

**MINUTES OF THE REGULAR MONTHLY MEETING OF THE  
BOARD OF DIRECTORS  
SEAL BEACH MUTUAL FOURTEEN  
October 21, 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, October 21, 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, and Directors Bourhenne, Harrison, Supple, Luther, and Melody

GRF  
Representative: Mr. Lukoff

Guests: Mr. Garrett, Mutual Six President  
Mr. Redgate, Ameco Solar  
Thirty-seven shareholders of Mutual Fourteen

Staff: Mrs. Weller, Mutual Administration Director  
Ms. Miller, GRF Controller  
Mr. Black, Building Inspector  
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 CFO Destra and seconded by Director Supple, it was

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

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

## **PRESIDENT'S REPORT**

President Pepper presented her report (as attached).

## **GUEST SPEAKERS – Mr. Garrett and Mr. Redgate**

The guest speakers were invited to the meeting to talk about the solar system that Mutual Six has installed in one of its laundry rooms. The system has been working very well for Mutual Six and saving a considerable amount of money. Mr. Redgate answered questions about his company and the solar system.

## **BUILDING INSPECTOR'S REPORT**

Inspector Black reviewed his report. Director Supple discussed the Mutual's painting project. Upon a MOTION duly made by Director Supple and seconded by CFO Destra, it was

RESOLVED, To ratify a poll of the Directors by President Pepper to choose Hutton Contract Painting Company as the painting contractor Mutual Fourteen will use for its painting project.

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



**BUILDING INSPECTOR'S REPORT (continued)**

Director Supple explained Hutton's scope of work suggestions. Following discussion, and upon a MOTION duly made by Director Supple and seconded by Secretary Johnstone, it was

RESOLVED, That the Physical Property Committee recommends choosing Option 1 of the scope suggestions: "Complete preparation and repaint per specifications of 328 units, 9 laundry rooms and 11 carports for a cost of \$169,000."

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

Following a discussion about the paint colors to use on the buildings' stucco walls, and upon a MOTION duly made by Director Supple and seconded by Director Melody, it was

RESOLVED, To choose the Vista Paint color "Moth Wing" as the color of the stucco walls on the Mutual's buildings.

The MOTION carried by way of a roll call vote with two "no" votes (Jorgenson, Bourhenne).

Following a discussion about the paint colors of the buildings' trim, and upon a MOTION duly made by Director Supple and seconded by Director Harrison, it was

RESOLVED, To choose the Vista Paint color "Vista White" as the color of the trim on the Mutual's buildings.

The MOTION carried by way of a roll call vote with two "no" votes (Luther, Melody) and two abstentions (Jorgenson, Bourhenne).

### **TREASURER'S REPORT – 2015 BUDGET PRESENTATION**

CFO Destra, as well as Ms. Miller, presented Mutual Fourteen's proposed 2015 Operating Budget information.

Following a lengthy discussion, and upon a MOTION duly made by Director Luther and seconded by Director Harrison, it was

RESOLVED, To establish a Landscape Reserve Fund in the amount of \$30,000 for dethatching the lawns.

The MOTION carried with one abstention (Johnstone).

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

RESOLVED, To accept the 2015 Operating Budget for Mutual Fourteen of \$1,216,933 (annual amount), resulting in a regular assessment of \$309.18 (monthly amount) per apartment per month, for an increase of \$8.97 per month over the total regular assessment of 2014, as presented, and to adopt this budget forthwith.

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

Due to the time, the balance of the reports and new and old business were shortened to the following:



## **OLD BUSINESS**

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

RESOLVED, To ratify, effective October 23, 2014, Policy 7110 – Code of Conduct.

The MOTION carried with three “no” votes (Bourhenne, Melody, Luther).

## **MINUTES**

Several members of the Board wished to have hard copies of the Board Meeting minutes to review rather than having an e-mailed copy for preapproval. The minutes of the September 16, 2014, Board Meeting having been published on October 21, 2015, and handed out at today's meeting, the Board agreed to postpone the approval process until the next Board Meeting.

A consensus of the Board agreed that the recording secretaries should not be required to e-mail copies of the minutes to all Board members prior to the printing of the minutes.

## **DIRECTORS' REPORTS**

Following a short discussion, it was determined that due to the time, the Directors' reports would be attached to the minutes rather than presented at the meeting (see attached).

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

GRF Representative Lukoff's report was submitted to be attached to the minutes. The GRF committee reports and the GRF Board Meeting Recap may now be read in the *Golden Rain News*.

## **MUTUAL ADMINISTRATION MANAGER'S REPORT**

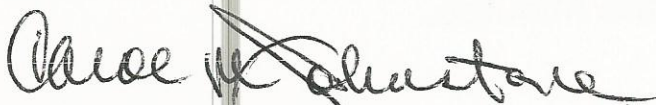
Mrs. Weller's report regarding personal property insurance was submitted to be attached to the minutes.

## **EXECUTIVE SESSION**

President Pepper announced that the Executive Session Meeting originally scheduled for this time would be postponed because of the Mutual Administration Director was unable to remain due to prior commitments.

## **ADJOURNMENT**

President Pepper adjourned the meeting at 5:15 p.m.



Attest, Carol Johnstone, Secretary  
SEAL BEACH MUTUAL FOURTEEN

pw:10/30/14  
Attachments

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

**NEXT MEETING: NOVEMBER 18, 2014**



**\*\* PLEASE SUBMIT ALL REQUESTS FOR PATIO REMODELS, CARPORT STORAGE CABINETS, AND CART PADS TO KEVIN BLACK IN THE GRF PHYSICAL PROPERTY DEPARTMENT SO HE CAN E-MAIL COPIES TO ALL MUTUAL FOURTEEN DIRECTORS AT LEAST ONE WEEK PRIOR TO THE MUTUAL FOURTEEN BOARD MEETING AT WHICH THE PROJECT WILL BE DISCUSSED. \*\***

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF OCTOBER 21, 2014**

10/21/14      RESOLVED, To ratify a poll of the Directors by President Pepper to choose Hutton Contract Painting Company as the painting contractor Mutual Fourteen will use for its painting project.

RESOLVED, That the Physical Property Committee recommends choosing Option 1 of the scope suggestions: "Complete preparation and repaint per specifications of 328 units, 9 laundry rooms and 11 carports for a cost of \$169,000.

RESOLVED, To choose the Vista Paint color "Moth Wing" as the color of the stucco walls on the Mutual's buildings.

RESOLVED, To choose the Vista Paint color "Vista White" as the color of the trim on the Mutual's buildings.

RESOLVED, To establish a Landscape Reserve Fund in the amount of \$30,000 for dethatching the lawns.

RESOLVED, To accept the 2015 Operating Budget for Mutual Fourteen of \$1,216,933 (annual amount), resulting in a regular assessment of \$309.18 (monthly amount) per apartment per month, for an increase of \$8.97 per month over the total regular assessment of 2014, as presented, and to adopt this budget forthwith.

RESOLVED, To ratify, effective October 23, 2014, Policy 7110 – Code of Conduct.



## President's Report – Ann Pepper

Hello, All. Happy Autumn.

Last Friday, I attended the film “Take Back Your Power” and the brief discussion that ensued regarding smart meters. Mrs. Weller, our Mutual Administrative Director, also attended. I think it would be fair to say that it raised some very serious questions, particularly about health issues for residents living in those end units with the meters on the walls outside their homes.

Some of the health issues being attributed to these meters, which were installed in Leisure World by Edison with little to no notice, include:

- Pacemaker interference
- Tinnitus
- Insomnia
- Dry eyes and other eye issues
- Nose bleeds
- Malaise in the elderly
- Interference with deep brain implants for Parkinson's Disease
- Confusion and Learning Impairment
- Skin Rashes
- Heating of bodily tissues and other radiation effects
- Fires caused by the devices
- Dramatic Spikes in Electric Bills in some areas

Whether these claims are valid is under investigation.

Mutual 5 and its president, Jan Jarecki, have taken the lead on this investigation and we will be hearing more from him.

Representatives from Edison and independent investigators are being called in to Leisure World to check the meters.

The issue is being taken seriously, I am told.

However, if you want to see the film yourself you can call the trailer up on YouTube and the film itself on other sites.

“Take Back Your Power” is an award-winning film from 2013 and might be one of the few times that you will ever see a former CIA director, a former executive director of the National Security Administration and NSA whistleblower Edward Snowden on the same side of an issue.

Marin County is apparently looking at banning these meters. The City of Sebastopol in Sonoma County already has.

Several mutual presidents attended the film showing, including one who lives in an end unit with the meters and feels he is experiencing health issues as a result.

I'll keep you posted.

Next, we've probably all noticed the dramatic drop in coyote sightings these days. That's a good thing. But, although



in fewer numbers, coyotes are still around, so don't drop your guard with your pets.

Finally, remember to stick to the watering schedule. We're definitely all in this one together.

And, board committee chairs: Please get your reports in to the recording secretaries within 24 hours of this meeting – if not today – to help facilitate getting the minutes out in a more timely fashion.

Respectfully submitted,

Ann Pepper, president Mutual 14 2014-2015

October 21, 2014

## 1. MUTUAL ESCROW ACTIVITIY

- **Prelisting Inspections**
  - 53E
  - 24F
  - 02D
  - 49D
  - 31A
- **New Buyer Orientations**
  - 4C
  - 24L
- **Close of Escrows**
  - 04B
  - 04C
  - 24L

## 2. MUTUAL PERMITS and REMODELS

- See attached spreadsheet

## 3. MUTUAL PROJECTS

- **Painting**
  - BOD has picked Hutton Painting; colors have been put up at the south end of carport 149, waiting for colors to finalize the contract. Start date will be 1/12/15
- **Termite/ Dry rot**
  - Maintenance is going to start work in the mutual first week of December, list approved at the July meeting
- **Fire Inspections**
  - Jay and Don have completed fire inspections, please confirm the re-inspections with Don at ex. 390 or by email at [donaladm@lwsb.com](mailto:donaladm@lwsb.com)
- **Potable Water Lines (attic)**
  - See attached report
- **Sewer Line Cleaning**
  - Due to start in late October/ November
- **Sidewalk Replacement**
  - This item is still on the books with the previous list that was compiled, as time permits a list of the next sidewalk area will be presented
- **Landscaping**
  - Will be meeting up with Pinnacle to go over irrigation coverage



October 21, 2014

#### 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

- 15L- check stains on flooring
- 05K- termites, found crickets
- 49J permit paper work for contractor
- C.P. 149- painting of carport
- Paint walk with some BOD and painter
- 17G- check on tile for install
- 10/13/14 – Physical Property committee meeting

Financial Review for September, 2014

The operating accounts reconciliation shows we are under budget by \$20,482. The reserve reconciliation shows that we have \$161,113.37 in our money market account at US Bank and \$61,570.90 in our money market account at BNY Mellon. These amounts will cover the painting project so we will not need to access any of our invested funds. Our previous motion to move \$52,000 from BNY Mellon to US Bank has taken place but after Sept 30<sup>th</sup>.

The repairs on water pipes for \$20,000 authorized in July have not yet been completed and billed. In addition to the \$440,864 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 \$2137.50 year to date |
| Pacific Western    | 244,801.80 | earning 1.04% translated to 1589.57 in 2014        |
| America West       | 249,000    | earning .9% translated to \$1680.75 year to date   |
| Pacific Premier    | 250,000    | earning 1.0% translated to \$1875.00 year to date  |
| Synchrony Online   | 100,000    | earning 1.15% translated to \$638.89 year to date  |
| & another          | 100,000    | earning 1.0% translated to \$556.00 year to date   |

Reviewing the income and expense statements shows we are over budget in legal expenses by \$4000.. And \$1000 over budget for miscellaneous expenses. The over budget amount of 11,600 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 \$4500 and structural repairs is under budget by \$1,000. These moneys will be used as dry rot and termite repairs are made. There is \$4000 left in landscape extras. Some of this will be needed for over-seeding and/or tree trimming over the next 3 months. Pest control is under budget by approx. \$2700. And we are under budget in service maintenance by \$16,000 but still only 20 of our 34 inspections for water pipes have been billed as of September 30. On the income side there is extra income in the categories of laundry room receipts (2000 rounded), interest (1300 rounded) and inspection fees (500 rounded).

During the August 21st meeting with Controller Carolyn Miller, the Budget committee put together a tentative budget. The 4 directors-- Mrs. Johnstone, Mr. Melody, Mrs. Tessier and myself-- along with Shareholder, Mr. Jim Gilbert,



worked line by line through our financial reports to determine the amount needed for next year's assessment. I would like to thank this team who worked together so well to budget for the year 2015.

A couple pieces of information needed were not available to us at that point. After receiving the September reports a few days ago, I refigured some of the assessments required for reserves. We also needed the vote on the painting bids to determine the basis for our future painting reserve assessment. After working on these figures over the weekend, I distributed the attached letter to the board members letting them know of the revisions I was planning. I did not receive any calls or emails with comments on these proposed changes.

Monday morning I asked Controller, Carolyn Miller if she would have time to review my figures and modify our budget. Committee members were notified by President Pepper and committee member Jim Gilbert was available with short notice yesterday to meet with the controller and myself at 4:00pm. Controller Miller had also modified the entry for taxes on our investment income and, of course, we now have the final amount of the GRF assessment. Copies of the new budget were distributed last evening to all directors. I would like to thank Controller Miller for her generous help on short notice that required her to work until 4:45 and to then process copies for the directors.

Mrs. Luther mentioned she would have liked to have included a budget line for dethatching our lawns. To renovate during a drought is not recommended, but if we get a rainy winter the board might want to consider this project and establish a reserve fund since lawns are a component that needs periodic by not annual renovation.

Questions on the budget will be entertained by Controller Miller.

(During discussion a Reserve Fund for Lawn dethatching was established and \$1517.00 was added to the annual funds for extra landscape charges.)

RESOLVED, To accept the 2015 Operating Budget for Mutual Fourteen of \$1,224,450.00 (annual amount) resulting in a regular assessment of \$311.09 (monthly amount) per apartment per month, for an increase of \$8.97 per month over the total regular assessment of 2014, as presented, and to adopt this budget forthwith.

Respectfully submitted, Martha Destra, CFO

**SEAL BEACH MUTUAL NO. 14**  
**FINANCIAL STATEMENTS RECAP**  
For the Nine Months Ending September 30, 2014

INTERNALLY PREPARED  
FOR MANAGEMENT USE ONLY

September

YTD

Actual      Budget

Actual      Budget

|          |          |  |                  |                |
|----------|----------|--|------------------|----------------|
| \$76,490 | \$76,491 | Regular Assessment                               | \$688,406        | \$688,419      |
| 22,606   | 22,606   | Reserve Funding                                  | 203,452          | 203,454        |
| 99,096   | 99,097   | <b>Total Regular Assessments</b>                 | <b>891,858</b>   | <b>891,873</b> |
| 1,198    | 791      | Service Income                                   | 9,263            | 7,119          |
| 2,094    | 2,395    | Financial Income                                 | 22,829           | 21,555         |
| 538      | 843      | Other Income                                     | 8,518            | 7,587          |
| 3,830    | 4,029    | <b>Total Other Income</b>                        | <b>40,610</b>    | <b>36,261</b>  |
| 102,926  | 103,126  | <b>Total Mutual Income</b>                       | <b>932,468</b>   | <b>928,134</b> |
| 45,774   | 45,776   | Trust Maintenance Cost                           | 411,966          | 411,984        |
| 9,053    | 9,420    | Utilities  | 79,538           | 84,780         |
| 343      | 1,028    | Professional Fees                                | 13,215           | 9,252          |
| 17,853   | 19,471   | Outside Services                                 | 148,788          | 175,239        |
| 6,114    | 4,825    | Taxes & Insurance                                | 55,027           | 43,425         |
| 22,606   | 22,606   | Contributions To Reserves                        | 203,452          | 203,454        |
| 101,743  | 103,126  | <b>Operating Expenses Before Off-Bdgt</b>        | <b>911,986</b>   | <b>928,134</b> |
| 1,183    |          | <b>Excess Inc / (Exp) Before Off-Bdgt Items</b>  | <b>20,482</b>    |                |
| 1,183    |          | <b>Excess Inc / (Exp) After Off-Budget Items</b> | <b>20,482</b>    |                |
|          |          | <b>Restricted Reserves</b>                       |                  |                |
| 806      |          | Appliance Reserve                                | 18,178           |                |
| 1,447    |          | Painting Reserve                                 | 175,700          |                |
| 17,545   |          | Roofing Reserve                                  | 1,304,522        |                |
|          |          | Emergency Reserve                                | 35,751           |                |
| 2,401    |          | Infrastructure Reserve                           | 54,575           |                |
|          |          | <b>Total Restricted Reserves</b>                 | <b>1,588,726</b> |                |



**MUTUAL 14  
VICE PRESIDENT'S REPORT  
OCTOBER 21, 2014**

Director Bourhenne and I recently welcomed Donna O'Gara to building 4. She will enjoy living closer to her faither, a Leisure World resident. Her very well behaved service dog Starlight will keep her company.

William and Kwang Cooten will be relocating from Las Vegas to building 24. Director Supple joined me at their orientation meeting. Since Mike lives in the same building, he was also able to welcome them as new neighbors..

Linda Hanley is moving to building 31. She is looking forward to living closer to her one-year-old grandson. She is enthused about participating in activities and making new friends. Director Luther assisted me in providing her with shareholder information.

Please try to warmly welcome these nice new residents.



Valerie Jorgenson  
Mutual 14 Vice President



## SECRETARY'S REPORT OCTOBER 2014

Where are the Minutes for Mutual 14???? People ask me this after the expected two-week gap is exceeded. The Secretary of the Board of Directors of Mutual 14 does not take down or type up the Minutes of the Meetings of the Board. Golden Rain Foundation's Recording Secretaries do.

In a business corporation, the Secretary takes down the minutes of the meetings, types up a copy, and dependent upon whether or not the minutes are sent to all the participants, shareholders and other interested parties, gets them printed and sent out. Secretaries also sign Corporate Documents, such as checks and shares of stock.

A Mutual Secretary is the officer that distributes the Minutes of Board Meetings after the Recording Secretaries type them up. The Mutual Secretary also assures the proper posting of Proposed Policies in the Laundry Rooms, signs shares of stock and distributes other materials that are to be circulated amongst the Board's Directors.

Why the delay in getting the minutes? I have heard: secretarial vacations, remodeling, late Director Reports. (Director Reports are not a part of the minutes, so that one is a mystery.) None of these are unpredictable incidents. A well-run business either cross-trains employees or hires temporary employees to handle unusual demand for production. As for remodeling, thankfully computers have solved the problems that used to leave employees with nothing to do. Now, thanks to laptop computers, floppy disks, digital data travelers (USB) and e-mail, anyone using a computer can send or take their typing to another area while the area in question is under construction.

While Executive Director Ankeny appears on top of the requirements that GRF maintain buildings and landscaping, the actual Administration of the Foundation is not receiving adequate attention. Our minutes should be published within two weeks of the meeting.

Respectfully submitted,

Carol M Johnstone, Secretary



MUTUAL 14  
Physical Property Chair Report  
October 21, 2014

**UPDATE ON CURRENT PROJECTS**

**1) PAINT PROJECT INFORMATION**

- A) (Approved by Board unanimously) – Hutton Painting is the approved vendor for the M14 Paint Project.
- B) **Work is projected to begin on January 12, 2015.**
- C) Painting will begin with Building 1, 2, 3 etc in sequential order with carports being completed last.
- D) On Friday, October 3<sup>rd</sup>, Kevin Black, Mike Supple, Sandy Tessier, Muriel Luther, Ann Pepper, & Rod LaPlante met with Hutton Painting and Vista Paint Representatives to better understand the contract and to clarify the project process.
- E) Notification Letters to the shareholders from both M14 and Hutton Painting have been prepared and ready when needed.
- F) **BOARD ACTION REQUIRED: Decide which option best meets the needs of M14 – (Refer to handout)**
- 1) **Recommendation from the M14 Physical Property Committee (PPC)**
- (a) **Item #1** - \$169,000 with no additional options added) based on information received from 3 separate vendors and the M14 Physical Property Inspector and for the following reasons:
- (1) This is the same choice made 10 years ago using Vista Paint and the paint has held up well.
- (2) There is no solid evidence or longer guarantee that the use of upgraded paint products will make the paint job last longer.
- G) **BOARD ACTION REQUIRED: Decide color on stucco and wood/trim**
- 1) **STUCCO COLORS TO CHOOSE FROM:**
- (a) **Muslin Tint (0287), Toga (72) , Moth Wing (0183)**
- 2) **WOOD/TRIM COLORS TO CHOOSE FROM:**
- (a) **Sugar Dust (0011), Elusive White (0002), Bright White (00), Swiss Coffee (23), Vista White (49)**
- H) **PAINT STUCCO & TRIM VERSUS PAINT WOOD/TRIM ONLY - DETAILED EXPLANATION:**
- Why did the PPC recommend total paint project rather than choosing only to paint the wood/trim?**
- 1) Information received from utilizing Industry Standards, Hutton Painting, Vista Paint Representative, & Physical Property Inspector:
- (a) Paint life on stucco – 7 years, paint life on wood – 5 years, paint life on iron – 2 years. M14 is already over the Industry Standards for paint life on both the stucco and wood/trim.
- (b) Approximate cost to paint only wood/trim – \$135,200 to \$143,650 – a cost savings of 15% to 20% (\$25,350 to \$33,800)
- (c) Cost to paint stucco at a later time would more than double because of the extra prep work needed to protect the wood/trim.
- (d) Great inconvenience to the residents having to prepare and move everything twice.
- (e) Combining Dry Rot/Termite Project with complete Paint Project is projected to save M14 between \$25,000 and \$30,000. Most of this projected savings would be lost if only wood/trim work completed.
- (f) When buildings are power washed some areas on the stucco will need touch up paint and because building colors have faded; surfaces will look patched and not up to M14 high standards.
- (g) Instead of helping to increase funds for other major infrastructure projects such as plumbing, painting only the wood/trim would have the opposite effect and would have a negative impact on future M14 finances.
- (h) If M14 decides to postpone all painting, labor and paint costs will continue to increase plus buildings will continue to deteriorate and lose value.
- I) **ONE COLOR VERSUS TWO – DETAILED EXPLANATION: Wouldn't it cost less to use only 1 color for both the stucco & wood/trim?**
- 1) Information received from the approved vendors, Hutton Painting, & Vista Paint Representative:
- (a) No. In reviewing the stucco colors & wood/trim colors that M14 has decided to choose from, the cost is the same whether 1 or 2 colors are utilized. Cost would only be increased if there was a greater variation in colors (example: going from a dark color to a light color.)



**MUTUAL 14**  
**Physical Property Chair Report**  
**October 21, 2014**

**UPDATE ON CURRENT PROJECTS (continued)**

**J) INSPECTION & ATTIC PIPE REPAIR BY MAINTENANCE DEPARTMENT**

- 1) The Board approved emergency pipe repair to be completed by the Maintenance Department. Repair costs are capped at \$20,000 without further Board approval.
- 2) Maintenance Department is continuing with list and a final report will be presented to Board when work is completed.

**K) SEWER LINE INSPECTIONS & SEWER CLEANING**

- 1) Due to begin in late October early November.

**L) M14 PHYSICAL PROPERTY PROJECT TIMELINE "FINAL" DOCUMENT**

- 1) The M14 Physical Property Project Timeline has been finalized and will be shared with residents at the upcoming October 30<sup>th</sup> Town Hall Meeting.

**UPDATE ON FUTURE PROJECTS**

**A) ROOFING**

- 1) The Board agreed with the PPC that roof replacement should be based on actual need versus years in service.
- 2) Tom Dowd, General Construction Contractor & Physical Property Chair from Mutual 6 met with Sandy Tessier and Rod LaPlante on October 17<sup>th</sup> to conduct an inspection of M14 roofs and will give recommendations on their condition. This information will be compared with the inspection information completed last year by M14's Physical Property Inspector.

**B) PLUMBING & COPPER REPIPING**

- 1) The PPC is in active discussions regarding repiping of M14 buildings. Information will be shared as it becomes available.
- 2) A presentation was given by John Nelson Plumbing at the 10/2/14 Physical Property Council Meeting. Information from the presentation included the following:
  - (a) Keys to determine if repiping is necessary:
    - (1) Leaks have occurred 3 to 4 times in the building per year
    - (2) Water pressure fluctuates
    - (3) Threads connection issues
  - (b) There is no real advantage to run new attic pipes only and NOT replace all pipes.
  - (c) Galvanized pipes can last up to 100 years, however average lifespan 60 years.
  - (d) In his opinion, if replaced with Type L Copper there would be no need to ever re-pipe again.
  - (e) John Nelson Plumbing would charge \$25,000 (\$23,800 if roof is off) to replace galvanized pipes with Type L copper in a 12 unit building with 1 bath with lifetime warranty – based on original 12 unit building drawings. (PLEASE NOTE: Scope of Contract not reviewed & not verified.)
    - (1) Job usually takes 3-4 days.
    - (2) Resident would not need to move out.
    - (3) If roof is off there would be 20% less patching and 10% less labor (\$1200 less cost).
    - (4) There would be extra costs involved for upgraded/2 bath units (dishwasher, washing machine etc)
    - (5) Plumbing is invasive therefore to get a better understanding as to what is really involved, he suggests repiping only 1 building and use this as a learning curve for future buildings.

**Respectfully Submitted:**

**Mike Supple, Mutual 14 Director & Physical Property Chair**



| CONTRACTOR   |   | Total Costs Per Option Chosen |
|--|---|-------------------------------|
| Hutton Painting  |   |                               |
|  |   |                               |
|  |   |                               |
| Item   | SCOPE   |                               |
| #1   | Complete preparation and repaint per specifications of 328 units, 9 laundry rm's and 11 carports  | \$169,000                     |
| #2   | Complete preparation and repaint per specifications of 328 units, 9 laundry rm's and 11 carports with up graded finish Vista No. 1900 Weather Master  | \$198,000                     |
| Option 1   | Complete preparation and repaint per specifications of wood substrates painted with a full prime  | \$212,000                     |
| Option 2   | Complete preparation and repaint per specifications of stucco with a spot prime and a finish of Vista No. 3000 Acribond and wood with a full prime (including mildewcide additive) and a finish of Vista No. 1900 Weather Master. | \$230,000                     |
| Non-Standard Shareholder Charge, if  | Complete preparation and repaint per specifications of decorative block wall, priced per unit   | \$3 per block                 |
| Non-Standard Shareholder Charge, if  | Complete preparation and repaint per specifications of custom entry doors (homeowner's responsibility)  | \$75-\$225 per door           |
| 65 WORKING DAYS TO FINISH  |   |                               |
| WARRANTY INFORMATION PROVIDED  |   |                               |
| <p>PLEASE NOTE THAT THE MUTUAL 14 PHYSICAL PROPERTY COMMITTEE IS RECOMMENDING ITEM #1 (with no options added) BASED ON INFORMATION RECEIVED FROM 3 SEPARATE VENDORS AND THE M14 PHYSICAL PROPERTY INSPECTOR &amp; FOR THE</p> <ol style="list-style-type: none"> <li>1. This is the same choice made 10 years ago using Vista Paint and has held up well.</li> <li>2. There is no solid evidence or longer guarantee that the use of upgraded paint products will make the paint job last longer.</li> </ol> |   |                               |



## **Mutual 14 Landscape Report**

### **October 21, 2014**

We are going to begin our report with a request. Last April, we had a windstorm that caused severe damage to two of our large trees between buildings 13 and 16. The trees suddenly began to split, putting the SH's nearby in jeopardy. The emergency necessitated the trees being removed immediately. The cost for this was \$1800.00, coming from our Landscape Extras Account. We are requesting reimbursement for this emergency expense as it is limiting our tree trimming funding. I move we reimburse \$1800.00 to the Landscape Extras Account for the emergency tree removal.

Landscape continues to be a very busy part of Mutual 14. At this point last month, the plan was to present our project for October/November.

Plan A: A scalping of high thatch areas, re-seeding, and the application of top soil for improved irrigation and lawn growth. As this process would require frequent sprinkling until seed is established, with the new water restriction, the plan had to be cancelled.

Plan B: We are hopeful of re-seeding individual small areas that need it the most, as money is available to do so. Our contractor has received permission for such newly seeded small areas, that will require light sprinkling 1-2 times a day for about 5 days until germination has occurred. Another requirement for this will be the need for the SH who lives on that property, or a volunteer neighbor to take responsibility for doing the sprinkling as ordered. This will be done on a very limited basis.

Plan C: Tentatively, our plan is to go ahead with Plan A in the spring, that being scalping of high thatch areas, if conditions are such that water is again available.

We are working hard at doing everything available to us to maintain our lawns, even with decreased irrigation, which will probably be decreased again in November.

On another note, the Garden Surveys have now been completed by the Landscape Committee members. This has required walking around each building, checking each garden for compliance with the new policy. The surveys have been passed on to the Core Group consisting of Larry Lowman, Martha Destra and Jack Faucett. They will determine gardens that are not compliant with the new Landscape Policy, then with the SH, will plan an intervention. This will also assist us in preparation for painting in January. Some of this has started and already is showing good progress.



Many thanks to our SH's for:

- Reporting irrigation issues needing attention
- Being helpful in maintaining gardens that are attractive, well-kept, and
- within garden policy guidelines
- Showing patience during this ever-changing time for landscape care.

Respectfully submitted,

A handwritten signature in cursive script, reading "Muriel Luther". The signature is written in dark ink and is positioned above the printed name.

Muriel Luther

Landscape Chair

MUTUAL 14  
PET COMMITTEE REPORT  
October 21, 2014

As of October there are 34 dogs and 12 cats registered in Mutual 14.

I know that we are all aware that there are in fact more dogs that have not been registered living in Mutual 14. This is not good for the Mutual. Should an unregistered pet cause damage or inflict harm on residents, I believe that we could be held responsible for not enforcing our Pet Policy. Attached is Mutual 14's 7501.14 Pet Policy.

Since we are in the process of completing our Fire Inspections and filling out the Checklist, I would ask each Director to forward to me a list of pets by Unit # and species so that I might check them against the Pet Registry at Stock Transfer. By doing this, we can notify those owners of their requirement to register their pet.

Thank you for your attention to this matter.

Respectfully submitted.

Lee W. Melody

Director



**Mutual 14**  
**Emergency Preparedness Report**  
**October 21, 2013**

The scheduled fire inspections have been completed. A big thank you to shareholders for their great cooperation. Notices will be provided in advance for any needed re-inspections.

The earthquake/disaster drill last Thursday was a success. Thanks to all who participated. We had an opportunity to practice what to do in the event of a serious earthquake or disaster. If anyone has suggestions regarding how the drill could be improved in future years, please email them to me. (vjorgenson@roadrunner.com)

Director Muriel Luther has joined the emergency preparedness committee. She is a R.N. and our valued "medical expert." Currently, she is looking for residents with medical knowledge (for example: MD, DO, RN, LVN, PT, OT, or CNA) to meet with her and me to plan how their skills could be used in case of a disaster. Any resident willing to volunteer, or interested in hearing more about what is planned, please contact Muriel Luther, Building 15 F or 296-8683. Members of the emergency committee and board directors will be invited to attend any meetings.

Muriel is also taking a look inside the emergency sheds to evaluate the first aid supplies that are there. She will make suggestions about additional supplies which are needed.

I recently took the Disaster First Aid class. It provided information regarding ways to deal with injuries in a disaster (such as an earthquake) for people with limited medical knowledge and skills. This knowledge would also be valuable in non-disaster situations. The last class for this year will be on Tuesday, November 18, 2014, in Clubhouse 3, Room 3. You may enroll by calling Geneva at 951-675-4271 or emailing her at [mom4rasal@aol.com](mailto:mom4rasal@aol.com). The \$22 payment will be reimbursed by Mutual 14 if the participant agrees to use the skills learned to assist in an emergency.

Recently, in Mutual 3, an unattended pan of grease on the stove caused a fire. Stay by the stove if you are cooking at higher temperatures for a shorter amount of time. My safety tip of the month is to provide some way to remind yourself if you have something on the stove at low temperatures which will require a long time to cook (such as stews and soups). You could keep something hanging on a cupboard door to put around you neck or wrist as a reminder.



Valerie Jorgenson  
Mutual 14's Emergency Preparedness Chair

**Mutual 14**  
**GRF Director's Report**  
**October 21, 2014**

The GRF board has completed and adopted it's budget for the year 2015.

The budget totals \$11,391,664 or, \$143.66 per apartment per month. This represents an increase of \$3.15 per apartment over the previous year.

Four major factors in the increase were :

1. Workers Compensation Claims were up 30% for a total of \$174,529. This year, claims are down by about 75%, but we will not get the benefit of this for another 3 years.
2. Janitorial costs increased by 21% or a total of \$122,166
3. Legal expenses increased by 16% equaling a total of \$94,100
4. Insurance increased 15% or \$83,391

The Security Bus & Traffic Committee is, once again, sending a new traffic enforcement policy (1920.1) to the entire board. It calls for more aggressive ticketing for speeders and either traffic school by AAA or AARP, or reporting to the DMV for chronic offenders. It also calls for towing vehicles at owners expense for parking in NO Parking zones. As a last resort, the privilege of driving in the community may be revoked. Along with my report, I am attaching a copy of the proposed policy change. I would appreciate your feedback on this before the next GRF meeting on the 28th.

The Recreation Committee has agreed with a petition circulated by your own Martha Destra and will start planning 4 rock n Roll dances per year. Since the foundation supports ballroom dancing on a weekly basis, it is only fair, and a sign of the times, that we offer this alternative.



**Mutual 14**  
**GRF Director's Report**  
**October 21, 2014**

The Physical Properties committee opened bids for the crosswalk between the pool and the administration building parking lot. The low bid by Dynalectric was for \$80,750 with 90 days to complete. The annual paving project has upgraded, or shall I say downgraded Del Monte Rd and the hope is to start repaving next year.

The committee also reviewed plans to redesign the Health Care Center bus drop-off. This improvement will make more room for for traffic while enhancing pedestrian safety and comfort for those waiting.

For the 1st time in 50 years Physical Properties did an inspection of the bridges within the community. We are very fortunate that there were no structural deficiencies found.

I am happy to report that my own personal proposal for walking trails in the community passed committee. We will try to include it in the upcoming street painting project.

I have found that part of the job of GRF director is being a clearinghouse for rumors. One rumor has it that we are providing cell phones for all employees. This is not true. The law requires we reimburse employees for use of their own devices when used for work related purposes. The executive committee will establish a reimbursement policy for key personnel, but will not provide phones for their use.

The coyote epidemic we have been experiencing the last few months seemed to have eased up a bit. Sightings are down almost 80% since we trapped 1 animal. The City of Seal Beach is also trapping so that too is a contributing factor. Another factor to be aware of is of a seasonal nature. At this time of year a band of coyotes will split up, with the young traveling as far as 150 miles in search of mates. In other animal related issues, there is a petition currently circulating requesting that the GRF build a dog park

**Mutual 14**  
**GRF Director's Report**  
**October 21, 2014**

somewhere on trust property. I would like to get some feedback from all of you as to the desirability of such a project. I believe we could take the unused lawn bowling area behind clubhouse #2. It could be outfitted.

A subject has come come up that will affect all mutuals. Whether or not GRF directors should be elected for 3 year terms instead of the current two year terms. The arguments for this is that changing terms will limit the amount of new members of a board to a maximum of 6 from the current maximum of 9.

There would be an obvious savings of several hundred thousand dollars over the life of the trust. it would also ensure a continuity of experience and corporate memory as fewer directors would have to experience the inevitable learning curve. I hope you will think about this and tell me your thoughts on this at the next meeting.

Finally, for your interest, sales within the community as of September 30th are down almost 30%. But total sales in dollars are only down 13%. From 2012 to 2014 there is an almost 50% increase in sales volume.

Respectfully Submitted

Barry A. Lukoff  
562-544-5966  
[barrylukoff@yahoo.com](mailto:barrylukoff@yahoo.com)





Mutual  
Corporations

Community  
Unity

Golden Rain  
Foundation

# Insurance is your Responsibility



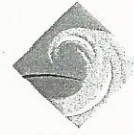
Fire



Theft



Water Damage



Natural Disaster

If it is determined that you are the cause of a fire in your apartment resulting in large scale serious damage to your apartment and personal belongings and there is serious damage to other neighbor's apartments and their personal belongings, or to the structure of the building or surrounding buildings, and common areas, you may be responsible to pay the Mutual insurance deductible.

**THE MUTUAL INSURANCE DEDUCTIBLE IS \$50,000.00**

Practice fire safety....stove-top fires can be deadly and devastating to those persons involved, as well as very costly. A pot or pan left carelessly on an active burner can cause damage to an entire building and its surroundings.

**Protect yourself and others by maintaining  
HO6 insurance on your apartment.**

Your insurance carrier can assist you with your specific needs.

# SIGN-IN SHEET

## BOARD OF DIRECTORS MEETING

MUTUAL NO. FOURTEEN

DATE: OCTOBER 21, 2014

|     | GUEST NAME       |
|-----|------------------|
| 1.  | Sara Spannenberg |
| 2.  | Marian Soderholm |
| 3.  | Ellen Brannigan  |
| 4.  | Doris Anderson   |
| 5.  | Les Jorgenson    |
| 6.  | Millie Sorensen  |
| 7.  | Ellen Larsen     |
| 8.  | Erik Loderholm   |
| 9.  | Rod LaPlante     |
| 10. | Harold Bonnema   |
| 11. | Phil Arnold      |
| 12. | John Fuhrer      |
| 13. | Sandy Tessier    |
| 14. | Susan Matalon    |
| 15. | Flo Dartt        |
| 16. | Marlene Beher    |
| 17. | Pat Supple       |
| 18. | Donna Melody     |
| 19. | Maxine Wells     |
| 20. | Phyllis Mitchell |
| 21. | Brooksie Silva   |
| 22. | Kay Elstad       |
| 23. | Millie Bonnema   |
| 24. | Carl Larsen      |
| 25. | Larry Lowman     |
| 26. | Gayle Chapin     |
| 27. | Jack Faucett     |



|     |                   |
|-----|-------------------|
| 28. | Carol Kern        |
| 29. | Joseph Estanislao |
| 30. | Kathy Palmatee    |
| 31. | Linda Corp        |
| 32. | Randall Alt       |
| 33. | Demetra Monios    |
| 34. | Ken Harpham       |
| 35. | Judy Schroeder    |
| 36. | Sally Cabrera     |
| 37. | James Walters     |
|     |                   |
|     |                   |
|     |                   |
|     |                   |