 \$206.	LR 32 \$161.
LR 13 \$204	LR 23 \$249.	LR 49 \$207
LR 16 \$201	LR 27 \$175	LR 53 \$189

Mutual six's laundry rooms averaged \$288.00/month each.

The total installation for one laundry room was \$52,175. This included \$1800 as an estimate for trenching and \$750 for minor expenses.

To do all nine laundry rooms would cost  $\$52,175 \times 9$  or \$469,575 using Mutual 6's costs.

A rebate of \$2717.00 was available for Mutual 6 but this amount may not be available if the rebate pool is used up which is expected to happen soon.

Our total electric bill for the year will be approximately \$21,068.52 using \$1755.71 (this month's amount)  $\times 12$ .

11% of that money is actually Seal Beach taxes which are assessed whether or not you use SCE electric or solar power.

So the amount actually reduced for electricity is 89% of the yearly total projected at \$18,750.98.

Dividing the total cost of \$469,575 by \$18,750.98 give the years for return on investment to be 25 years.

Of course the variable in all this is the amounts the P.U.C. might allow SCE to increase their rates. This is an unknown percent. Also our rate might be changed from GS1-TOU which has reduced our billings by 20-22% from the GS-2 rate we were on before installing the demand controllers.

I was favorably impressed with the actual company being used by Mutual 6.

They offered a 25 year warranty on the panels, and 10 years on the roof penetrations and invertor. There was no warranty that the system will maintain its initial performance. Realistically, the fact is given that there will be some deterioration of the power produced as the system ages. There are too many variable to give an accurate percent of reduction over a specific number of years.

Roof replacement for mutual 6 will not be scheduled for 8 years. We also would not expect to need to replace the carport roofs until 2023. There will definitely be a cost to uninstall and reinstall the panels at that time, but no costs were given. The panels cover only 40% of the carport closest to the laundry room.

Personnally, I would like to wait on a solar investment. We must watch our SCE increases and the prices and rebates that become available in the future. However, since there is no current program to benefit us and our individual apartment electric bills, I favor waiting to see if that technology is developed in the future.

Also I would like to see technology for installing electric charging stations for Shareholders carport spaces with a machine that would bill the resident for their usage. This would benefit electric car owners and golf cart owners. And keep the mutual from being financially responsible for individual electricity usage while still able to offer this amenity.

On another matter, Our legal billings have only been received for the months up to April. The total now for last year's court case is \$21,408.50. \$10,000 of this was paid in 2013 and the balance in 2014.

For advise to the previous board in February and March, the billings are \$867.00

I was just emailed the billings for this board for May and June and they equal \$1887.00.

The legal rate we pay is \$255.00/hour which is not unusual. I feel consulting our attorney on matters that require a legal perspective is not only important to the fiduciary duty required of us as board members, but I feel it is also important to protect the assets of our entire Mutual and it's Shareholders.

When I read about some of the horrendous legal experiences in other HOAs, I am thankful that we have sought competent legal guidance in the past. To have a competent legal opinion is always less expensive than getting a judges decree.

Respectfully submitted, Martha Destra, CFO





## SECRETARY'S REPORT

### December, 2014

Did you enjoy the last Town Hall Meeting? I certainly did. But we did not take minutes at this meeting. There were hand-outs created for the meeting, but the explanation that went with the hand-outs was very helpful in understanding what was said. Do you think we should have a very brief "reprise" (or summary) of what is said at the Town Hall Meetings to circulate like Minutes of a Board Meeting?

Naturally, Shareholders will talk with others about what they heard. But hearing is a filter. What we hear may or may not be what the Speaker thinks was said. Furthermore, we all know the game of "telephone" which shows how much retelling a story changes it.

While every effort is made to pick a time that all can attend, realistically speaking there is **no such time**. There are times where more can attend. There are places that are easy to reach. But life intrudes, and at times even the time we thought was best won't work for us. So. How can your Board of Directors assure that everyone can benefit from the Town Hall Meetings?

In my opinion, a Summary, a brief synopsis of what was said would be helpful. Mutual 14 is going to have another Town Hall on another very important topic in February. While I hope that all can attend, I am sure some will not be able to do so. In my opinion, we should have such a synopsis, including questions asked and answered, to pass around Mutual 14.

What do you think? Would this be a waste of paper or helpful?

Respectfully submitted, Carol Johnstone, Secretary

## **Mutual 14 Landscape Report**

### **December 16, 2014**

December, January and February will be very busy months for landscape due to several large projects. Beginning this week, Dec. 18, 19<sup>th</sup>, the tree trimming will be done, as evaluated by our Arborist from Pinnacle. Landscape Committee members have been assisting our preparation for this by checking to see that there are no articles around, in, or under trees that will be trimmed.

We have begun our project to re-seed small areas needing repair. We are requiring SH's to sprinkle newly seeded areas until the grass is established, no more than once daily, just to keep the seed damp. The gardeners will let SH's know when this has been done so that they can begin care. This will be done as time and money are available. After the requests have been completed, we will be checking the entire mutual to get a comprehensive list of areas needing repairs and completing the project over about a 2 month period.

Painting in the mutual will begin on January 12<sup>th</sup>. Landscape will be working ahead of the painters' schedule, trimming all plants and bushes needed to give the painters 18" of space from the buildings in which to work. We will again be utilizing the help of our Landscape Committee members to check for plants and bushes that will need to be trimmed back. We are asking SH's to help us during this project, allowing the gardeners to do what they have been asked to do. One Landscape Committee member will be making a final sweep of the buildings scheduled within a few days prior to painting for any items still needing attention. We will give SH's a schedule for their building as close to the date as possible, when it is available.

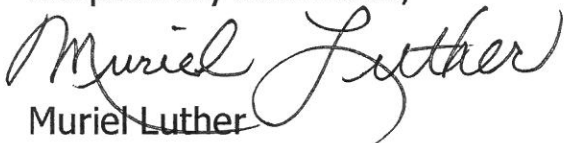
We are happy and proud to say that Mutual 14 irrigation has now been turn off completely for 3 weeks, saving a large amount of water. We will make further decisions on this week to week, depending on the weather.



Larry and I want to again say thank you to our wonderful SH's for your teamwork with us. It can't be said too often ... we could not do this job without you. We are humbled and appreciative of the many ways in which you have helped to make this job much easier and rewarding. Your calls, reports, observations, questions and suggestions are some of our ways of keeping informed of Mutual 14 landscape matters.

Have a wonderful holiday season!

Respectfully submitted,

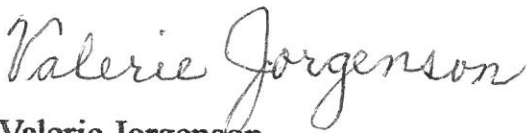
A handwritten signature in cursive script that reads "Muriel Luther". The signature is written in black ink and is positioned above the printed name.

Muriel Luther  
Landscape Chair

## EMERGENCY PREPAREDNESS REPORT

DECEMBER 16, 2014

Disaster First Aid classes sponsored by the LW PEP committee will again be offered in 2015. (See the information and schedule below.) The cost will be reimbursed to Mutual 14 shareholders who complete the class and agree to use the information they learned in order to provide assistance in a disaster.



Valerie Jorgenson  
Mutual 14 Emergency Preparedness Chair

### ***Disaster First Aid*** ***What to Do When 911 Can't Come***

**Class Schedule – Sign up for ONE (5 hour class)**

1. **Saturday, January 24st, 2015 (9am – 2pm)**  
**Clubhouse 3 – Room 4 (Bring Your Lunch)**
2. **Monday, March 23<sup>rd</sup>, 2015 (9am – 2pm)**  
**Clubhouse 3 - Room 4 (Bring Your Lunch)**
3. **Saturday, May16th, 2015 (9am – 2pm)**  
**Clubhouse 3 – Room 3 (Bring Your Lunch)**

Organized Communities Volunteer Education Association (OCEVA) –  
a local non-profit disaster training organization will provide training.

Retake for FREE just make a reservations to assure space for you.

Cost: \$22, payable by check to OCEVA or by cash –

Payment due at the beginning of class.

Class payment includes training manual.

**Registration is required.** - Reserve Your Space **NOW** - Contact;  
Geneva Potepan, LW First Aid Training Coordinator,  
E-mail - Geneva at [mom4rascal@aol.com](mailto:mom4rascal@aol.com) or phone her at 951-675-4271  
or phone Madge Armstrong at 562-598-3087

## Pet Committee Report

12/16/2014

Mutual 14 has had an increase of 1 dog added to our total dog and cat population of 36 dogs and 13 cats that are currently registered.

There have been very few incidents of residents and guests not following our pet policies. They have been addressed on an individual basis and for the most part, our pet policy is being followed. Any known violations are being addressed by your **B**oard.

As shareholders in the Mutual, it is each of our responsibility to report violations of the pet policy which can impact our neighbors. This can be done by contacting your Building Director, Security and/or me directly at 714-325-6790.

Respectfully submitted,

Lee Melody

MUTUAL 14 CONSENT TO AN EMERGENCY BOARD ACTION VIA E-MAIL

The Board of Directors of Mutual 14 hereby consent to an Emergency Board action via e-mail.

Margie Lester  
Name

12/1/2014  
Date

[Signature]  
Name

12/1/2014  
Date

[Signature]  
Name

12/1/2014  
Date

Valerie Jorgenson  
Name

12/1/2014  
Date

[Signature]  
Name

12-1-2014  
Date

Muriel Luther  
Name

12-1-14  
Date

Carol M. Schmitz  
Name

12-1-2014  
Date

[Signature]  
Name

12-01-2014  
Date

[Signature]  
Name

12/1/14  
Date

# SIGN-IN SHEET

## BOARD OF DIRECTORS MEETING

MUTUAL NO. FOURTEEN

DATE: JANUARY 21, 2014

	GUEST NAME
1.	Sara Spannenberg
2.	Frank Destra
3.	Harold Bonnema
4.	James Clement
5.	Ken Harpham
6.	Jack Faucett
7.	Kathy Palmateer
8.	Larry Lowman
9.	Joan Smith
10.	Ellen Brannigan
11.	Sandra Tessier
12.	Joan Smith
13.	Judy Schroeder
14.	Susan Simon
15.	Flo Dartt
16.	Sue Worthington
17.	Rosemary Serbu
18.	Demetra Monios
19.	Erik Soderholm
20.	Marian Soderholm
21.	
22.	
23.	
24.	
25.	
26.	
27.	