

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
January 12, 2017**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Gillon at 9:04 a.m. on Thursday, January 12, 2017, followed by the *Pledge of Allegiance*, in the Administration Building, Conference Room A.

**ROLL CALL**

Present: President Gillon, Vice President Carson, Secretary Sprague, CFO Ferraro, Director Anderson and Director Findlay

GRF Representative: Mrs. C. Damoci

Guests: Three shareholders of Mutual Twelve

Staff: Ms. Hopkins, Mutual Administration Director  
Mr. Salazar, Building Inspector  
Mrs. Whitlock, Recording Secretary

President Gillon welcomed guests and staff to the meeting.

**SHAREHOLDER'S COMMENTS**

Three shareholders made comments.

**GRF REPRESENTATIVE**

Mrs. Damoci presented her report (attached).

Mrs. Damoci left the meeting at 10:07 a.m.

**MINUTES**

President Gillon asked for any corrections to the Regular Meeting minutes of November 12, 2016. There being no corrections, and upon a MOTION duly made by President Gillon and seconded by Director Findlay, it was

RESOLVED, To approve the November 12, 2016, Regular Meeting minutes, as printed.

The MOTION passed.

President Gillon asked for any corrections to the Special Meeting minutes of October 31, 2016, November 28, 2016; November 7, 2016, December 5, 2016; December 12, 2016; and December 27, 2016. CFO Ferraro cited corrections to Special Meeting Minutes of November 28, 2016; December 12, 2016; and December 27, 2016; and upon a MOTION duly made by President Gillon and seconded by Vice President Carson, it was

**MINUTES (continued)**

RESOLVED, To approve the Special Meeting minutes by consent calendar for October 31, 2016, November 28, 2016 November 7, 2016; December 5, 2016; December 12, 2016; and December 27, 2016 with corrections.

The MOTION passed.

**BUILDING INSPECTOR'S REPORT**

Inspector Salazar reviewed his summary report (attached).

President Gillon reported that building permits for enclosed patios were not approved and suggested that the infrastructure policy be reviewed at the next scheduled Special Meeting on Monday, January 16, 2017.

Inspector Salazar left the meeting at 9:20 a.m.

**CORRESPONDENCE**

No correspondence was received.

**ANNOUNCEMENTS**

**PARKING PASS LIMITATION.** In 2016 a committee was formed to enhance security in Leisure World. This committee is called the Community Access Ad Hoc committee and it meets monthly. After many studies from Security were brought to this committee it was found that the annual guest passes allowed access to Leisure World that is highly abused. The Mutual Twelve Board, and many other Mutual Boards, voted to improve security by restricting the number of guest passes shareholders are allowed thus reducing the number of people coming into the community with no traceability.

**MUTUAL TWELVE SETTLEMENT WITH S. C. YAMAMOTO.**

“As many of you may know, on November 25, 2015, Mutual Twelve entered into a contract with S.C. Yamamoto (“Yamamoto”) pursuant to which Yamamoto was to significantly upgrade our sprinkler system. Yamamoto claimed to have completed the work and demanded payment of sums allegedly owed in the amount of \$46,614.00 or face a lawsuit. Mutual Twelve took issue with this contention. Mutual Twelve was not satisfied with the way the system was performing. Mutual Twelve hired an expert to evaluate Yamamoto’s work. Our expert did a thorough analysis of the issues and reported same to the board. After much discussion with the expert and counsel, the board felt that it was in the best interest of Mutual Twelve to settle the dispute and avoid litigation. Counsel successfully settled the matter for a significant discount, namely, payment of \$35,000.00. Mutual Twelve and Yamamoto executed a settlement agreement with mutual releases. The dispute is now behind us.”

**MUTUAL ADMINISTRATION DIRECTOR'S REPORT**

Ms. Hopkins updated the Board on Mutual Administration activity. In addition, she discussed the LW Live Email Alert System Sign-up, Guest Passes, and registering pets (Policy 7501 – Pet Regulations), and discussed the 2016-2017 Property and Liability Insurance Breakdown by Mutual.

**MUTUAL TWELVE/GRF MANAGEMENT AGREEMENT COMMITTEE**

REPORT OF EXECUTIVE COMMITTEE ON MANAGEMENT CONTRACT

January 12, 2017

Responding to the Board's request on November 10, 2016, copies of the Minutes of the Golden Rain Foundation Board Meetings for the calendar year 1966 were provided to the committee on November 19, 2016.

With this additional information, the executive committee upon review of the Minutes for both Seal Beach Mutual No. Twelve and the Golden Rain Foundation and other supporting documents, finds sufficient evidence that the Management Agreement dated March 14, 1967 between Seal Beach Mutual No. Twelve, and the Golden Rain Foundation is the most current contract executed by the parties. This determination is based upon documented actions taken by the respective Boards of Directors regarding the Mutual 12 Management Agreement:

The committee recommends passage of the following RESOLUTION on Management Agreement posting to the Golden Rain Foundation website to the Seal Beach Mutual No. Twelve Board of Directors.

Respectfully Submitted

Susan Ferraro

Chairperson

Upon a MOTION made by CFO Ferraro and seconded by President Gillon,

**WHEREAS**, the Golden Rain Foundation website does not currently post a Management Agreement between Golden Rain Foundation and Seal Beach Mutual No Twelve, and

**WHEREAS**, the Mutual No. Twelve Management Agreement executive committee has determined, upon review of corporate records available, from which pertinent excerpts are reproduced below, that the approved and executed Management Agreement dated March 14, 1967 between the Golden Rain Foundation and Seal Beach Mutual No. Twelve is the only Management Agreement in effect.

**MUTUAL TWELVE/GRF MANAGEMENT AGREEMENT COMMITTEE (continued)**

**1) INITIAL AGREEMENT UPON INCORPORATION:**

M12: **December 20, 1963:** “RESOLVED, that the Management Agreement between SEAL BEACH MUTUAL NO. TWELVE and GOLDEN RAIN FOUNDATION is hereby ratified.”

GRF: **August 17, 1965:** “Mr. Bunker read the following resolution, seconded by Mr. Keating and carried unanimously.”

“FURTHER RESOLVED, that upon agreement tentatively reached between this committee of this corporation selected by the President and the Boards of Directors of the Mutual Corporations, and upon passage of appropriate resolutions by each corporate body for termination of Management Contracts, the Golden Rain Foundation shall forward forthwith notice to the consenting parties to the Management Contracts between Golden Rain Foundation and the Mutual Corporations concerning the intention to cancel said contracts.”

**August 27 1965:** “Mr. Riefanyder as Chairman of Special Committee reported that the Golden Rain Foundation had received notification from three Mutuals of their intention to cancel their contracts with the Golden Rain Foundation. A letter has been written to FHA asking permission to cancel but nothing has been heard and nothing can be done until FHA replies.”

M12: **August 28, 1965:** “That the Leisure World Foundation would agree to continue to perform the management services for us at present costs, so that these would not be increased; and that there would be virtually no change in our relationship with the Golden Rain Foundation as Trustee for all the Mutuals, .....it was MOVED that we send the following letter by registered mail:

“As provided in the Management Agreement between the undersigned and the Golden Rain Foundation, this is a notice of intent to terminate said agreement as of its expiration date, namely September 30, 1965.”

**2) AGREEMENT DATED SEPTEMBER 30, 1965 WITH LEISURE WORLD FOUNDATION, LAGUNA HILLS**

M12: **November 3, 1965:** “During the discussion, the FHA representatives stated that the contract which we had signed with Leisure World Foundation had not as yet been received in their Washington office. However, they had previously sent us a letter stating that they would approve such a contract providing it met the conditions they stipulated. We do not know what caused the delay in transmittal.”

**MUTUAL TWELVE/GRF MANAGEMENT AGREEMENT COMMITTEE (continued)**

M12: **March 21, 1966:** “RESOLVED, that the Board of Directors of Mutual No. Twelve, Leisure World, Seal Beach, do accept and confirm ARTICLE SEVENTH of the Management Agreement between Seal Beach Mutual No. Twelve and Leisure World Foundation, as corrected. ARTICLE SEVENTH shall read as follows: The sole compensation which the Agent shall be entitled to receive for services performed under this Agreement shall be a fee computed and payable monthly in an amount equivalent to \$.56 per month for each dwelling unit owned by Owner exclusive of all surcharges. (Motion passed)”

GRF **April 19, 1966:** “The Chair reported that the proposed management contract had been presented to FHA and that FHA had been requested to cancel the present management contract by thirty day notice. He cautioned the Mutuels who were involved in the recent move to withdraw from management by Golden Rain Foundation that the Board did not propose to exclude them.”

GRF: **September 26, 1966:** “Attorney Williams reported that the new management contract had been re-drawn and agreed to by Mr. Moyer incorporating the changes suggested by Mr. Callahan, Acting Asst. Comm. In Washington, D.C. The new contract will include an Administrator and Director of Physical Properties in the management fee. Mutual #12 has not been included since they presently have a contract directly with Leisure World Foundation, however, they may be added to the contract at any time they care to be.”

GRF: **October 7, 1966:** “President Campbell appointed Mr. Omohundro to carry through in seeing how Mutual No. 12 feels about joining with the Moyer Company under the management contract.”

GRF **October 18, 1966:** “Attorney Williams read the Management Contract Termination Agreement to the Directors and stated he would read it to the residents in the open meeting and have Mr. Campbell affix his signature to it before the residents.”

“Attorney Williams then advised that the new management contract, after much revision, had been signed by the Moyer Company and the Golden Rain Foundation and was presently in the hands of FHA.”

**3. AGREEMENT DATED MARCH 14, 1967 WITH GOLDEN RAIN FOUNDATION**

GRF: **December 14, 1966:** “Attorney Williams reported that he had drawn up the new contract between Golden Rain Foundation and Mutual #12, and read a letter which he had addressed to the President of Mutual #12. The contract has the same format as the one they previously with Leisure World Foundation (following FHA form of contract) except for the rate per unit and including a 30-day cancellation clause as requested by them and approved by FHA.”

**MUTUAL TWELVE/GRF MANAGEMENT AGREEMENT COMMITTEE (continued)**

“Pres. Campbell, after signing the contract, passed it on to Mr. Likins for his presentation of the Mutual President for signature. This was done on motion made by Mr. Likins, seconded by Mr. Baker, and carried with 1 “no” vote:

THAT the President of the Corporation be authorized to execute the management contract as recommended by FHA, with Seal Beach Mutual #12, a copy of which is attached to the original minutes.”

GRF: March 21, 1967: “Pres. Campbell stated that the differences which were largely technical between Mutual #12 and the Golden Rain Foundation have at last been settled. Mut. #12 has signed the contract with the Golden Rain Foundation and the contracts, which are now awaiting FHA approval, are in **the** hands of FHA. He stated that we are happy to welcome Mutual #12 back into the fold on the same basis as all other Mutuals.”

M12: March 25, 1967: “- that action of the Golden Rain Board of March 20, 1967, in which it approved and adopted the whole of the legal and procedural construction as incorporated in the letter dated March 3, 1967, addressed to the PRESIDENTS OF ALL SEAL BEACH MUTUALS, be recognized and accepted as sufficient compliance with our Board’s conditions precedent to the execution of a final contract between Seal Beach Mutual No. Twelve, and the Golden Rain Foundation.”

M12: May 19, 1967: “The President reported that action had been taken in effecting termination of the contract with Leisure World Foundation. Leisure World Foundation has been notified that upon the termination date of May 31, 1967, the contract will not be renewed, and FHA has been supplied with copies of the notification.”

**BE IT RESOLVED**, that the Board requests the Golden Rain Foundation post a fully edited clean copy of the March 14, 1967 Management Agreement, including the addendum March 3, 1967 letter, on the Documents Mutual Contracts section of the lwsb.com website. However, in that event that such copy is not available, the Board requests that the March 14, 1967 Management Agreement be retyped in the edited format retaining the original signatures and the retyped document complete with signatures and, upon approval by the Mutual 12 Board, be posted, along with the addendum letter of March 3, 1967 on the lwsb.com website.

**BE IT FURTHER RESOLVED**, that copies of this resolution be distributed to Executive Director Ankeny, Mutual Administration Director Hopkins, all Golden Rain Foundation elected Directors and the Presidents of all Seal Beach Mutuals.

The MOTION passed.

**UNFINISHED BUSINESS**

CFO Ferraro reported that the item of Occupancy Agreement is on the agenda for discussion purposes only. No action taken.

**NEW BUSINESS**

Following a discussion, and upon MOTION duly made by President Gillon and seconded by CFO Ferraro, it was

RESOLVED, That CFO Ferraro be appointed as Chair for the Annual 2017 Spring Luncheon Planning Committee with assistance from Secretary Sprague and Director Findlay.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, That the Board will continue to receive paper copies of all Monthly Minutes of all Mutuals in Leisure World Seal Beach.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Vice President Carson, it was

RESOLVED, To adopt Policy 7592.12 Use of Radio-Controlled and/or Remotely-Controlled Vehicles on a preliminary basis until 30-day posting period is completed.

President Gillon adjourned the meeting to Executive Session at 10:53 a.m.

(Staff left the meeting at 12:10 p.m.)

President Gillon reconvened the Regular Monthly Meeting at 12:48 p.m.

**CHIEF FINANCIAL OFFICER'S REPORT**

Ms. Ferraro presented her financial report (attached).

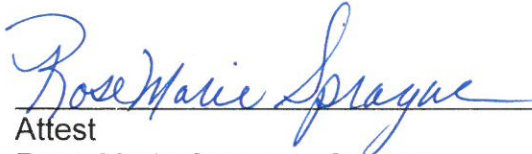
Following a discussion on Traffic Policy 7581.12 – Towing Vehicles, Director Findlay requested that the Board review Mutual Nine and Mutual Twelve traffic policies.

**DIRECTOR'S REMARKS**

Several Directors made remarks.

**ADJOURNMENT**

President Gillon adjourned the meeting at 12:53 p.m. and announced that following there would be an Executive Session to discuss member issues.



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Attest

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL TWELVE

lw:1/16/17

Attachments

**NEXT MEETING: February 9, 2017  
Administration Building, Conference Room A, at 9:00 a.m.**

**SPECIAL MEETING ANNOUNCEMENTS AND AGENDAS ARE POSTED IN LAUNDRY ROOM 57 (D SIDE). FOR INFORMAL INDIVIDUAL NOTICE OF SPECIAL MEETINGS, CONTACT SECRETARY SPRAGUE OR EMAIL PRESIDENT GILLON AT MARGARET.GILLON@MUTUAL12.ORG.**

**RESOLUTIONS IN THE REGULAR  
MONTHLY MEETING OF JANUARY 12, 2017**



01/12/2017 RESOLVED, To approve the November 12, 2016, Regular Meeting minutes, as printed.

RESOLVED, To approve the Special Meeting minutes by consent calendar for November 28, 2016; December 5, 2016; December 12, 2016; and December 27, 2016 with corrections.

**WHEREAS**, the Golden Rain Foundation website does not currently post a Management Agreement between Golden Rain Foundation and Seal Beach Mutual No Twelve, and

**WHEREAS**, the Mutual No. Twelve Management Agreement executive committee has determined, upon review of corporate records available, from which pertinent excerpts are reproduced below, that the approved and executed Management Agreement dated March 14, 1967 between the Golden Rain Foundation and Seal Beach Mutual No. Twelve is the only Management Agreement in effect.

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dated March 3, 1967, addressed to the PRESIDENTS OF ALL SEAL BEACH MUTUALS, be recognized and accepted as sufficient compliance with our Board's conditions precedent to the execution of a final contract between Seal Beach Mutual No. Twelve, and the Golden Rain Foundation."

M12: **May 19, 1967:** "The President reported that action had been taken in effecting termination of the contract with Leisure World Foundation. Leisure World Foundation has been notified that upon the termination date of May 31, 1967, the contract will not be renewed, and FHA has been supplied with copies of the notification."

**BE IT RESOLVED**, that the Board requests the Golden Rain Foundation post a fully edited clean copy of the March 14, 1967 Management Agreement, including the addendum March 3, 1967 letter, on the Documents Mutual Contracts section of the lwsb.com website. However, in that event that such copy is not available, the Board requests that the March 14, 1967 Management Agreement be retyped in the edited format retaining the original signatures and the retyped document complete with signatures and, upon approval by the Mutual 12 Board, be posted, along with the addendum letter of March 3, 1967 on the lwsb.com website.

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RESOLVED, that CFO Ferraro be appointed as Chair for the Annual 2017 Spring Luncheon Planning Committee with assistance from Secretary Sprague and Director Findlay.

RESOLVED, that the Board will continue to receive paper copies of all Monthly Minutes of all Mutuals in Leisure World Seal Beach.

RESOLVED, To adopt Policy 7592.12 Use of Radio-Controlled and/or Remotely-Controlled Vehicles on a preliminary basis until 30-day posting period is completed.

Carole Damoci  
Mutual 12 GRF Representative

January 12<sup>th</sup>, 2017

The policy for parking enforcement and fines has been adopted. Ticketing started the beginning of January and will be warnings only for this month. The fine part of the policy will begin in February. If you wish to read over the policy please go to our web-site and look under Security Policies, 1927-37. The policy states that all vehicles in LW must have identification on them to be parked on trust streets. (Trust streets are the named streets in the community) They must have either a LW decal on the window, issued by Security, or a pass on the dash. Car must have up to date registration to be parked on Trust Property. It should be remembered that all of the visitors, caregivers or vendors you let into the community are, under the Occupancy Agreement, your responsibility. If they are ticketed for illegal parking and don't pay the ticket, you are responsible for the cost of that ticket.

Clubhouse 4 is closed for the next 4 to 6 weeks for renovations. We will be breaking ground for a new multi-purpose court behind Clubhouse 2 in a few months and the Clubhouse 2 renovations will start later in the year. The wall on Westminster Blvd is almost done and the contractors will then start the wall along the channel. That section of wall will complete the walls around our community.

Phase one (1) of the street paving project has been approved and will start in either March or April depending on the rain.

As always, if there's anything I can do for you, or if you have any questions concerning the Golden Rain Foundation, please feel free to contact me. I would love to hear from you and answer any of your questions I can. If I don't have your answers I will get them.

Respectfully submitted,  
Carole S. Damoci  
President, Golden Rain Foundation  
562-405-4965  
[president@lwsb.com](mailto:president@lwsb.com)

# INSPECTOR MONTHLY MUTUAL REPORT

**MUTUAL: 12**

**INSPECTOR: Jay Salazar**

**MUTUAL BOARD MEETING DATE: January 12, 2016**

Print Date: 1/12/2017

## PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
64A	Remodel	CITY	04/04/16	08/10/16	NO	6/21, 29; 7/1, 8, 11, 11	Ogan Construction
73L	Remodel	CITY	03/01/16	07/21/16	YES	4/11, 4/25, 5/11, 5/16	Ogan Construction
34L	Remodel	CITY	09/13/16	11/13/16	YES	9/29, 10/21, 12/2, 28;	Kang's Construction
72F	Remodel	CITY	04/04/16	09/16/16	YES	6/3, 24 - 7/1, 7/16, 22	Alpha Master Builders
72F	HVAC Installation	CITY	06/02/16	09/16/16	YES	09/16/16	Yes
74E	Remodel	GRF	03/21/16	08/19/16	YES	5/4/16, 6/8, 10, 13, 16	JC Kress Construction
76E	Minor Remodel	CITY	06/06/16	11/21/16	YES	8/3; 9/14; 12/28	Southcoast Restoration
76E	HVAC Install	CITY	06/06/16	11/21/16	NO	9/28, 11/21	Greenwood
59B	Remodel	CITY	08/15/16	11/01/16	NO	10/17, 11/9, 29; 1/6/17	Kang's Construction
41C	HVAC Pump Installation	CITY	10/14/16	01/30/17	NO	11/16/16	Greenwood
6C	HVAC Pump Installation	CITY	09/29/16	10/31/16	NO		Aryco
42B	Bathroom Remodel/Flooring	CITY	10/03/16	10/28/16	NO	10/31, 11/2, 23; 12/21	LW Décor
43G	Exterior Upgrade	GRF	10/17/16	01/01/17	NO		Los Al Builders
64B	Skylight Installation	CITY	10/26/16	12/16/16	NO	11/11, 14, 15, 12/9	Los Al Builders
64D	Flooring Installation	CITY	11/07/16	11/10/16	NO	11/10/16	Bixby Carpets
77E	Remodel	CITY	11/15/16	03/30/17	NO		Kang's Construction
42K	Remodel	CITY	12/05/16	02/03/17	NO	12/15, 21, 22	Bergkvist Construction
64I	HVAC Installation	CITY	11/07/16	04/17/17	NO	01/11/17	Greenwood
68L	Gate Installation	GRF	11/10/16	12/10/16	NO	01/11/17	JC Kress Construction
35D	Flooring Installation	GRF	11/10/16	06/06/17	NO	11/29/16	Kary's Karpet
35G	Remodel	CITY	10/31/16	12/30/16	NO		Robert's Construction
8B	Patio Screen Door Install	GRF	01/03/17	02/20/17	NO		Nationwide Painting
71C	Carpet Install	GRF	12/30/17	01/30/17	NO		Kary's Karpet
8F	Flooring Instal & Patio Plexi	GRF	01/17/17	01/27/17	NO		Contech Construction

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: January 12, 2016

Print Date: 1/12/2017

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS

CNP = Correction Notice Posted  
 Completed

Contractor Issue: Pending

Unit Numbers in Bold = Plan Review Approved

Unit Numbers Not in Bold = Plan Review in Progress

## ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	COE DATE	ROF
41H		02/03/16					
74C		03/09/16					
47B		03/24/16					
71C		05/20/16	10/14/16	10/18/16	10/31/16	11/01/16	11/15/16
43J		06/30/16					
77G		07/01/16	09/20/16	09/20/16	09/30/16	10/03/16	12/28/16
73F		07/06/16	10/13/16	10/18/16	10/31/16	11/01/16	12/28/16 SB/SA
47K		07/22/16	08/18/16	08/18/16	08/31/16	09/01/16	10/12/16
35D		08/17/16	01/12/17	01/12/17			
73J		09/14/16	10/25/16	10/28/16	11/11/16	11/14/16	12/29/16
59H		09/07/16					
47J		09/08/16	09/21/16	09/28/16	10/11/16	10/12/16	11/28/16
46I		09/13/16	10/17/16	10/18/16	10/31/16	11/01/16	12/15/16 SB/SA
75C		09/20/16	11/10/16	11/16/16	11/29/16	12/01/16	





# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: January 12, 2016

Print Date: 1/12/2017

73A	Permit Inspection
70H	Patio Stucco Inspection
70A	Vacant Unit Inspection
70I	Vacant Unit Inspection
70L	Vacant Unit Inspection
71G	Vacant Unit Inspection
72E	Vacant Unit Inspection
74C	Vacant Unit Inspection
76A	Vacant Unit Inspection
77E	Vacant Unit Inspection
77L	Vacant Unit Inspection
11K	Termite Inspection
7B	Termite Inspection
42L	Concrete Walkway Inspection
78B	Roof Leak
56K	Roof Leak Inspection (Pink)
9L	Irrigation Inspection
70D	Storm Drain Inspection
6C	Vacant Unit Inspection
6G	Vacant Unit Inspection
7L	Vacant Unit Inspection
8I	Vacant Unit Inspection
9H	Vacant Unit Inspection
10J	Vacant Unit Inspection
10K	Vacant Unit Inspection
11C	Vacant Unit Inspection
7H	Termite Inspection
7J	Vacant Unit Inspection/Special Inspection
78K	Hose Bib Inspection

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: 12

INSPECTOR: Jay Salazar

MUTUAL BOARD MEETING DATE: January 12, 2016

Print Date: 1/12/2017

55C	Vacant Unit Inspection
56C	Vacant Unit Inspection
56J	Vacant Unit Inspection
58A	Vacant Unit Inspection
59H	Vacant Unit Inspection
60B	Vacant Unit Inspection
61D	Vacant Unit Inspection
62G	Vacant Unit Inspection
44H	Vacant Unit Inspection
CP 136	Carport Storage Lock Removal
40F	Masonry Inspection
40H	Vacant Unit Inspection
41H	Vacant Unit Inspection
42H	Vacant Unit Inspection
43F	Vacant Unit Inspection
43J	Vacant Unit Inspection
46A	Vacant Unit Inspection
46H	Vacant Unit Inspection
34C	Vacant Unit Inspection
36C	Vacant Unit Inspection
37B	Vacant Unit Inspection
62C	Vacant Unit Inspection
47J	Patio Inspection
56E	Mirror & Hood Vent Inspection
39E	Roof Leak Inspection
41F	Roof Leak Inspection
10D	Patio Inspection
42I	Heater Inspection
69F	Roof Leak Inspection (Pink)
	Water Intrusion Inspection



# The Mutual Administration Director's Comments

## January 2017

### PET REGISTRATION AND RENEWAL IN THE NEW YEAR

#### Pet Registration in Stock Transfer

Per Pet Policy 7501, Article II, your pet must be registered with the Stock Transfer Office before it is brought onto the Mutual premises. Further, the pet registration and licensing must be updated on or before December 31 of each year. The Mutual Pet Registration Form can be picked up at the Stock Transfer Office. To complete the registration, you will need to include the following:

Requirements for Dogs: City of Seal Beach Pet License, proof of spay or neuter, proof of dog's inoculations, proof of liability insurance, and proof of dog's weight.

Requirements for Cats: Proof of spay or neuter, and proof of liability insurance.

If you are renewing a currently-registered pet in the Stock Transfer Office, you do not need to complete a new form, but you do need to provide current liability insurance documents and, for dogs only, a current City of Seal Beach Pet License.

If you have questions about registering your pet, call Stock Transfer at (562) 431-6586, ext. 346 or 347.

#### Pet Registration with City of Seal Beach

Note: The City of Seal Beach contracts with the City of Long Beach Animal Care Services for animal control and licensing purposes.

#### **To purchase a City of Seal Beach Pet License, you will need to provide the following:**

- History of prior licenses; a permanent license tag is issued when a license is first purchased.
- Your name, address, and phone number.
- A current rabies inoculation certificate, good for the entire licensing period.
- A Certificate of Sterility if your pet has been spayed or neutered (altered). This will reduce your dog license fee. The certificate must be shown at time of purchase to receive the reduced rate.
- Microchip information (if applicable).
- Pet license fee.

#### **There are several ways to purchase your City of Seal Beach pet license:**

- In person at the Long Beach Bureau of Animal Care Services located at 7700 E. Spring Street.
- Online at: <http://www.longbeach.gov/acs/pet-laws-and-licensing/licensing/>
- By mail: send copies (this paperwork will not be returned so do not send originals) of the above information along with the pet license application to the Animal Care Services Bureau at 7700 E. Spring Street, Long Beach, CA 90815, along with a check or money order for the proper amount. The license will be processed and a license tag will be mailed to you.

#### **City of Seal Beach Pet License Fees:**

- Dog Altered: \$20;
- Dog Altered – Senior Resident: \$10;
- Replacement Tag: \$10;
- Cat Altered – Senior Resident: N/A.

If you have questions about Pet Licenses, call City of Long Beach Animal Care Services at (562) 570-7387.

## President's Report

Margaret Gillon, January 12, 2017

HAPPY NEW YEAR MUTUAL TWELVE !

VACANT SEAT ON THE BOARD OF DIRECTORS. There is a vacant seat on the Mutual Twelve board. When a seat is open the board can appoint a shareholder to fill the seat until the next annual election. The new director will be covering Parcel 4 building numbers 6 to 11. Being a director is a great way to volunteer for the community and help fellow shareholders. The board meetings for Mutual Twelve are the Monthly Meeting every second Thursday of each month at 9 AM and the permit review meetings every Monday afternoon from 1:30 PM to 4:30 PM in the physical property conference room. The Mutual Board is governed by the Davis-Stirling Act and our meetings are run using Robert's Rules of Order.

REPIPING BID PACKAGES. This week the bid package for re-piping all the buildings in Mutual Twelve with copper has been sent out to contractors for bid. There are six contractors bidding on the job. The board will receive the bids prior to the February Monthly meeting on 2017-02-09.

SMOKE DETECTORS FOR ALL ROOMS. Beginning in February 2017 service maintenance will be installing smoke detectors in bedrooms that do not have detectors. The Board feels that taking this step will enhance the safety of our buildings and reduce our fire risks. The installation and the materials will be paid for by the Mutual.

GOLDEN RAIN  
*Foundation*  
SEAL BEACH



3 March 1967

TO: PRESIDENTS OF ALL SEAL BEACH MUTUALS  
FROM: H. D. CAMPBELL, PRESIDENT, GOLDEN RAIN FOUNDATION

As a result of a conference at Federal Housing Administration, it has come to my attention that there may be some misunderstanding concerning the meaning of the text of the Management Agreement proposed between the Golden Rain Foundation and the J. L. Moyer Company. The specific misunderstanding has been concerning the responsibility for the handling of the funds of the Mutual Corporations.

The Mutual Corporations' funds are under the jurisdiction, and the authority for disbursement is solely in the hands of the Management Agent. This is set forth in the Management Agreement under Paragraph FOURTH:

"Request and collect, (including the institution of such legal action as necessary), receive and receipt for any and all charges which may at any time be or become due the Foundation, including but not limited to amounts due the Foundation from the Mutuals in connection with the operation and maintenance of the Property and all sums due from any concessionaires in consequence of the authorized operation of facilities in Leisure World. As a standard practice, Agent shall furnish Foundation with an itemized list of all delinquent accounts immediately following the 10th day of each month."

A similar paragraph appears in each of the Mutual Management Agreements with the Golden Rain Foundation. Therefore, the net effect of this is that the Mutual Corporation has delegated to the Golden Rain Foundation the authority to receive its funds and disburse them. This authority has been completely delegated to the J. L. Moyer Company under the terms of the Management Agreement between the Golden Rain Foundation and the J. L. Moyer Company.

All employees of the Golden Rain Foundation who handle funds are bonded, and I might note here that they are bonded in large amounts adequately covering any funds that might come into their hands. All employees handling Mutual funds or doing Mutual accounting are under the supervision of the J. L. Moyer Company and are not under the supervision of any Golden Rain Foundation personnel.

P.O. BOX 126 · SEAL BEACH, CALIFORNIA · GENEVA 1-6586

GR

-2-

3 March 1967

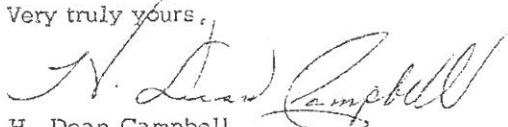
With respect to the funds that are collected and deposited in the Special Accounts, the contracts likewise provide that full accounting must be made to the Golden Rain Foundation and to the Mutual Corporations by the J. L. Moyer Company. The net effect of all of this is that the burden of day-to-day mechanics of writing checks and maintaining accounts is removed from the hands of the Directors of the Corporations only as a matter of convenience. Any expenditures other than those authorized by the budget are prohibited, with some slight exception, which you must realize is necessary in the event of an emergency and with limitations as to amounts.

The Golden Rain Foundation and all of the Mutual Corporations are fully protected by the terms of the contracts and by Fidelity Bonds. I am also advised by our legal counsel that the law of the State of California does not prohibit at the present time such a delegation of authority by a Board of Directors of a cooperative housing corporation.

For the sake of clarity, this matter has been fully discussed with the Federal Housing Administration, representatives of the J. L. Moyer Company, Board members of the Golden Rain Foundation, and also on the advice of the attorney for the Golden Rain Foundation, and with some representatives of Mutual Corporations. There is no question that the above is the proper and legal interpretation of the contracts.

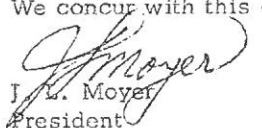
I hope by this communication to clarify any misunderstanding that may have existed in the minds of any of the Directors in any of the Mutual Corporations.

Very truly yours,

  
H. Dean Campbell  
President  
Golden Rain Foundation Board of Directors

cc: Federal Housing Administration (2)  
J. L. Moyer Company

We concur with this communication.

  
J. L. Moyer  
President  
J. L. Moyer Company

## CFO Report – January 12, 2017 Regular Meeting

The preliminary financial statements for the year ending December 31, 2016 have not yet been completed. I am intending to supplement this report if the information is available for review to be attached to the DRAFT of the minutes of this January meeting. Otherwise it will be reported at the February Regular Meeting.


As the December regular meeting was cancelled that my last report was for October so this report will be for November 2016. A copy of the Financial Statement Recap Operations for the period ended November 30, 2016 is attached. Each of the Directors of the Board has received their detailed financial statement copy for review and comment.

As of November 30, 2016:

Cash in the bank	\$ 385,668
Accounts Receivable	\$ 3,051
Reserves:	\$3,752,217 (uncommitted)
Excess Income:	\$ 35,747

As November 30 the total actual expenses exceed the budget by \$9087, and the income exceeds the budget by \$44,833 While the November financial statements reflect a positive situation, there will be an extraordinary charge in December for roofing repairs that were billed on one invoice for \$7900 for the period September 2015 to January, 2016. The repairs have now been verified as being completed (yes it took that long to get all the parties together) and have been charged to Structural Repairs Expense in 2016. Additional landscape extras repairs have been incurred in December along with additional professional/legal fees. A more detailed analysis will be provided upon receipt of the December financial statements.

Respectfully submitted,

  
Susan Ferraro, CFO  
Mutual 12



1012 Seal Beach Mutual No. Twelve  
 Financial Statement Recap  
 11/30/2016

P.O. Box 2069  
 Seal Beach CA 90740

Nov Actual	Nov Budget		2016 Y-T-D Actual	2016 Y-T-D Budget
106,993	106,993	Carrying Charges	1,176,922	1,176,923
42,371	42,371	Reserve Funding	466,076	466,081
<b>149,363</b>	<b>149,364</b>	<b>Total Regular Assessments</b>	<b>1,642,997</b>	<b>1,643,004</b>
0	0	Service Income	70	0
1,743	0	Financial Income	18,366	0
5,207	1,117	Other Income	38,691	12,287
<b>6,950</b>	<b>1,117</b>	<b>Total Other Income</b>	<b>57,127</b>	<b>12,287</b>
<b>156,314</b>	<b>150,481</b>	<b>Total Mutual Income</b>	<b>1,700,124</b>	<b>1,655,291</b>
65,156	65,156	GRF Trust Maintenance Fee	716,716	716,716
10,293	12,629	Utilities	127,063	138,919
3,837	927	Professional Fees	24,869	10,197
17,813	19,870	Outside Services	219,450	218,570
3,365	9,528	Taxes & Insurance	110,203	104,808
42,371	42,371	Contributions to Reserves	466,076	466,081
<b>142,835</b>	<b>150,481</b>	<b>Total Expenses Before Off-Budget</b>	<b>1,664,378</b>	<b>1,655,291</b>
<b>13,479</b>	<b>0</b>	<b>Excess Inc/(Exp) Before Off-Budget</b>	<b>35,747</b>	<b>0</b>
<b>13,479</b>	<b>0</b>	<b>Excess Inc/(Exp) After Off-Budget</b>	<b>35,747</b>	<b>0</b>
		<b>Restricted Reserves</b>		
(1,328)	0	Appliance Reserve Equity	16,043	0
0	0	Painting Reserve	41,341	0
23,486	0	Roofing Reserve	2,790,190	0
(2,098)	0	Emergency Reserve Equity	329,430	0
16,930	0	Infrastructure Reserve	575,212	0
<b>36,990</b>	<b>0</b>	<b>Total Restricted Reserves</b>	<b>3,752,216</b>	<b>0</b>

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
October 31, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:36 on Monday, October 31, 2016 in the Physical Property Conference Room.

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Anderson, Carson, Findlay (2:00)

Also present: Inspector Salazar, Ruben Gonzalez  
Two Shareholders

The purpose of the meeting is to discuss Mutual issues and review and/or approve Building Permits

President Gillon introduced Ruben Gonzalez from Service Maintenance to discuss the need for current photographs of the water pipe distribution in the attics.

Following a discussion and on **MOTION** made by President Gillon, and second by Director Carson, it was:

**RESOLVED**, To authorize Service Maintenance to begin inspecting all of our buildings and authorize overtime if needed an estimated cost of \$125 per building and we have 44 buildings for a total of \$5500 to be paid from the Infrastructure Reserve.

The Motion passed

Following a discussion on 76E and on **MOTION** made by President Gillon and second by Director Carson it was:

**RESOLVED**, That unit 76E has to replace the missing Deco Block on the outside of the wall where the air conditioner was removed.

The Motion passed

Inspector Salazar will begin the Vacant Unit Inspection on Fridays for the next 7 weeks. Missing fire detectors will be noted on the report.

Discussion on 47J. Final inspection will be done on 47J vent hood.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
October 31, 2016

Discussion on 67E. The mirror is to be replaced at 67E at the expense of Service Maintenance who installed a sub-standard mirror or damaged it during install. Inspector Salazar will notify Ruben Gonzalez that this is a Service Maintenance expense.

Discussion on 68G. The Deco Block is to be saved for future use.

Discussion on 8E. Shareholder will resubmit form 7480.12.1 Architectural Approval Form and supply name of contractor and name of correct paint to be used to paint the patio ceiling.

Following a discussion on 35H Architectural Approval Form 7480.12.1 and on **MOTION** made by President Gillon and second by Director Findlay it was:

**RESOLVED**, To approve the one inch stone pebbles and garden border at 35H and authorize the President to sign the form.

The Motion passed.

Completed Mutual Twelve forms 7480.12.1 Architectural Approval that have been approved by the Board will be filed with other permits for the unit in the Physical Property department.

Following a discussion on 72E and on **MOTION** made by President Gillon and second by Director Anderson it was:

**RESOLVED**, Board approves installing root barrier next to the garden wall by Pinnacle not to exceed \$500.00.

The Motion Passed.

Following a discussion on Guest Visitors Passes and on **MOTION** made by Director Findlay and second by President Gillon it was:

**RESOLVED**, That Shareholders will no longer be sold additional passes.

The Motion passed

President Gillon advised that the Winter mowing schedule has begun as of this week. Watering will continue at three times a week. Tree Gators to continue being filled twice a week.

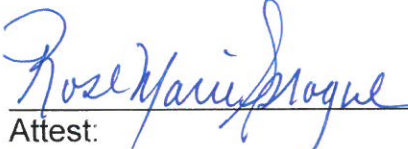
Executive Session was held by the Board and contract issues were discussed. The Following Resolution was made in Executive Session by President Gillon and second by Director Anderson it was:

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
October 31, 2016

**RESOLVED**, To accept the Pinnacle Bid to clean the gutters in the amount of \$3616 to be paid from Structural repairs and instruct Physical Property to prepare the contract and authorize the President to sign the contract.

The Motion Passed

ADJOURNMENT to Executive Session  
President Gillon adjourned the meeting at 3:28

  
\_\_\_\_\_  
Attest:  
Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
November 7, 2016

CALL TO ORDER:

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:31 on Monday, November 7, 2016 in the Physical Property Conference Room

ROLL CALL:

Those members present were: President Gillon, Vice President Fluharty, CFO Ferraro, Secretary Sprague, Directors Findlay and Carson

Absent were: Director Anderson

Also present: Inspector Salazar, One Shareholder

The purpose of the meeting is to review make recommendations on and/or approve GRF Building Permits, Invoice Approvals and Mutual and Shareholder issues.

Discussion on Hydro-Jet cleaning sewer lines in relined buildings 34, 36, 40 and 65.

Following a discussion and on **MOTION** made by President Gillon, and second by Director Carson, it was:

**RESOLVED**, To accept change order number one for Mutual 12 sewer cleaning in the amount of \$480 to be paid from Infrastructure Reserve Plumbing and authorize the President to sign the change order.

The Motion passed

Discussion on 72E root barrier quotes.

Following a discussion and on **MOTION** made by President Gillon and second by Vice President Fluharty it was:

**RESOLVED**, To amend the repair cost for Root Barrier at unit 72E in the amount of \$780 which includes mulching per Pinnacle Sales Order dated 11/7/16.

The Motion passed

The meeting was adjourned to Executive Session at 2:26

The Special Meeting came back into session at 4:20

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
November 7, 2016

Discussion on Pinnacle Invoice 68G regarding broken valves at bldg. 59, 70, 72, 74.

Following a discussion and on **MOTION** made by Director Findlay and second by President Gillon it was:

**RESOLVED**, To approve the invoices dated 10/31 for valve replacement for building 59 in the amount of \$490 and \$1230 for valve replacement in buildings 70, 72, 74 and authorize the President to sign the sales orders.

The Motion passed. 5 Yes. Abstain Fluharty.

Following a discussion on 68G and on **MOTION** made by Director Findlay and second by Director Carson it was:

**RESOLVED**, To approve the proposal to remove existing grass, grade the soil, relocate sprinkler heads and install new grass for unit 68G in the amount of \$1160 and authorize the President to sign the sales order.

The Motion passed

ADJOURNMENT:

President Gillon adjourned the meeting at 4:29



Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
November 28, 2016**

**CALL TO ORDER:**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:38 on Monday, November 28, 2016 in the Physical Property Conference Room.

**ROLL CALL:**

Those members present were: President Gillon, Vice President Carson, CFO Ferraro, Secretary Sprague, Directors Findlay and Anderson  
Also present Inspector Salazar

The purpose of the meeting is to Ratify Policies 7415.12 and 7425.12, review, make recommendations on and/or approve GRF Building Permits

Following a discussion and on **MOTION** made by President Gillon, and second by Secretary Sprague, it was

**RESOLVED**, To ratify amended/posted Policy 7415.12 Patio Regulations.

The Motion passed.

Following a discussion and on **MOTION** made by President Gillon and second by Secretary Sprague, it was

**RESOLVED**, To ratify amended/posted Policy 7425.12 Garden Areas.

The Motion passed.

Following a discussion on Change Order #1 for 42K and on **MOTION** made by President Gillon and second by Vice President Carson, it was

**RESOLVED**, To approve Change Order #1 for unit 42K for a new start date.

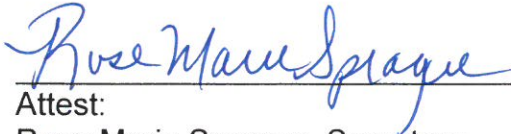
The Motion passed.

The Board requested that Inspector Salazar order follow up to sewer cleaning with camera checks.

Following a discussion on the Pinnacle quote for 65A, it was the Consensus of the Board that the Liquidambar tree at 65A should be removed. Inspector Salazar will seek additional bids for the removal of the tree.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
November 28, 2016**

ADJOURNMENT: The meeting was adjourned to Executive Session.  
President Gillon adjourned the meeting at 2:33.



Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS



**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
December 5, 2016**

**CALL TO ORDER:**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:38 on Monday, December 5, 2016 in the Physical Property Conference Room

**ROLL CALL:**

Those members present were: President Gillon, CFO Ferraro, Secretary Sprague, Directors Findlay and Anderson  
Absent were: Vice President Carson

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits.

Following a discussion on 7H and on **MOTION** made by President Gillon, and second by Director Findlay, it was:

**RESOLVED**, To approve the Architectural Form for 7H for a window air conditioner.

The Motion passed 4 Yes, No Anderson.

Discussion on Cert Shed. The Board will buy a smaller shed to be placed next to the laundry room to be able to run an electrical line for the generators.

Discussion on 77G flower bed. President Gillon to contact Pinnacle to remove the roots and flower bulbs which were left in the flower beds. The Board will inquire if the Shareholders have a preference as to which flowers to be planted in the triangular flower bed. This action will happen in January. The Board will be approving and planting the triangular flower bed.

Discussion on 62F. Pinnacle has installed a border around the clean out to protect it from the mowers. Pinnacle has installed the same border at 72F and 68G beneath the attic access.

Discussion on Buildings 70 and 71 clogged drain. Director Anderson and Inspector Salazar will search for a company to clean them out.

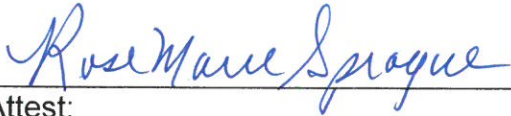
Discussion on the California Tax Deferral Program. It is the Consensus of the Board to not approve the California Tax Deferral Program in Mutual Twelve and Directors will not sign the Deferral Tax forms for Shareholders.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
December 5, 2016**

The meeting adjourned to Executive Session.

ADJOURNMENT:

President Gillon adjourned the meeting at 2:21



Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
December 12, 2016**

**CALL TO ORDER:**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:33 on Monday, December 12, 2016 in the Physical Property Conference Room

**ROLL CALL:**

Those members present were: President Gillon, Vice President Carson, CFO Ferraro, Secretary Sprague, Director Anderson , Director Findlay 1:39  
Also present: Inspector Salazar

The purpose of the meeting is to review, make recommendations on and/or approve GRF Building Permits.

Discussion on 61H sprinkler system installed in the garden which was welded on to the hose bib. Following a discussion on 61H and on **MOTION** made by President Gillon, and second by Vice President Carson, it was:

**RESOLVED**, To approve the Architectural Form for 61H for a drip system in the garden area.

The Motion passed.

Discussion on Roofing Standards invoices. Inspector Salazar to meet with Roofing Standards to clear up all invoices which are outstanding.

Following a discussion on Pinnacle invoice for building 72 and on **MOTION** made by President Gillon and second by Vice President Carson, it was:

**RESOLVED**, To approve the Pinnacle Invoice for \$215.50 for installation of pavers under the attic access at building 72.

The Motion passed.

Discussion on Andre Landscape Service. Following a discussion and on **MOTION** made by Director Findlay and second by CFO Ferraro it was:

**RESOLVED**, To accept the 2017 bid from Andre Landscape Service for \$12,315.00 to trim the trees per specifications in the bid package and authorize the President to sign the contract.

The Motion passed.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
December 12, 2016**

Discussion on invoice from Alpha Masters in the amount of \$8845.67 still outstanding.

Discussion on HydroPoint invoice for \$1125.00 for one year. Following a discussion and on **MOTION** made by President Gillon and second by Director Findlay, it was:

**RESOLVED**, To pay the invoice from HydroPoint for the satellite controllers for one year in the amount of \$1125.00 to be billed to Landscape extras.

The Motion passed.

Discussion on Forensis Group invoice #305189 in the amount of \$5895.37. Following a discussion and on **MOTION** made by President Gillon and second by Director Anderson, it was:

**RESOLVED**, To pay the Forensis Group invoice #305189 in the amount of \$5895.37 for professional fees.

The Motion passed.

Director Findlay advised that the roof at 59B looks damaged and requests Inspector Salazar to inspect the roof.

Discussion on 56l. Director Findlay and Inspector Salazar to inspect the problem in unit 56l.

Discussion on quotes for the removal of the liquidambar tree at 65A. Inspector Salazar to get more information on the quotes.

Discussion on 46H. Inspector Salazar getting a lock box placed on the unit for Mutual access at Shareholders expense.

The Special Meeting was adjourned to Executive Session at 2:35.

The Special Meeting rejoined at 4:03.

Following a discussion and on **MOTION** made by President Gillon and second by Vice President Carson, it was:

**RESOLVED**, Mutual 12 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.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
December 12, 2016**

The Motion passed.

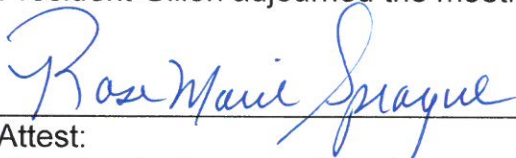
Following a discussion and on **Motion** made by CFO Ferraro and second by President Gillon it was stated that:

Whereas, A CDAR in the amount of \$405,011 held by First Foundation Bank has matured on December 8, 2016, the Board authorizes the transfer of the proceeds from First Foundation Bank to the Mutual Twelve US Bank Money Market Account for the purpose of reinvestment in one \$200,000 certificate of deposit with US BankCorp for a term of 9 months at .80 percent interest rate, and one \$200,000 certificate of deposit with US BankCorp for a term of 18 months at 1.25 percent interest rate.

The Motion passed.

**ADJOURNMENT:**

President Gillon adjourned the meeting at 4:13



Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
DECEMBER 27, 2016**

**CALL TO ORDER:**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 1:35 on Monday, December 27, 2016 in the in the Physical Property Conference Room.

**ROLL CALL:**

Those members present were: President Gillon, Vice President Carson, CFO Ferraro, Secretary Sprague, Directors Findlay and Anderson

Also present: Inspector Salazar

The purpose of the meeting is to discuss Shareholder and Contractor issues.

Following a discussion on 34L and on **MOTION** made by President Gillon, and second by Vice President Carson, it was:

**RESOLVED**, To accept Change Order #1 for unit 34L water heater in bedroom walk in closet and authorize the President to sign the Change Order.

The Motion passed.

Inspector Salazar will be setting up an appointment with the Shareholder in 74E for final inspection. Director Anderson and Vice President Carson will be joining him.

CFO Ferraro advised that the Alpha Masters invoice is being accrued as of 2016, infrastructure commitment

Inspector Salazar to follow up on Roofing Standards outstanding invoices for CFO Ferraro.

CFO Ferraro stated that the water pipe inspection of the buildings have been completed and she will reclassify the expense as per the Resolution that was made.

Following a discussion on 65A tree removal and on **MOTION** made by President Gillon and second by Secretary Sprague it was:

**RESOLVED**, To accept the proposal for the Liquidambar Tree removal at 65A dated 12/5/16 from John's Landscape Services for \$640 to be paid from Landscape extra Account.

The Motion passed.

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Discussion on building 68 disintegrating sewer lines and building 56 sewer line issues. Inspector Salazar to research several companies to bid on replacing the sewer pipe in building 68.

Following a discussion on building 68 and on **MOTION** made by CFO Ferraro, and second by Director Anderson, it was:

**RESOLVED**, To have Physical Property Inspector to obtain quotes of at least three companies for the building sewer lining for building 68 and building 56 out bound sewer lining as soon as possible to be presented by the January Board Meeting.

The Motion passed.

Following a discussion on the Cert Charging Shed and on **MOTION** made by CFO Ferraro and second by Secretary Sprague it was:

**RESOLVED**, To authorize the President to purchase a storage shed for the generators not to exceed \$400.

The Motion passed.

Following a discussion and on **MOTION** made by Secretary Sprague and second by President Gillon, it was:

**RESOLVED**, To ratify amended/posted policy 7402.12 Working Hours – Contractors, Vendors and Shareholders.

The Motion passed.

Following a discussion and on **MOTION** made by Secretary Sprague and second by President Gillon it was:

**RESOLVED**, To ratify amended/posted policy 7405.12 Flooring Alterations.

The Motion passed.

Following a discussion and on **MOTION** made by Secretary Sprague and second by Vice President Carson, it was:

**RESOLVED**, To ratify amended/posted policy 7585.12 Governing Document Compliance Corrective Measures and Fines.

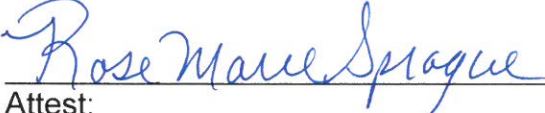
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The Motion passed.

The meeting was adjourned to Executive Session.

**ADJOURNMENT:**

President Gillon adjourned the meeting at 2:47

  
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Attest:

Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL NO. TWELVE  
/RMS