

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
January 9, 2014**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Findlay at 9:31 a.m. on Thursday, January 9, 2014, followed by the *Pledge of Allegiance*, in the Administration Building Conference Room.

**ROLL CALL**

Present: President Findlay, Vice President Frambach, Secretary Norlander, CFO Woodruff, and Directors Evans, Welch, and Fluharty

GRF Representative: Mrs. Damoci

Guests: Seven shareholders of Mutual Twelve

Staff: Mrs. Weller, Mutual Administration Manager  
Mr. Antisdell, Building Inspector  
Mrs. Westphal, Recording Secretary

President Findlay welcomed guests and staff to the meeting.

**MINUTES**

President Findlay called for consent agenda approval of the Regular Board Meeting minutes of November 14, 2013; the Special Meeting minutes of January 3, 2014; and the Notes and Motion of the Emergency E-Mail Special Executive Session Meeting of December 19-26, 2013. Upon a MOTION duly made by Director Welch and seconded by CFO Woodruff, it was

RESOLVED, That the consent agenda for the Regular Meeting minutes of November 14, 2013; the Special Meeting minutes of January 3, 2014; and the Notes and Motion of the Emergency E-Mail Special Executive Session Meeting of December 19-26, 2013, be approved as printed.

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

**BUILDING INSPECTOR'S REPORT**

Inspector Antisdell reported that the concrete work in the carports is finished. If the Board decides to have more carports done, M. J. Jurado, Inc., will extend the same pricing to April of this year.

Inspector Antisdell said he finished his walk of the touch-up paint work from the dry rot/termite repairs; there were 54 locations. Advance Custom Painting, Inc., is getting a price together, and they will make note of any more touch-up painting that may be needed.

Inspector Antisdell reported that the tree work is being done right now and is going smoothly, with one more tree removal to be done. The workers are keeping aware of people who may be walking around.

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

Inspector Antidel said he spoke to Mr. Gonzalez of Service Maintenance about curb painting on Tam O'Shanter Road. President Findlay suggested painting certain signage in the driveways around certain carports for safety reasons. Following a discussion, and upon a MOTION duly made by Vice President Frambach and seconded by Secretary Norlander, it was

RESOLVED, To paint the driveways adjacent to Carports 136 and 137, east end; Carport 141, south end; Carport 143, north end; and Carport 145, south end, in accordance with the plan submitted by President Findlay; the work will be performed by Service Maintenance.

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

Inspector Antidel reported that according to Mr. Gonzalez, when water heaters are replaced, the walls are being opened to check the plumbing.

He said that Community Facilities Manager Weaver suggests that the Mutual check the building pipes and cleanouts every other year and every year for the pipes from the building to the sewer because the process is hard on the old pipes.

He said that the dethatching specifications are being worked on and he will receive them soon. He also suggested a remodel policy that would dictate that shareholders may not move into the unit until there is a final inspection sign-off. Following a discussion, President Findlay said the Board will discuss at the January 24 Special Meeting drafting such a policy.

Inspector Antidel left the meeting at 10:16 a.m.

**GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT**

GRF Representative Damoci presented her report (as attached). In addition, the *Recap of the GRF Board Meeting* and the *Committee Chair Reports* attached to the GRF Board minutes may be read in the *Golden Rain News*.

**MUTUAL ADMINISTRATION MANAGER'S REPORT**

Mrs. Weller reviewed the Recap of the Mutual Administration Department report, the Social Services cases report, Operating Protocol for a Shareholder/Member in Crisis, Important Insurance Notice for Directors & Building Captains, and the 2014 Mutual Annual Meeting Schedule.

She presented her monthly Mutual Administration Manager's Report (attached).

(President Findlay called for a break at 10:30 a.m. and resumed the meeting at 10:41 a.m.)  
(GRF Representative Damoci left the Meeting at 10:30 a.m.)

**OLD BUSINESS**

Following a brief discussion, and upon a MOTION duly made by Secretary Norlander and seconded by Director Evans, it was

RESOLVED, To ratify posted/amended Policy 7707.12 – Apartment Pre-Sale Cleanup.

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

President Findlay suggested a 120-day emergency rule change to take effect now and be added to the Carport Regulations Policy 7502.12 that the Board is still working on. Following a discussion, and upon a MOTION duly made by Director Fluharty and seconded by Director Welch, it was

RESOLVED, That the title of Policy 7502.12 is amended to “Carport Regulations **and Common Area Vehicle, Storage, and Traffic Policy.**”

FURTHER, That the following section is added: “**No inoperable, wrecked, unlicensed, or leaking vehicles may be brought into or parked on or within 10 feet of Mutual 12 property.**”

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

After the Board discussed at length the Mutual Self-Insurance Fund Policy, and upon a MOTION duly made by Vice President Frambach and seconded by CFO Woodruff, it was

RESOLVED, That Mutual Twelve withdraws from inclusion in Policy 7303 – Self-Insurance Fund and is, therefore, rescinding this policy, on a preliminary basis until the 30-day posting period is completed.

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

Following a discussion, and upon a MOTION duly made by President Findlay and seconded by Director Welch, it was

RESOLVED, To form a committee of shareholders/members to survey the shareholders and prepare a ballot measure for the June elections about the use of common area for patios.

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

President Findlay is appointing committee members for this committee.

**PRESIDENT'S REPORT**

President Findlay submitted a report to be attached to the minutes.

**VICE PRESIDENT'S REPORT**

Vice President Frambach submitted a report to be attached to the minutes.

**CFO'S REPORT**

CFO Woodruff submitted a report to be attached to the minutes.

**SHAREHOLDER(S') COMMENTS**

Comments were concerning the good job the Board is doing for the Mutual, wishes of Happy New Year, and a shareholder informed the Board that his remodel is finally almost completed.

It was the consensus of the Board members to go into Executive Session to discuss member issues at 11:25 a.m.

**ADJOURNMENT**

Following the Executive Session ending at 12:45 p.m., the Board returned to the Regular Board Meeting and the following MOTION was duly made by Secretary Norlander, seconded by Director Fluharty, and was unanimously approved:

RESOLVED, To assign Director Welch to the Landscape Committee, the Physical Property Committee, and the Laundry Room Committee.

In the Emergency E-Mail Special Executive Session Meeting, the following MOTION was unanimously approved by Board members whose responses are on file:

RESOLVED, To add to the contract for the already approved planting of two trees at Building 64, Units I and J, and two trees at Building 69, Units K and L, the following:

Install at Building 64, Unit I, six five-gallon boxwood plants for \$132, one yard of soil for \$40, and eight Rain Bird sprinkler heads for \$300; also, relocate five Rain Bird sprinkler heads at Building 65, Unit B, for \$177.50; the total added to the contract will be \$649.50.

January 9, 2014

**ADJOURNMENT (continued)**

President Findlay adjourned the meeting at 12:50 p.m.



Attest

Larry Norlander, Secretary  
SEAL BEACH MUTUAL TWELVE

pw:1/10/14  
Attachments

**NEXT MEETING: FEBRUARY 13, 2014**

**SPECIAL MEETING ANNOUNCEMENTS AND AGENDAS  
ARE POSTED IN LAUNDRY ROOM 57 (D SIDE).**

**FOR INDIVIDUAL NOTICE OF SPECIAL MEETINGS,  
CONTACT PRESIDENT FINDLAY.**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF JANUARY 9, 2014**

1/9/14

RESOLVED, To paint the driveways adjacent to Carports 136 and 137, east end; Carport 141, south end; Carport 143, north end; and Carport 145, south end, in accordance with the plan submitted by President Findlay; the work will be performed by Service Maintenance.

RESOLVED, To ratify posted/amended Policy 7707.12 – Apartment Pre-Sale Cleanup.

RESOLVED, That the title of Policy 7502.12 is amended to “Carport Regulations **and Common Area Vehicle, Storage, and Traffic Policy.**”

FURTHER, That the following section is added: **“No inoperable, wrecked, unlicensed, or leaking vehicles may be brought into or parked on or within 10 feet of Mutual 12 property.”**

RESOLVED, That Mutual Twelve withdraws from inclusion in Policy 7303 – Self-Insurance Fund and is, therefore, rescinding this policy, on a preliminary basis until the 30-day posting period is completed.

RESOLVED, To form a committee of shareholders/members to survey the shareholders/members and prepare a ballot measure for the June elections about the use of common area for patios.

RESOLVED, To assign Director Welch to the Landscape Committee, the Physical Property Committee, and the Laundry Room Committee.

RESOLVED, To add to the contract for the already approved planting of two trees at Building 64, Units I and J, and two trees at Building 69, Units K and L, the following:

Install at Building 64, Unit I, six five-gallon boxwood plants for \$132, one yard of soil for \$40, and eight Rain Bird sprinkler heads for \$300; also, relocate five Rain Bird sprinkler heads at Building 65, Unit B, for \$177.50; the total added to the contract will be \$649.50.

Carole Damoci  
Mutual 12 Representative  
Jan. 9th, 2014

The ballots are counted and the Trust has been extended for another 20 years.

Now it's a new year. There are so many things that will be talked about over this year. A Master Plan for the community, the covering of the channel, a new pool, a possible name change, the main gate beautification project, and a reserve study for the GRF to better insure a budget that works. In my option it's better not to have excess income at the end of the year. It's better not to take it from the Shareholder in the first place then to have to give it back.

We have an entertainment sub-committee & we met yesterday to go over the amphitheater shows for this coming summer. We want to have some named entertainers and a broader range of music.

I would love to hear from each of you with your ideas on any subject concerning the community. Please feel free to contact me.

Respectfully submitted,  
Carole S. Damoci  
405-4965

# Mutual Administration

## Mutual Administration Manager's Report

Community Unity –  
*The INCLUSION of all and the EXCLUSION of None*

January 2014  
Mutual Monthly Meeting



### From the Staff of Mutual Administration

We all wish the shareholders/members of Seal Beach Leisure World, their families and friends a joyous, healthy, happy and prosperous New Year.



### Trust Extension

The results of the Trust extension balloting:

- 4,642 Yes votes to extend the Trust
- 84 No votes against extension of the Trust
- 42 Abstentions



Rain may be sparse this year....Please help the community by conserving our most precious resource – WATER. Take shorter showers, limit watering down patios and walkways...simple steps taken by many can net huge results.

### Membership in this Community is a Privilege

As we enter the New Year, try to make it a part of your monthly activities to attend the Regular Monthly Meetings of your Mutual Board. Meeting times are posted in the laundry rooms. Volunteer for the Board if you have time. Be part of your mutual community and be part of the problem solving needed in your community. Community Unity.



## MUTUAL 12 PRESIDENT'S REPORT

January 9, 2014

Yes, the **TRUST EXTENSION** passed overwhelmingly! Thank you to everyone in Mutual 12 who worked to get out the vote. Directors got the information distributed and then followed up. Building Captains were wonderful. Shareholders made sure they got their votes in and encouraged neighbors and Leisure World friends to vote.

The election for the **2014-15 Mutual Board of Directors** is coming up next. Please consider becoming a candidate. We all enjoy the benefits of life in Mutual 12 and share in the responsibility for keeping our Mutual strong. Applications may be submitted between March 14 and April 13. The Annual Meeting and counting of the ballots will be June 12. You can run in the parcel where you live or at large to represent a parcel where no one has applied. Ideally every parcel will have a representative who lives there. At large directors are seated only if a parcel has no one willing to run. This year's Board has two at large directors. I'm one of them.

Who turns in applications is public information. If you don't care whether you serve in your own parcel or at large, you might want to wait until fairly close to the deadline to turn in your application. You can't run both ways. Stock transfer or current directors can explain the application process. How you choose to run is up to you.

Everyone knows the **tree work** is under way. Thanks for your patience. I haven't had a single call complaining about the noise. Next will be **dethatch**. Had we been able to dethatch and seed in the fall, we'd have attractive lawns this winter. Now we'll have to wait until spring.

Please **park only in carport spaces assigned to you**. If you have two vehicles and a Mutual 12 shareholder is willing to let you use or rent their space, be sure to fill out a **CARPORT USAGE RENTAL AGREEMENT**, have a director sign it and see that it's turned in to Stock

Transfer. The form is available from Mutual 12 Directors or Stock Transfer.

Directors can let you know who empty carports belong to and whether they can be rented. Estates cannot rent out carports. Those must remain empty. Shareholders who want cupboard access or simply don't want someone else in their carport have that right.

Your guests may park in your carport. They must have a note on the left corner of the dash telling who they're visiting and for how long.

**Sewer reminder** – Only plate scrapings, nothing bulky or fibrous in the **disposal**. Turn on water; turn on disposal, dispose slowly, let disposal run a little longer; let water run several seconds after you've finished. Be sure garbage taken to the dumpster is tied up in a plastic bag.

Only human waste and toilet paper (even facial tissue gets stuck) in the **toilet**. Hold handle down or flush twice when needed.

Finally, let directors or Gates and Patrol know when any contractor, vendor, shareholder or someone clearing out an apartment causes problems. I very much appreciate the front page reminder Gates and Patrol had in the January 9 edition of the GR News. All mutual boards require consideration for neighbors when work is being done.

The members of your Physical Property Committee; Roy, Joe and Lucille are all willing to take calls after hours or on weekends when work rules are violated. Please continue to save non emergency items for weekdays 8:00 to 4:30 and call your after hours emergencies in to Gates and Patrol.

Respectfully submitted, Lucille Findlay

## Vice-President's Report

January 2014

The Board of Directors of Mutual 12 asked me, through President Lucille Findlay, to repeat emphatically its prior notice to you that you, not Mutual 12, are entirely responsible for your safety and your well-being in case of a disaster, notwithstanding whatever disaster preparedness measures Mutual 12 may have implemented at that time.

In this message, I will address only two of the many needs you will have to address yourselves, if and when, for example and without limitation, the San Andreas fault shall rupture and cause a major earthquake here, – drinking water and disposal of your human waste. If you are uncertain about how to prepare for other needs, there are many lists and pamphlets in circulation. For more information, you may call Madge Armstrong at 598-3087 for advice about forthcoming classes on Disaster First Aid.

### **Water**

I received training from the Army during World War II about how to meet the needs of troops in the field (meaning not in garrison). I was taught that if a soldier had nothing whatsoever to drink or to receive by infusion for five days, he would die. The medical officer teaching us explained that, without water, the man's kidneys would shut down and his blood components would go awry. He would become confused, then indifferent, then comatose, and then die. I was taught that a soldier needs a minimum of a gallon of water a day, one-half of which he will drink, to sustain his effectiveness. You are invited, respectfully, to compare your needs for water to those of a healthy, young soldier,

Mutual 12 has 452 shareholders and 452 apartments. Considering that, at any one instant, some shareholders will be somewhere else, many apartments have more than one occupant, some guests and helpers will be on our premises, etc., our best guess is that if and when the water shuts off, about 600 people, each of whom will want a gallon of water a day, will be on our premises and unable to leave.

In the kind of earthquake the geologists tell us is impending, other experts tell us to expect that most of the existing infrastructure will be destroyed. You may differ, but your Board of Directors' guess is that we will not receive drinking water from elsewhere for about ten days.

600 people (gallons) times 10 days equals 6,000 gallons of water. There is no way that Mutual 12 can store 6,000 gallons of water in a way that it can be disbursed. Your seven volunteer, part-time Directors will not disburse the water. The bottom line is: You must store a gallon of water per day for each person that you deem shall live.

Many people, including Ann, say that we have no room in which to store that much water. My response is that if there shall be no earthquake, you will be right, but if and when the big earthquake hits us, you will be delighted that you will have water to drink, and you will be able to live through the aftermath. Ann capitulated on this one.

### **Human waste disposal**

Without plenty of water, our toilets will not flush. Our sewer lines, beneath our lawns, walkways and driveways, are the breakable "clay pipe" type. I am told that the water table is about six feet below the surface in Mutual 12. In an earthquake, our adobe soil is expected to liquefy to something like quicksand, thereby causing our buildings to tilt or to subside and break their sewer lines. Please remember the subsidence of Building 29 in Mutual 2. There is more, but the above is enough to make the point that you must expect that you will have a human waste disposal problem, if and when we shall have a big earthquake.

Fortunately, you can buy a portable camping toilet with sealable disposable toilet waste bags at a large sporting goods store. Please see, for examples, the attached copies of labels from a "Luggable Loo." You will need two five gallon pails, a special seat that will fit on top of one of the pails, and an ample supply of the sealable toilet waste bags. The second five gallon pail is a place to put and to carry full waste bags. This is a dirty job, but it must be done. We do not know of a viable alternative.

### **Summary**

Please consider the above two analyses of two aspects of disaster preparedness as representative of other aspects. Do not look to Mutual 12 to take care of you even though it may do some things about disaster preparedness. You are responsible for your own disaster-related needs.

Bill Frambach

**RELIANCE**

**doodie™**

Contains bio-gel  
Contient le bio-gel

## Toilet Waste Bags / Sacs pour toilette

Double bag system with bio-gel waste gelation

Système à double sacs avec gélification bio-gel

### Directions:

- Unfold and unzip grey outer bag
- Pull out black inner bag and place over toilet seat
- Fold inner bag into outer bag after use
- Seal outer bag
- Bio-Gel™ will solidify waste and contain odor
- Dispose of Double Doodie™ in approved manner

### Directions:

- Ouvrez le sac externe
- Enlevez le sac interne et placez le par dessus la siege de la toilette
- Replier le sac interne dans le sac externe après usage
- Scellez le sac externe
- Le bio-gel transformera les déchets humains en gel
- Déposer du Double Doodie™ dans une manière approuvée

USO SPORT CHALET 080  
TOILET BAGS  
2683-03/032  
1934230010  
Size

\$12.99

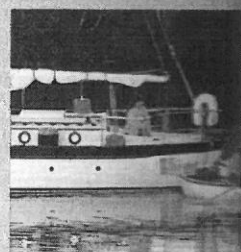


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# RELIANCE

# Luggable Loo

Seat and Cover  
Siège et couvercle Luggable Loo<sup>MC</sup>



Seat and Cover / Siège et couvercle Luggable Loo<sup>MC</sup>

Printed in Canada/Made in Canada  
Imprimé au Canada/Fabriqué au Canada

**RELIA**

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Pail not included /seau non compris



Rugged,  
lightweight  
plastic /  
Plastique léger  
et résistant

Fits over most  
industrial pails /  
S'adapte sur la plupart  
des seaux industriels



Snap-on,  
hinged seat  
and cover /  
Siège et couvercle  
enclenchables  
à charnières

## Seal Beach Mutual Number Twelve – Chief Financial Officer’s Report

Madam President, members of the Board of Directors, and Shareholders of Seal Beach Mutual Number TWELVE,

**Monthly Financial Report: Reference attached Financial Statements Recap Report for full financial status. Summary report provided below:**

**Year-End DEC 31, 2013:** The Mutual Twelve operating expenses for the year-ending Dec 31, 2013 totaled \$1,590,055. This represents a \$9,326 positive variance to the 2013 annual operating expense budget of \$1,599,381. However, since tree removal and trimming work scheduled for 2013 was rescheduled to January 2014, the \$11,000 budget for this work should be subtracted from the 2013 annual budget, leaving Mutual 12 with an adjusted negative 2013 budget variance of \$1,674.

Year-End 2013 total mutual income and contributions to Capital amounted to \$1,624,672. Subtracting total 2013 expenses from this number gives mutual twelve an excess 2013 income, before depreciation, of \$34,617 and an excess 2013 income of \$26,197 after depreciation of \$8,420. Excess 2013 income is allocated to the General Investment reserves and is to be used to cover future Mutual expenses, such as, the tree work that was not completed in 2013 and other potential 2014 budget over-runs.

Restricted Reserves:

**Appliance Reserve: \$74,633.16 (Down from \$78,720.58)** This is to be used for future appliance replacements (cooktops, ovens, refrigerators, etc.).

**Painting Reserve: \$278,593 (No change from previous month)** This is to be used for stucco and woodwork painting of the Mutual buildings

**Roofing Reserve: \$2,146,032.02 (Up from \$2,123,562.27)** This is to be used for replacement of building and carport roofs

**Infrastructure Reserve: \$454,190.36 (Up from \$442,755.11)** - This is to be used for major mutual infrastructure repairs/replacements (major building structural repairs, asphalt sealing/repairs, walkway repairs, lawn renovation etc.)

**Emergency Reserve: \$312,872 (No change from previous month)** This is money set aside for emergency (unplanned) events that require immediate funding.

All reserves are funded through the monthly regular mutual shareholder assessments. Reserve funds are currently invested in FDIC insured Money Market accounts and Certificates of Deposit (CDs), and tax exempt Bonds. It is anticipated that as exiting Bond maturities are realized, funds will be reinvested in FDIC insured depository institutions.

**Other: Shareholder’s 2014 monthly carrying charges – Reference your 2013 Property Tax and 2014 Coupon Payment Information letter that was recently mailed out to all shareholders.**

Included in every Shareholder’s monthly assessment are:

Regular Assessment – GRF: \$139.56 per month (increase of \$2.56 over 2013). This assessment is the same for all 452 Mutual 12 shareholders. It is set by the GRF and covers GRF expenses.

Regular Assessment – Mutual: \$160.78 per month (increase of \$7.27 over 2013). This assessment is the same for all 452 Mutual 12 shareholders. It is set by the Mutual and is derived based on the 2014 approved Mutual 12 budget and the 2013 Mutual 12 Reserve Study. Note: The \$7.27 increase is to cover added reserve study tasks/expenses. These include lawn renovation, sprinkler augmentation replacement of irrigation controllers (state mandate for weather sensing controllers), replacement of all old and original water heaters, and Installation of low-flow toilets (state mandate).

Property Tax: Varies among shareholders. This charge is unique to each shareholder and is based on the individual shareholder's Property Tax assessment amount set by the Orange County Tax Office.

OC User Fee: \$18.22. This fee is the same for all 452 Mutual 12 shareholders and is set by the Orange County Tax Office.

Respectfully Submitted, Sharon Woodruff, Mutual 12, CFO



**SEAL BEACH MUTUAL NO. 12**  
**FINANCIAL STATEMENTS RECAP**  
For the Eleven Months Ending November 30, 2013

**INTERNALLY PREPARED**  
FOR MANAGEMENT USE ONLY

<i>November</i>			<i>YTD</i>	
<i>Actual</i>	<i>Budget</i>		<i>Actual</i>	<i>Budget</i>
\$99,290	\$99,290	Regular Assessment	\$1,092,193	\$1,092,190
32,020	32,020	Reserve Funding	352,223	352,220
<b>131,310</b>	<b>131,310</b>	<b>Total Regular Assessments</b>	<b>1,444,416</b>	<b>1,444,410</b>
		Service Income	40	
38	656	Financial Income	197	7,217
1,054	1,316	Other Income	45,293	14,476
<b>1,092</b>	<b>1,972</b>	<b>Total Other Income</b>	<b>45,530</b>	<b>21,693</b>
<b>132,402</b>	<b>133,282</b>	<b>Total Mutual Income</b>	<b>1,489,946</b>	<b>1,466,103</b>
61,925	61,924	Trust Maintenance Cost	681,175	681,164
12,951	11,015	Utilities	134,980	121,165
510	1,031	Professional Fees	8,135	11,341
17,938	21,033	Outside Services	201,819	231,363
2,075	6,260	Taxes & Insurance	69,906	68,860
32,020	32,020	Contributions To Reserves	352,223	352,220
<b>127,419</b>	<b>133,283</b>	<b>Operating Expenses Before Off-Bdgt</b>	<b>1,448,238</b>	<b>1,466,113</b>
<b>4,983</b>	<b>(1)</b>	<b>Excess Inc / (Exp) Before Off-Bdgt Items</b>	<b>41,708</b>	<b>(10)</b>
		Depreciation (Off-Budget Item)	8,420	
<b>4,983</b>	<b>(1)</b>	<b>Excess Inc / (Exp) After Off-Budget Items</b>	<b>33,288</b>	<b>(10)</b>
		<b>Restricted Reserves</b>		
(4,806)		Appliance Reserve	78,721	
		Painting Reserve	278,593	
22,470		Roofing Reserve	2,123,562	
		Emergency Reserve	312,872	
(57,563)		Infrastructure Reserve	442,755	
		<b>Total Restricted Reserves</b>	<b>3,236,503</b>	

**SEAL BEACH MUTUAL NO. 12**  
**FINANCIAL STATEMENTS RECAP**  
For the Twelve Months Ending December 31, 2013

**INTERNALLY PREPARED**  
FOR MANAGEMENT USE ONLY

<i>December</i>			<i>YTD</i>	
<i>Actual</i>	<i>Budget</i>		<i>Actual</i>	<i>Budget</i>
\$99,290	\$99,295	Regular Assessment	\$1,191,483	\$1,191,485
32,020	32,023	Reserve Funding	384,243	384,243
<b>131,310</b>	<b>131,318</b>	<b>Total Regular Assessments</b>	<b>1,575,726</b>	<b>1,575,728</b>
		Service Income	40	
79	648	Financial Income	276	7,865
3,337	1,312	Other Income	48,630	15,788
<b>3,416</b>	<b>1,960</b>	<b>Total Other Income</b>	<b>48,946</b>	<b>23,653</b>
<b>134,726</b>	<b>133,278</b>	<b>Total Mutual Income</b>	<b>1,624,672</b>	<b>1,599,381</b>
61,925	61,924	Trust Maintenance Cost	743,100	743,088
11,471	11,017	Utilities	146,451	132,182
1,735	1,026	Professional Fees	9,869	12,367
34,271	21,016	Outside Services	236,090	252,379
396	6,262	Taxes & Insurance	70,302	75,122
32,020	32,023	Contributions To Reserves	384,243	384,243
<b>141,818</b>	<b>133,268</b>	<b>Operating Expenses Before Off-Bdgt</b>	<b>1,590,055</b>	<b>1,599,381</b>
<b>(7,092)</b>	<b>10</b>	<b>Excess Inc / (Exp) Before Off-Bdgt Items</b>	<b>34,617</b>	
		Depreciation (Off-Budget Item)	8,420	
<b>(7,092)</b>	<b>10</b>	<b>Excess Inc / (Exp) After Off-Budget Items</b>	<b>26,197</b>	
		<b>Restricted Reserves</b>		
(4,087)		Appliance Reserve	74,633	
		Painting Reserve	278,593	
22,470		Roofing Reserve	2,146,032	
		Emergency Reserve	312,872	
11,435		Infrastructure Reserve	454,190	
		<b>Total Restricted Reserves</b>	<b>3,266,320</b>	

**MUTUAL OPERATIONS****ACCOUNTING AND FISCAL****DRAFT****Self-Insurance Fund**

The fire and related perils insurance policy covering the Mutual property contains deductible clauses and excludes certain perils that endanger Mutual property. The purpose of this policy was to establish a fund to draw from for payment of the insurance policy deductible and certain events that are excluded from the standard insurance policy. These certain events are defined below. This policy will shelter a Mutual from bearing the direct financial burden of an insured loss and losses from a certain event covered by this policy.

The Seal Beach Mutuals will join in depositing monies per unit each month into a common pool, to be banked and accounted for by the Accounting Department of Golden Rain Foundation.

The rate of contribution per unit per month will be determined through the annual budget process and will appear on each Mutual's budget as a single line item.

The fund shall be used as follows:

- 1) To reimburse shareholders or homeowners their deductible amount up to \$500 for insured events (sudden or "beyond the control" of the Mutual), when shareholder or homeowner has filed a claim with their insurance company for damage to their personal property or contents.
- 2) To reimburse the Mutual Corporations, as a secondary source, for incidental expenses, such as relocation fees, for unplanned events, such as broken water lines, sewer failure, etc., with the primary source being the shareholder or homeowner's personal property insurance. This fund would not cover incidental expenses incurred by a Mutual for a planned event. Planned events are those repairs meeting reserve funding criteria.

See Regulation 7303(R) for procedural details on funding and disbursement of this fund.

**SEE PAGE 2 FOR ADOPTION DATES**

(Draft created 01-16-14 pw)

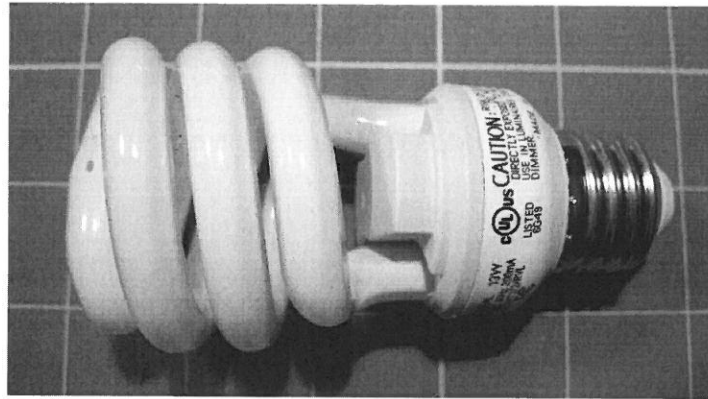
**MUTUAL OPERATIONS****ACCOUNTING AND FISCAL****DRAFT****Self-Insurance Fund****MUTUAL ADOPTION****AMENDED**

ONE	12-07-76	12-01-06
TWO	12-16-76	01-18-07
THREE	01-15-77	01-12-07
FOUR	01-03-77	12-13-06
FIVE	12-15-76	01-17-07
SIX	10-10-76	02-27-07
SEVEN	12-17-76	01-19-07
EIGHT	12-27-76	01-22-07
NINE	12-13-76	01-08-07
TEN	12-14-76	01-24-07
ELEVEN	01-13-77	01-18-07
TWELVE	01-13-77	01-11-07, <b><u>02-?-14 Rescinded</u></b>
FOURTEEN	12-17-76	02-27-07
FIFTEEN	12-13-76	01-15-07
SIXTEEN	12-16-76	01-15-07
SEVENTEEN	11-03-87	12-05-06

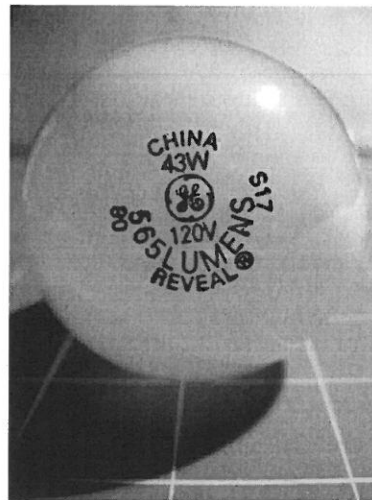
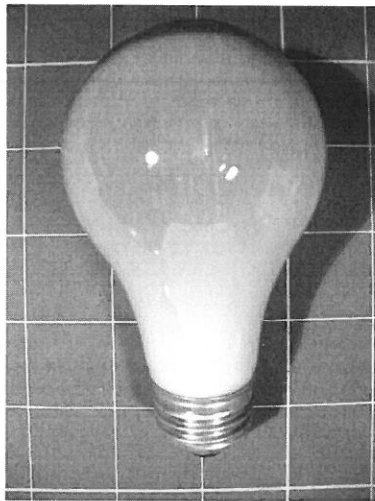
# BATHROOM CEILING LIGHT-FAN-HEATER FIXTURE

## WHAT TYPES OF LIGHT BULBS CAN I USE?

**DO NOT USE CFLs (COMPACT FLUORESCENT LIGHT BULBS) IN THE BATHROOM CEILING LIGHT-FAN-HEATER FIXTURE**



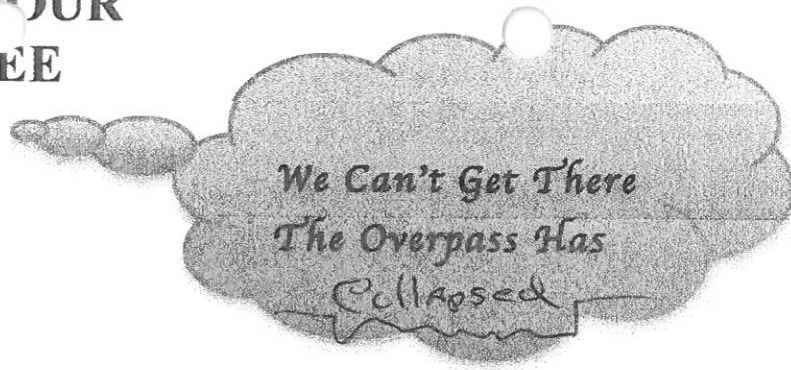
**USE TRADITIONAL INCANDESCENT LIGHT BULBS OR HALOGEN LIGHT BULBS**



A 43 watt halogen bulb gives as much light as a 60 watt incandescent bulb and is safe to use in the bathroom ceiling light-fan-heater fixture.

Switching from traditional incandescent light bulbs to CFLs can help you save electricity and lower your electric bill. Lighting accounts for close to 20% of the average home's electric bill. CFL light bulbs use up to 75% less energy than incandescent light bulbs and last up to 10 times longer. Unfortunately, **CFL light bulbs can not be used in the bathroom ceiling light-fan-heater fixture.** If you turn on the heater, it will melt the base of the CFL light bulb.

# SPONSORED BY YOUR LW PEP COMMITTEE



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

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

- 1. Wednesday, January 29th, 2014 (9am – 2pm)  
Clubhouse 3 – Room 7 (Bring Your Lunch)**
- 2. Monday, March 24th, 2014 (9am – 2pm)  
Clubhouse 3 - Room 4 (Bring Your Lunch)**
- 3. Saturday, May 17th, 2014 (9am – 2pm)  
Clubhouse 3 – Room 8 (Bring Your Lunch)**

**If you have taken this class before, take a refresher this year for FREE. Make your reservations to assure there will be room for you.**

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

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

NOTES AND MOTION OF THE EMERGENCY E-MAIL SPECIAL EXECUTIVE SESSION  
MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE

December 19 - 26, 2014

A Special E-Mail Executive Session was initiated by President Findlay on December 19, 2013.

Those members responding were: Vice President Frambach, 12/26; Secretary Norlander, 12/25; CFO Woodruff, 12/20; Director Evans, 12/23; and Director Welch, 12/23. There is no response on file for Director Fluharty.

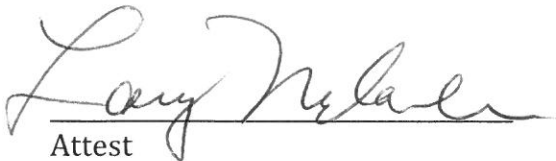
The purpose of the meeting was formation of a contract.

At the meeting upon a motion sent out by President Findlay it was

RESOLVED, To add to the contract for the already approved planting of two trees at Building 64 I-J and two trees at Building 69 K-L the following:

Install at Building 64I six 5 gallon boxwood plants for \$132, 1 yard of soil for \$40 and 8 Rain Bird heads for \$300; relocate 5 Rain Bird heads at 65B for \$177.50. The total added to the contract will be \$649.50.

The MOTION carried by a unanimous vote of the Board members whose responses are on file.



Attest

Larry Norlander, Secretary

SEAL BEACH MUTUAL NO. TWELVE

SEA BEACH MUTUAL NO. TWELVE

CONSENT TO E-MAIL EMERGENCY MEETINGS  
FOR THE 2013-2014 BOARD YEAR

My signature below applies to circumstances warranting emergency meetings. (Civ. Code §1363.05(g)).

I hereby give my written consent for Mutual 12 Emergency Meetings to be conducted by e-mail. (Civ. Code § 1363.05(j)(2)(B)).

NAME AND TITLE	SIGNATURE	DATE
Lucille Findlay, President	<i>Lucille E. Findlay</i>	8/19/13
Bill Frambach, Vice President	<i>William Frambach</i>	8/30/13
Larry Norlander, Secretary	<i>Larry Norlander</i>	8-19-13
Sharon Woodruff, CFO	<i>Sharon Woodruff</i>	8-26-13
Janet Evans, Director	<i>Janet S. Evans</i>	8-19-13
Roy Fluharty, Director	<i>Roy Fluharty</i>	8/19/13
Joe Welch, Director	<i>Joe Welch</i>	8/19/13



MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

SEAL BEACH MUTUAL NO. TWELVE

January 3, 2014

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Findlay at 9:07 a.m. on January 3 2013 in the Physical Property Conference Room.

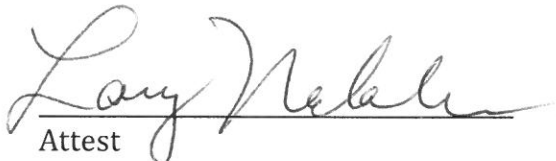
Those members present were: President Findlay, Vice President Frambach (9:12 a.m.), Secretary Norlander, and Directors Fluharty and Welch. Also present was Physical Property Inspector Antisdell.

CFO Woodruff and Director Evans were absent.

The purpose of the meeting was to plan the agenda for the January 9 Regular Mutual 12 Board Meeting.

At 10:56 a.m. the Board went into Executive Session to discuss advice in the form of a legal opinion that had been received from the Mutual's counsel. The Board returned to regular session a 11:17 a.m.

After further agenda planning discussion, the meeting was adjourned by President Findlay at 11:40 a.m.



Attest

Larry Norlander, Secretary

SEAL BEACH MUTUAL NO. TWELVE