

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SIXTEEN
August 4, 2020
Meeting begins at 9:30 a.m.
Zoom Video and Call Conferencing Meeting

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone upon the Shareholder contacting Mutual Administration and requesting the call-in information. Please submit your information, including your name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

TO PROVIDE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must (i) notify their director of their intent to speak during Shareholder open forum, or (ii) submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUESTS:

Ms. Isom, GRF Representative
Ms. Hopkins, Mutual Administration Director
Mr. Stolarz, Building Inspector
Ms. Givehand, Recording Secretary

4. BOARD OF DIRECTOR PRESENTATION
5. SHAREHOLDERS' COMMENTS (2-3 minutes per shareholder)
6. APPROVAL OF MINUTES:
 - a. **Regular Meeting Minutes of July 7, 2020**
 - b. **Organization Meeting Minutes of July 22, 2020 (p.3)**
7. BUILDING INSPECTOR'S REPORT Mr. Stolarz
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (pp.4-5)
 - a. Discussion Fenn for (non-rodent) Pest Control
8. GRF REPRESENTATIVE Ms. Isom
9. **UNFINISHED BUSINESS**
No unfinished Business
10. **NEW BUSINESS**
 - a. Discuss and vote to Approve Monthly Financials (p.6)
 - b. Sign Mutual 16's Code of Conduct and Code of Ethics (pp.7-9)

- c. Discuss and vote to approve Notice of Intent to Withdraws (p.10)
- d. Discuss and vote to approve to Receive Monthly Minutes of other Mutuals (p.11)
- e. Discuss and vote to approve the Property Tax Postponement (p.12)
- f. Discuss and vote to approve the Appointment Setting Commitment (p.13)
- g. Discuss and vote to approve/deny maintaining procedure per 7510.16 and the Stock Transfer Office (p.14)
- h. Discuss and vote to approve/deny release of Mutual Board Contact Information (p.15)
- i. Discuss and vote to approve/deny Disclosure of “No/Yes/Abstentions” in Mutual Minutes (p.16)
- j. Discuss and vote to approve the proposed 20-year Capital Project Calculation and List. (pp.17-29)
- k. Discuss the removal of the old olive tree in front of 52 D.
- l. Discuss the offer for a tree donation to replace it.

STAFF BREAK BY 11:00 a.m.

- 11. SECRETARY / CORRESPONDENCE Mrs. Clawson
- 12. CHIEF FINANCIAL OFFICER’S REPORT Mr. Gillespie
- 13. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
- 14. ANNOUNCEMENTS
- a) **NEXT REGULAR BOARD MEETING: Tuesday, September 1, 2020,
at 9:30 a.m. via Zoom**
- 15. COMMITTEE REPORTS
 - a. Grounds and Physical Property
 - b. Emergency Preparedness
- 16. DIRECTORS’ COMMENTS
- 17. ADJOURNMENT
- 18. EXECUTIVE SESSION

STAFF WILL LEAVE THE MEETING BY 12:00 p.m.

**MINUTES OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SIXTEEN
July 22, 2020**

The organizational meeting of the board of directors of Seal Beach Mutual Sixteen was called to order by Acting Chairperson, Mutual Administrative Director Jodi Hopkins, at 2:30 p.m. on July 22, 2020, in Clubhouse Four.

Those directors present were: Jay Clawson, Marcia Clawson, Loni Gardette, Jon A. Gillespie and Dale Watkins. Also present were Mutual Administration Director Hopkins and Mutual Recording Secretary Kristal Givehand.

Ms. Hopkins opened the nominations for the office of the president. Marcia Clawson nominated Dale Watkins for president. There being no further nominations, Dale Watkins was elected to the office of president for the 2020-2021 term of office.

The chair was turned over to newly elected President Watkins, who then called for nominations for the office of vice president. Jon A. Gillespie nominated Loni Gardette for vice president. There being no further nominations, Loni Gardette was elected to the office of vice president for the 2020-2021 term of office.

President Watkins called for nominations for the office of secretary. Loni Gardette nominated Marcia Clawson for secretary. There being no further nominations, Marcia Clawson was elected to the office of secretary for the 2020-2021 term of office.

President Watkins called for nominations for the office of chief financial officer. Loni Gardette nominated Jon A. Gillespie for chief financial officer. There being no further nominations, Jon A. Gillespie was elected to the office of chief financial officer for the 2020-2021 term of office.

The committee assignments will be made at the next regular board of directors meeting.

The board discussed the monthly meeting location, day, and time will remain the same.

There being no further business, the meeting was adjourned at 2:36 p.m.

Attest, Marcia Clawson, Secretary
SEAL BEACH MUTUAL SIXTEEN
kg: 07/22/2020

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Rich Stolarz**

MUTUAL BOARD MEETING DATE: **August 4, 2020**

Mark Harper

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
52	ROOFING	BOTH	03/30/20	05/30/20	YES	NONE	JORDAN ROOFING
53	ROOFING	BOTH	03/30/20	05/30/20	YES	NONE	JORDAN ROOFING
53-A	SOLATUBE	BOTH	04/01/20	04/30/20	YES	07/23/20 FINAL	JOHN BERGKVIST
50-K	HEAT PUMP	BOTH	05/11/20	08/11/20	YES	NONE	GREENWOOD

Escrow Activity

UNIT#	NMI	PLI	NBO	FI	FCOEI	COE Date	ROF
53-G		03/17/20	07/07/20	07/07/20	07/21/20		
54-E		11/22/19	06/04/20	06/05/20	06/19/20		7/20/2020
54-G		04/08/20	05/29/20	06/03/20	06/17/20		7/10/2020

NMI: New Member Inspect **PLI:** Pre Listing Inspect **NBO:** New buyer Orientation **FI:** Final Inspect **FCOEI:** Final COE Inspect **COE:** Close of Escrow **ROF:** Release of Funds

Contract Services

Project Discription

Fenn Pest & Termite	Termite Inspections Ex 2022
Johns Landscape/Anguiano Lawn Care	Month to Month
Jordan Roof	Reroof Ex 10/2020
JC Kress	Kitchen Hoods for Reroof Ex 10/2020
John Bergkvist	Dryrot and Paint Repair for Reroof Ex 10/2020
Discuss - Fenn Termite and Pest Control - Bait Station - New 3 Year Contract \$864.00	
Discuss - Roofing Progress and Start Dates for Building 51 & 54	

Mutual and Resident Request

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **16**

INSPECTOR: **Rich Stolarz**

MUTUAL BOARD MEETING DATE: **August 4, 2020**

Mark Harper

54-E - HOLES BELOW CABINET - WORK ORDER

52 - DOWNSPOUT WALK WITH DIRECTOR

51 & 54 - SKYLIGHT INSPECTION

53-A - SOLATUBE INSPECTION - SIGNED OFF

53-G - ESCROW INSPECTIONS

53 - ROOF INSPECTIONS

53-J - VENT HOOD - MEET JC KRESS

53 - WALKED DRYROT SHEATHING

53 - ROOF INSPECTIONS

52 - ROOF INSPECTIONS

53-G - MEET SELLER GO OVER ESCROW WORK

54-J - CHECKED PAINT AT GATE - FENN WORK ORDER

50-G - CHECKED KITCHEN DRAIN & BUGS - TURNED IN WORK ORDER

52 - ROOF INSPECTIONS

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE MONTHLY FINANCIAL (NEW BUSINESS
- ITEM A)
DATE: AUGUST 4, 2020
CC: FILE

I move to acknowledge, that per the requirements of Civil Code Section 5500(a)-(f), a review has been completed of the mutual's 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, income and expense statement for the mutual's operating and reserve accounts, the check registers, the monthly general ledger and delinquent assessment receivable reports for the month of June 2020.

Mutual Corporation No. Sixteen

Board Member Code of Conduct and Ethics Pledge – 2020-2021

The Board of Directors has adopted the following ethics policy for its board members and committees. This policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

A. BOARD RESPONSIBILITIES

The general duties for directors are to enforce the association's governing documents, collect and preserve the association's financial resources, insure the association's assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, directors must:

- regularly attend board meetings,
- review material provided in preparation for board meetings,
- review the association's financial reports, and
- make reasonable inquiry before making decisions.

B. PROFESSIONAL CONDUCT

In general, directors and committee members must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

1. Self-Dealing

Self-dealing occurs when directors or committee members make decisions that materially benefit themselves or their relatives at the expense of the association. "Relatives" include a person's spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person's residence. Benefits include money, privileges, special benefits, gifts or other item of value. Accordingly, no director or committee member may:

- solicit or receive any compensation from the association for serving on the board or any committee,
- make promises to vendors unless with prior approval from the board,
- solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the association,
- seek preferential treatment for themselves or their relatives,
- use association property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the association.

2. Confidential Information

Directors and committee members are responsible for protecting the association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director or committee member may disclose confidential information. Confidential information includes, without limitation:

Mutual Corporation No. Sixteen

Board Member Code of Conduct and Ethics Pledge – 2020-2021

2. **Confidential Information (continued)**

- private personal information of fellow directors and committee members,
- private personnel information of the association's employees,
- disciplinary actions against members of the association,
- assessment collection information against members of the association, and
- legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.

3. **Misrepresentation**

Directors and committee members may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner.

4. **Interaction with Employees**

To ensure efficient management operations, avoid conflicting instructions from the board to management and avoid potential liability, committee members and directors shall observe the following guidelines:

- The president of the board shall serve as liaison between the board and management and provide direction on day to day matters.
- Except for the president, committee members and directors may not give direction to management, employees or vendors.
- Directors may not contact management after hours unless there is an emergency representing a threat of harm to persons or property.
- If directors or committee members are contacted by employees with complaints, the employees shall be instructed to contact management or the board as a whole.
- No director may threaten or retaliate against an employee who brings information to the board regarding improper actions of a director or committee member.
- Directors and committee members are prohibited from harassing or threatening employees, vendors, directors, committee members, and owners, whether verbally, physically or otherwise.

5. **Proper Decorum**

Directors and committee members are obligated to act with proper decorum. Although they may disagree with the opinions of others on the board or committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, directors and committee members must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in accordance with board decisions and shall not act unilaterally or contrary to the board's decisions.

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Board Member Code of Conduct and Ethics Pledge – 2020-2021

C. WHEN CONFLICTS OF INTEREST ARISE

Situations may arise that are not expressly covered by this policy or where the proper course of action is unclear. Directors and committee members should immediately raise such situations with the board. If appropriate, the board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal

Directors and committee members must immediately disclose the existence of any conflict of interest, whether their own or others. Directors and committee members must withdraw from participation in decisions in which they have a material interest.

2. Violations of Policy

Directors and committee members who violate the association's ethic's policy are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to disciplinary action, including, but not limited to:

- censure,
- removal from committees,
- removal as an officer of the board,
- request for resignation from the board,
- recall by the membership, and
- legal proceedings.

Prior to taking any of the actions described above, the board shall appoint an executive committee to investigate the violation. The committee shall review the evidence of violation, endeavor to meet with the director/committee member believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the board for appropriate action. The board shall endeavor to meet with the director/committee member in executive session prior to imposing disciplinary action against that person.

D. PLEDGE

I have read the Ethics Policy and pledge to act in accordance with my obligations as described above.

Signature: _____ Date: _____

Print name: _____

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE NOTICE OF INTENT TO WITHDRAW AUTHORIZATION (NEW BUSINESS ITEM C)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

At the July 7, 2017, Board Meeting the Mutual Sixteen Board of Directors passed the following resolution: *RESOLVED, That Mutual Sixteen authorizes the Board's President and/or duly appointed officer, to act on behalf of the Board, to execute the Notice of Intent to Withdraw effective 2017-2018.*

I move to approve that Mutual Sixteen authorizes the Board's President and/or duly appointed Officer, to act on behalf of the Board, to execute the Notice of Intent to Withdraw effective 2020-2021.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE/DENY RECEIVING MONTHLY MINUTES OF OTHER MUTUALS (NEW BUSINESS ITEM D)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

At the August 1, 2017, Board Meeting the Mutual Sixteen Board of Directors passed the following resolution: *RESOLVED, That Mutual Sixteen discontinue receiving one hard copy of the various Mutuals' monthly minutes in their MAILBOX in the Stock Transfer Office.*

I move to approve/deny that Mutual Sixteen discontinue to receive one hard copy of the various Mutuals' monthly minutes in their MAILBOX in the Stock Transfer Office.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE PROPERTY TAX POSTPONEMENT APPLICATION (NEW BUSINESS ITEM E)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

At the January 3, 2017, Board Meeting the Mutual Sixteen Board of Directors passed the following resolution: *RESOLVED, That Mutual Sixteen does not support or authorize the signing of the Property Tax Postponement Application from the State of California. The Mutual further authorizes the GRF Finance Department to notify the Board if a shareholder requests a Property Tax statement.*

I move to approve that Mutual Sixteen does not support or authorize the signing of the Property Tax Postponement Application from the State of California. The Mutual further authorizes the GRF Finance Department to notify the Board if a shareholder requests a Property Tax statement.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSSS AND VOTE TO APPROVE APPOINTMENT SETTING
COMMITMENT BY MUTUAL BOARD OF DIRECTORS
(NEW BUSINESS ITEM F)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

The GRF staff provides valuable services to all Mutuals, to maintain these valuable services, we are again soliciting all Mutual Board of Directors to help support our united mission. To maintain our collective community for the betterment of all. To facilitate this mission and to help control time, focus and most importantly expense, I take this opportunity to kindly request action from all Mutual Board of Directors to help us support you, so that we may insure all goals and tasks are accomplished in a timely and productive manner.

The following departments require appointments: Mutual Administration, Accounting, Physical Properties, Service Maintenance and Purchasing Department.

Yes, there are emergencies and emergencies can be readily defined as:

- Posing an immediate threat to life, health, property, or environment
- Has already caused loss of life, health detriments, property damage, or environmental damage
- Has a high probability of escalating to cause immediate danger to life, health, property, or environment

In this our commitment to you is:

- Response to all requests for appointments within:
 - If request is made **before** 1 pm (business day), the same day.
 - If request is made **after** 1 pm (business day), the next business day by 10 am

At the March 5, 2019 Board Meeting the Board of Directors passed the following resolution:
RESOLVED, To approve a commitment, by the Board of Directors of Mutual Sixteen, to help support the unified mission of the collective Mutuals of Leisure World Seal Beach, to ensure appointments are made to meet with GRF staff.

I move to approve a commitment, by the Board of Directors of Mutual Sixteen, to help support the unified mission of the collective Mutuals of Leisure World Seal Beach, to ensure appointments are made to meet with GRF staff.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSSS AND VOTE TO APPROVE/DENY MAINTAINING PROCEDURE PER POLICY 7510.16 AND THE STOCK TRANSFER OFFICE (NEW BUSINESS ITEM G)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

At the June 6, 2017 Board meeting the Mutual Sixteen Board of Directors passed the following resolution: *RESOLVED, That according to Policy 7510.16 – Eligibility if there is a questions of financial eligibility, Mutual Sixteen **IS NOT** to be contacted by the Stock Transfer Office in the event of a non-qualifying issue.*

Per Policy 7510.16 – Eligibility Requirements Section 2, subsection c:

- c. *Projected assessments will be the previous year’s assessment (total of carrying charge less any cable charge, less Orange County Property Taxes and Fees), and the addition of the new property tax at 1.2% of the sales price plus Orange County District fees divided by twelve (12) for the new projected monthly assessment. This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times four (4) will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income/assets.*

This new figure (Regular Assessment plus Orange County Property Taxes and District Fees) times five (5) will be the monthly income required. This will be verified by the escrow company and the Stock Transfer Office. Stock Transfer shall have the final say in establishing verifiable income

- 1) *Verification shall be done by the escrow company and the Stock Transfer Office prior to the new buyer interview and prior to the close of escrow (the above verification will not be done by the individual Mutual Director; Directors will not be required to study or understand the financial requirements).*

I move to approve/deny that according to Policy 7510.16 – Eligibility Requirements, if there is a question of financial eligibility; Mutual Sixteen will or will not be contacted by the Stock Transfer Office in the event of a non-qualifying financial issue, and furthermore to have the Stock Transfer Office follow Policy 7510.16 – Eligibility Requirements.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE/DENY RELEASE OF MUTUAL BOARD CONTACT INFORMATION (NEW BUSINESS ITEM H)
DATE: AUGUST 4, 2020
CC: FILE

In the event that contact information is requested from the Mutual Administration Department, on behalf of a different Mutual Board, a Shareholder of a different Mutual, current Mutual Shareholder, the Golden Rain Foundation or a President of a different Mutual, the Mutual Administration Department will need an authorization to release the information requested.

I move to approve that the Mutual Sixteen Board of Directors will authorize or will not authorize the Mutual Administration Department to release all contact information as requested

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSSS AND VOTE TO APPROVE/DENY DISCLOSURE OF “NO”, “YES”
AND ABSTENTIONS IN MUTUAL MINUTES (NEW BUSINESS ITEM I)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

If a motion is voted on by a “no” vote, a “yes” vote or an abstention the meeting minutes will need to reflect the vote of the Board of Directors.

I move to approve/deny that the Mutual Sixteen Board of Directors reflect a “no” vote, a “yes” vote or an abstention in the meeting minutes effective August 2020.

Mutual Corporation No. Sixteen

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE PROPOSED 20-YEAR CAPITAL PROJECT CALCULATION AND LIST (NEW BUSINESS ITEM J)
DATE: AUGUST 4, 2020
CC: MUTUAL FILE

I move to approve the proposed 20-year Capital Project Cash Flow Calculations and 20-Year Capital Project Priority List FY 2021 to 2041.

20 Year Capital Project Priority List

FY 2021 to 2041

Roofing and Infrastructure (R&I) Funds

Estimated Contribution to R&I Fund = \$7,000 per month or \$84,000 per year

FY 2021

1. Replace 9 electric water heaters that are more than 10 years old (FY 2021) = \$7,200 FY 2022
2. Re-roof Building 50 = \$110,000 FY 2023
3. None FY 2024
4. Re-roof Carport = \$100,000 FY 2025
5. None FY 2026
6. Replace 12 Electric Water Heaters = \$12,000 FY 2027
7. Replace 12 Electric Water Heaters = \$12,000 FY 2028
8. Replace 12 Electric Water Heaters = \$12,000 FY 2029
9. Replace 12 Electric Water Heaters = \$12,000 FY 2030

10. Replace 12 Electric Water Heaters = \$12,000 FY 2031
11. None FY 2032
12. None FY 2033
13. None FY 2034
14. None FY 2035
15. None FY 2036
16. Replace 12 Electric Water Heaters = \$12,000 FY 2037
17. Replace 12 Electric Water Heaters = \$12,000 FY 2038
18. Replace 12 Electric Water Heaters = \$12,000 FY 2039
19. Replace 12 Electric Water Heaters = \$12,000 FY 2040
20. Replace 12 Electric Water Heaters = \$12,000 FY 2041
21. Re-roof 5 buildings (Buildings 50, 51, 52, 53, 54) = \$1,030,000

Appliance Reserve Fund

FY 2021

Estimated Appliance Reserve Fund on January 1, 2021 = \$16,000

1. Replace 12 Refrigerators Building 50 = \$9,600

FY 2022

2. Replace 12 Refrigerators Building 51 = \$9,600

FY 2023

3. Replace 12 Refrigerators Building 52 = \$9,600

FY 2024

4. Replace 12 Refrigerators Building 53 = \$9,600

FY 2025

5. Replace 12 Refrigerators Building 54 = \$9,600

FY 2026

6. None

Painting Reserve Fund

Current amount in our Painting Reserve Fund = \$15,706

Exterior surfaces (Stucco) last repainted in 2014. Life 10 years

Interior surfaces (Laundry room) last repainted 2014. Life 10 years

Wood surfaces (eaves) last repainted in 2019. life is 5 years

FY 2024

1. Repaint Exterior Surfaces = \$20,000
2. Repaint Interior Surfaces = \$3,000
3. Repaint Wood Surfaces = \$5,000

FY 2029

1. Repaint Wood Surfaces = \$5,000

FY 2034

1. Repaint Exterior Surfaces = \$20,000
2. Repaint Interior Surfaces = \$3,000
3. Repaint Wood Surfaces = \$5,000

FY 2039

1. Repaint Wood Surfaces = \$5,000

Total cost over 20 years = \$66,000

20 Year Capital Project Cash Flow Calculations
FY 2021 to 2041

Roofing and Infrastructure (R&I) Funds

Estimated Contribution to R&I Fund = \$7,000 per month or \$84,000 per year

FY 2021

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2021 = \$42,000

1. Replace 9 electric water heaters that are more than 10 years old (FY 2021) = \$7,200

FY 2022

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2022 = \$118,000

$(\$42,000 - \$7,200 + \$84,000 = \$118,000)$

2. Re-roof Building 50 = \$110,000

FY 2023

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2023 = \$92,800

$(\$118,000 - \$110,000 + \$84,000 = \$92,800)$

3. None

FY 2024

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2024 = \$176,800

$(\$92,800 - 0 + \$84,000 = \$176,800)$

4. Re-roof Carport = \$100,000

FY 2025

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2025 = \$160,800
($\$176,800 - \$100,000 + \$84,000 = \$160,800$)

5. None

FY 2026

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2026 = \$244,800
($\$160,800 - 0 + \$84,000 = \$244,800$)

6. Replace 12 Electric Water Heaters = \$12,000

FY 2027

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2027 = \$316,800
($\$244,800 - \$12,000 + \$84,000 = \$316,800$)

7. Replace 12 Electric Water Heaters = \$12,000

FY 2028

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2028 = \$388,800
($\$316,800 - \$12,000 + \$84,000 = \$388,800$)

8. Replace 12 Electric Water Heaters = \$12,000

FY 2029

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2029 = \$460,800

$(\$388,800 - \$12,000 + \$84,000 = \$460,000)$

9. Replace 12 Electric Water Heaters = \$12,000

FY 2030

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2030 = \$532,800

$(\$460,800 - \$12,000 + \$84,000 = \$532,800)$

10. Replace 12 Electric Water Heaters = \$12,000

FY 2031

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2031 = \$604,800

$(\$532,800 - \$12,000 + \$84,000 = \$604,800)$

11. None

FY 2032

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2032 = \$688,800

$(\$604,800 - \$0 + \$84,000 = \$688,800)$

12. None

FY 2033

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2033 = \$772,800

$(\$688,800 - \$0 + \$84,000 = \$772,800)$

13. None

FY 2034

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2034 = \$856,800

$(\$772,800 - \$0 + \$84,000 = \$856,800)$

14. None

FY 2035

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2035 = \$940,800

$(\$856,800 - \$0 + \$84,000 = \$940,800)$

15. None

FY 2036

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2036 = \$1,024,800

$(\$940,800 - \$0 + \$84,000 = \$1,024,800)$

16. Replace 12 Electric Water Heaters = \$12,000

FY 2037

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2037 = \$1,096,800

$(\$1,024,800 - \$12,000 + \$84,000 = \$1,096,800)$

17. Replace 12 Electric Water Heaters = \$12,000

FY 2038

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2038 = \$1,168,800

$(\$1,096,800 - \$12,000 + \$84,000 = \$1,168,800)$

18. Replace 12 Electric Water Heaters = \$12,000

FY 2039

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2039 = \$1,240,800

$(\$1,168,800 - \$12,000 + \$84,000 = \$1,240,800)$

19. Replace 12 Electric Water Heaters = \$12,000

FY 2040

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2040 = \$1,312,800

$(\$1,240,800 - \$12,000 + \$84,000 = \$1,312,800)$

20. Replace 12 Electric Water Heaters = \$12,000

FY 2041

Estimated Roofing and Infrastruct (R&I) Funds on January 1, 2041 = \$1,384,800

$(\$1,312,800 - \$12,000 + \$84,000 = \$1,384,800)$

21. Re-roof 5 buildings (Buildings 50, 51, 52, 53, 54) = \$1,030,000

(Roofing cost assumes \$485,000 + \$30,000 (wood replacement) = \$515,000 cost in \$2020, escalated by 5% per year with simple interest. Using compound interest will make the cost higher!)

Note: We need to reduce funding of R&I Fund by \$3,300 per year in order to increase funding for Painting! This will reduce funding of R&I Fund by \$66,000 over 20 years!

Appliance Reserve Fund

Current amount in our Appliance Reserve Fund = \$9,577

Estimated Contribution to Appliance Reserve Fund = \$800 per month or \$9,600 per year

FY 2021

Estimated Appliance Reserve Fund on January 1, 2021 = \$16,000

1. Replace 12 Refrigerators Building 50 = \$9,600

FY 2022

Estimated Appliance Reserve Fund on January 1, 2022 = \$16,000

$(\$16,000 - \$9,600 + \$9,600 = \$16,000)$

2. Replace 12 Refrigerators Building 51 = \$9,600

FY 2023

Estimated Appliance Reserve Fund on January 1, 2023 = 16,000

$(\$16,000 - \$9,600 + \$9,600 = \$16,000)$

3. Replace 12 Refrigerators Building 52 = \$9,600

FY 2024

Estimated Appliance Reserve Fund on January 1, 2024 = 16,000

$(\$16,000 - \$9,600 + \$9,600 = \$16,000)$

4. Replace 12 Refrigerators Building 53 = \$9,600

FY 2025

Estimated Appliance Reserve Fund on January 1, 2025 = 16,000

$(\$16,000 - \$9,600 + \$9,600 = \$16,000)$

5. Replace 12 Refrigerators Building 54 = \$9,600

FY 2026

Estimated Appliance Reserve Fund on January 1, 2026 = 16,000

$(\$16,000 - \$9,600 + \$9,600 = \$16,000)$

6. None

Painting Reserve Fund

Current amount in our Painting Reserve Fund = \$15,706

Monthly contributing to the Painting Reserve Fund = \$0

Exterior surfaces (Stucco) last repainted in 2014. Life 10 years

Interior surfaces (Laundry room) last repainted 2014. Life 10 years

Wood surfaces (eaves) last repainted in 2019. life is 5 years

FY 2024

1. Repaint Exterior Surfaces = \$20,000

2. Repaint Interior Surfaces = \$3,000

3. Repaint Wood Surfaces = \$5,000

FY 2029

4. Repaint Wood Surfaces = \$5,000

FY 2034

5. Repaint Exterior Surfaces = \$20,000
2. Repaint Interior Surfaces = \$3,000
3. Repaint Wood Surfaces = \$5,000

FY 2039

4. Repaint Wood Surfaces = \$5,000

Total cost over 20 years = \$66,000

Need to contribute \$3,300 per year or \$275 per month.

Recommend that we reduce contribution to R&I funds and increase funding for Painting by \$3,300 per year!