

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWELVE
September 11, 2014**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Findlay at 9:05 a.m. on Thursday, September 11, 2014, followed by the *Pledge of Allegiance*, in the Administration Building Conference Room.

ROLL CALL

Present: President Findlay, Vice President Fluharty, Secretary Ferraro, Directors Evans and Welch, and Website & Paint Committee Chair Goostree (9:53 a.m.)

Absent: CFO Woodruff

GRF Representative: Mrs. Damoci

Guests: Eleven shareholders of Mutual Twelve

Staff: Mrs. Weller, Mutual Administration Director
Mr. Antisdell, Building Inspector
Ms. Day, Recording Secretary

President Findlay welcomed guests and staff to the meeting.

SHAREHOLDERS' COMMENTS

Comments were regarding GRF management and the proposed GRF 2015 Budget, interested in attending today's meeting, first time attending a meeting, observed the Board doing a good job, landscaping and consider putting buffalo grass in a test area of the Mutual, the coyotes are coming into the community mainly to find water, attending mainly as an observer and presented a map of the Mutual boundaries that will be given to Mutual Administration.

MINUTES

President Findlay called for consent agenda approval of the Regular Board Meeting minutes of August 14, 2014; the Special Meeting minutes of August 8, 2014; the Special Meeting minutes of August 11, 2014; the Special Meeting minutes of August 18, 2014; and the Special Meeting minutes of August 21, 2014. Upon a MOTION duly made by Director Evans and seconded by Director Welch, it was

RESOLVED, That the consent agenda for the Regular Board Meeting minutes of August 14, 2014; the Special Meeting minutes of August 8, 2014; the Special Meeting minutes of August 11, 2014; the Special Meeting minutes of August 18, 2014; and the Special Meeting minutes of August 21, 2014, be approved as printed.

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

BUILDING INSPECTOR'S REPORT

Building Inspector Antisdell reviewed items listed in his report (attached). He said he may have to go to an outside vendor for a painter to paint the street signs since Service Maintenance does not have a painter. It was the consensus of the Board to obtain a bid for an outside painter. Also, President Findlay and Director Welch will accompany Inspector Antisdell on a tree walk. In addition, he will obtain three bids for the cleaning of the rain gutters and downspouts; the bids will be discussed at the next Board Meeting.

Inspector Antisdell left the meeting at 9:35 a.m.

GOLDEN RAIN FOUNDATION REPRESENTATIVE'S REPORT

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 DIRECTOR'S REPORT

Mrs. Weller presented her report regarding the drought (attached).

WEBSITE COORDINATOR'S REPORT, AND PAINTING COMMITTEE REPORT

Ms. Goostree reported that the Paint Committee will meet on October 2 and will be choosing colors. Ms. Michelle Caldwell from Vista Paint will be introduced at the next Board Meeting. In addition, she is still working on the Mutual website. If anyone has any suggestions, please let her know.

ANNOUNCEMENTS

President Findlay informed the Board members of the increase in fees by the Mutual attorney.

President Findlay discussed the research that Mutual Five is doing on the SCE SmartMeters, Mutual Twelve participating, and assisting with a donation. Upon a MOTION duly made by Secretary Ferraro and seconded by Director Welch, it was

RESOLVED, That Mutual Twelve participate with a donation of \$500 to Mutual Five for efforts concerning SCE SmartMeters and possible health issues, being researched by Mutual Five's consultant Brian Daley.

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

A discussion on water issues followed. Only handheld hoses with shut-off nozzles can be used. Mrs. Weller will ask Mr. Weaver to inform the landscape contractors on this issue.

ANNOUNCEMENTS (continued)

A discussion followed on the California Shakeout scheduled for October 16 at 10:16 a.m., checking the walkie-talkies to make sure they are working, and installing satellite dishes on poles or one dish for the entire building.

OLD BUSINESS

President Findlay asked for a motion to ratify adopted/posted Policy 7551.G – Unsanitary Premises and Fire Loading Conditions. Upon a MOTION duly made by Director Welch and seconded by Secretary Ferraro, it was

RESOLVED, To ratify adopted/posted Policy 7551.G – Unsanitary Premises and Fire Loading Conditions.

The MOTION carried with one “no” vote (Fluharty).

President Findlay asked for a motion to adopt Policy 7701.12 – Personal Liability and Property, and rescind Policy 7701 – Personal Property Insurance. Upon a MOTION duly made by Director Welch and seconded by Director Evans, it was

RESOLVED, To adopt, on a preliminary basis until the posting period is completed, Policy 7701.12 – Personal Liability and Property, and rescind Policy 7701 – Personal Property Insurance.

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

The Board members discussed the draft of Policy 7585.12 – Governing Document Compliance Corrective Measures and Fines. Upon a MOTION duly made by Secretary Ferraro and seconded by Director Welch, it was

RESOLVED, To submit Policy 7585.12 – Governing Document Compliance Corrective Measures and Fines to the Mutual attorney for review before adoption.

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

(Ms. Goostree left the meeting at approximately 11:00 a.m.)

The Board members discussed the draft of Policy 7585.12.1 – Fine Schedule. Upon a MOTION duly made by Secretary Ferraro and seconded by Director Welch, it was

RESOLVED, To submit Policy 7585.12.1 – Fine Schedule to the Mutual attorney for review before adoption.

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

NEW BUSINESS

President Findlay asked for a motion to adopt Policy 7480.12 – Architectural Review and Decision Making. Upon a MOTION duly made by Secretary Ferraro and seconded by Director Evans, it was

RESOLVED, To adopt, on a preliminary basis until the posting period is completed, Policy 7480.12 – Architectural Review and Decision Making.

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

(GRF Representative Damoci left the meeting at approximately 11:10 a.m.)

(President Findlay excused Recording Secretary Day for a break at 11:12 a.m. and she returned at 11:22 a.m.)

Following a discussion, and upon a MOTION duly made by Director Welch and seconded by Secretary Ferraro, it was

RESOLVED, To approve sales orders from Pinnacle Landscape for irrigation improvements at a cost of \$6,163.75.

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

The Board members discussed a request from the shareholder in Unit 34-K to waive Policy 7494.12 – Decorative Exterior Wall Finishes and Gates and permit bamboo facing on the block wall. Upon a MOTION duly made by Vice President Fluharty and seconded by Director Welch, it was

RESOLVED, To deny the request from the shareholder in Unit 34-K to waive Policy 7494.12 – Decorative Exterior Wall Finishes and Gates.

The MOTION carried with one abstention (Ferraro).

The Board members discussed the approval of planting passion vines for the driveway wall at Building 64 G-J. It was the consensus of the Board members that nothing be planted until after the painting has been completed.

Vice President Fluharty discussed the possible increase in GRF monthly assessments and possible December refunds to the Mutual and concerns about the Mutual budget. Mrs. Weller suggested that the Board invite Controller Miller to a Special Meeting to discuss this issue.

PRESIDENT'S REPORT

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

EXECUTIVE SESSION

There were no Executive Session matters before the Board for consideration.

ADJOURNMENT

There being no further business to conduct, President Findlay adjourned the meeting at 12:07 p.m.



Attest
Susan Ferraro, Secretary
SEAL BEACH MUTUAL TWELVE
cd:7/25/14

Attachments

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

NEXT MEETING: OCTOBER 9, 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 SEPTEMBER 11, 2014

9/11/14 RESOLVED, That Mutual Twelve participate with a donation of \$500 to Mutual Five for efforts concerning SCE SmartMeters and possible health issues, being researched by Mutual Five's consultant Brian Daley.

RESOLVED, To ratify adopted/posted Policy 7551.G – Unsanitary Premises and Fire Loading Conditions.

RESOLVED, To adopt, on a preliminary basis until the posting period is completed, Policy 7701.12 – Personal Liability and Property, and rescind Policy 7701 – Personal Property Insurance.

RESOLVED, To submit Policy 7585.12 – Governing Document Compliance Corrective Measures and Fines to the Mutual attorney for review before adoption.

RESOLVED, To submit Policy 7585.12.1 – Fine Schedule to the Mutual attorney for review before adoption.

RESOLVED, To adopt, on a preliminary basis until the posting period is completed, Policy 7480.12 – Architectural Review and Decision Making.

RESOLVED, To approve sales orders from Pinnacle Landscape for irrigation improvements at a cost of \$6,163.75.

RESOLVED, To deny the request from the shareholder in Unit 34-K to waive Policy 7494.12 – Decorative Exterior Wall Finishes and Gates.

September 11, 2014

1. MUTUAL ESCROW ACTIVITY

- **Prelisting Inspections**
- **6-I**
- **New Buyer Orientation**
- **8-A/77-D**
- **Close of Escrows**
- **8-A**

2. MUTUAL PERMITS AND REMODELS

- **62-E FINAL A/C/34-K FINAL SHOWER/7-H FINAL A/C/42-F WINDOWS NOT DONE/65-D MOVING ALONG GREAT/35-F FINAL ON REMODEL/34-A MOVING ALONG GREAT/9-A MOVING ALONG GREAT**

3. MUTUAL PROJECTS

- **LAUNDRY ROOM 72 REPLACE SIDEWALK AND AREA BY METER BOX**
- **WALK LIGHT REPAIRS AND PAINTING GAVE TO MAINTENANCE**
- **METER BOX RODENT PROOFING GAVE TO MAINTENANCE**
- **VAULT COVERS AND MAN HOLE COVER REPLACEMENT GAVE TO MAINTENANCE WHEN DONE WILL GET PRICE TO PAINT VAULT COVERS AND MAN HOLE COVERS**
- **FIRE INSPECTION REINSPECTIONS AND SPECIALS JAY WILL START MID SEPTEMBER**
- **WILL CHECK CARPORTS NEXT WEEK**
- **PAINTING OF CARPORTS FOR ONEWAY WORKING WITH MAINT. TO GET DONE AND SIGNS ARE IN.**

4. MUTUAL CONTRACT WORK

- **NEED TO SET UP TREE WALK**
- **NEED TO GET PRICE FOR RAIN GUTTER CLEANING**

5. MUTUAL AND SHAREHOLDER REQUESTS

- **CALLS AND VISITS TO UNITS 59**
- **65-A WORKING ON NEW SIDEWALK ENTRY WITH LOS AL**

The Mutual Administration Director's
Report
California is in a Drought
Everyone Must Conserve Water

This means you  and you!!! 

**City of Seal Beach Water Conservation
Mandatory Watering Schedule**

Dear Shareholders:

The City of Seal Beach has issued a mandatory conservation watering schedule for the City of Seal Beach and all Seal Beach Leisure World Mutuels and their contracted landscapers, as well as landscapers for GRF trust property . The watering conservation schedule is set by odd or even numbered mutuels as shown below.

Schedule for Landscapers only:

Odd-Numbered Mutuels	The Days Watering is Allowed in Odd-Numbered Mutuels	
		Between the hours of:
1,3,5,7,9,11,15,& 17	Sunday Night & Monday Morning	5pm-9am
	Tuesday Night & Wednesday Morning	5pm-9am
	Friday Night & Saturday Morning	5pm-9am
	NO WATERING ALLOWED ON WEDNESDAY NIGHT OR THURSDAY MORNING	
Even-Numbered Mutuels	The Days Watering is Allowed in Even-Numbered Mutuels	
		Between the hours of:
2,4,6,8,10,12,14,&16	Saturday Night & Sunday Morning	5pm-9am
	Monday Night & Tuesday Morning	5pm-9am
	Thursday Night & Friday Morning	5pm-9am
	NO WATERING ALLOWED ON WEDNESDAY NIGHT OR THURSDAY MORNING	

FOR SHAREHOLDERS:
Shareholders may water their gardens and personal plants daily.

Please do not wash down driveways and sidewalks;
Please do not water outdoor landscapes that cause excess runoff;
Please do not use leaky hoses to wash a motor vehicle;
PLEASE USE HOSES FITTED WITH A SHUT-OFF NOZZLE

A City of Seal Beach Inspector will be conducting spot inspections in our community to assure compliance with this conservation watering schedule. Please do not water the grass as that is being done by the landscape company at the direction of your Board of Directors.

MUTUAL 12 PRESIDENT'S REPORT
September 11, 2014

Coyotes continue to be a daytime problem. Mutual 12 Directors still have free emergency whistles. Program both Animal Control, (562) 570-7387, and Security, (562) 594-4754, into your phones or post the numbers near your phone. Call Animal Control every time you see coyotes. The representative answering the phone may say something like, "We've already received ten calls on those coyotes." Well, it may be the 11th call that brings an officer out to do some professional hazing.

Wanted: Shareholder willing to serve the Mutual 12 community as a member of the Mutual 12 Board of Directors. Pay: The satisfaction of knowing you are helping to keep your community strong. No special skills are needed. You set the limits on how much time you're willing to volunteer. Other Directors will help you learn your responsibilities. Let any Mutual 12 Director know if you are thinking about stepping forward. Your Mutual needs you!

The **Great Shake Out** is October 16 at 10:16 a.m. this year. It's not only a practice drill but a reminder to be prepared in case of an actual disaster. Do you have plenty of water and non perishable food? Is your grab and go bag ready? Are your tall cabinets and book cases strapped to the wall? Reminder flyers will be distributed prior to the drill.

The results of the **Common Area Extensions for Patios** survey is attached. The survey was for the purpose of guiding your board on preparation of a ballot measure. The next step will be discussed at the October 9 meeting.

Summer season Edison afternoon surcharge ends October 1. Afternoon costs no more than morning from October 1 to June 1. Weekends and holidays are still cheaper. Thanks for your help to keep our Edison electric bills down.

Respectfully submitted Lucille Findlay

**MUTUAL 12 SURVEY – FINAL RESULTS
COMMON AREA EXTENSIONS FOR PATIOS**

	Agree	Disagree	Unsure
1. Patio extensions will be allowed on end units only.	60	174	24
2. Both end and inside apartments will be permitted to have patio extensions.	120	114	19
3. All apartments will be allowed the same square footage for patio extensions.	88	121	45
4. Size will depend on size of greenbelt and proximity to neighbors.	139	82	25
5. Walls will be permitted if patio extensions are allowed.	129	106	24
6. The agreement for patio extensions will include a fee.	110	102	42

224 Surveys were counted. Many included thoughtful and insightful comments that will help your Board move forward on this issue.

Thank you for your participation. A big thanks to the shareholders and Board members who prepared the survey and came to the meeting to help with the count. Thank you as well to Community Administration and Distribution. Without their help we couldn't have completed this task.

**SEAL BEACH MUTUAL NO. 12
FINANCIAL STATEMENTS RECAP
For the Eight Months Ending August 31, 2014**

**INTERNALLY PREPARED
FOR MANAGEMENT USE ONLY**

<i>August</i>			<i>YTD</i>	
<i>Actual</i>	<i>Budget</i>		<i>Actual</i>	<i>Budget</i>
\$100,642	\$100,642	Regular Assessment	\$805,133	\$805,136
37,327	35,112	Reserve Funding	298,616	280,896
137,969	135,754	Total Regular Assessments	1,103,749	1,086,032
		Service Income	25	
3,464	1,215	Financial Income	30,530	9,720
812	897	Other Income	9,117	7,176
4,276	2,112	Total Other Income	39,672	16,896
142,245	137,866	Total Mutual Income	1,143,421	1,102,928
63,079	63,081	Trust Maintenance Cost	504,632	504,648
15,127	12,837	Utilities	94,445	102,696
796	1,270	Professional Fees	5,294	10,160
22,516	18,894	Outside Services	137,792	151,152
8,429	6,672	Taxes & Insurance	67,507	53,376
37,327	35,112	Contributions To Reserves	298,616	280,896
147,274	137,866	Operating Expenses Before Off-Bdgt	1,108,286	1,102,928
(5,029)		Excess Inc / (Exp) Before Off-Bdgt Items	35,135	
(5,029)		Excess Inc / (Exp) After Off-Budget Items	35,135	
		Restricted Reserves		
(7,538)		Appliance Reserve	65,358	
1,061		Painting Reserve	287,079	
22,676		Roofing Reserve	2,327,439	
		Emergency Reserve	325,155	
11,507		Infrastructure Reserve	437,276	
		Total Restricted Reserves	3,442,307	



MUTUAL 12 ANNUAL LUNCHEON

THURSDAY, OCTOBER 23, 2014

11:30 A.M. CLUBHOUSE 2

SHIRLEY'S CHICKEN BREAST

**FRIENDSHIP, ENTERTAINMENT
DRAWINGS AND DOOR PRIZES**

SHAREHOLDERS \$6.00

GUESTS AND CAREGIVERS \$12.00

**BUILDING CAPTAINS AND PARCEL
DIRECTORS WILL HAVE TICKETS**

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE**


August 8, 2014

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Findlay at 9:02 a.m. on August 8, 2014, in the Physical Property Conference Room.

Those members present were: President Findlay, Vice President Fluharty, CFO Woodruff, Secretary Ferraro, Directors Welch and Evans.

The purpose of the meeting was to meet in Executive Session to discuss contract issues.

The meeting was adjourned by President Findlay at 10:32 a.m.



Attest:
Susan Ferraro, Secretary
SEAL BEACH MUTUAL NO. TWELVE

/sf

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE**


August 11, 2014

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Findlay at 11:03 a.m. on August 11, 2014, in the Physical Property Conference Room.

Those members present were: President Findlay, Vice President Fluharty, Secretary Ferraro and Directors Welch and Evans.
Absent was: CFO Woodruff

The purpose of the meeting was to meet in Executive Session to discuss contract issues.

By consensus of the Board, the meeting was adjourned at 12:38 p.m.



Attest:
Susan Ferraro, Secretary
SEAL BEACH MUTUAL NO. TWELVE

/sf

**MINUTES OF THE EMERGENCY SPECIAL MEETING OF THE BOARD OF
DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE**

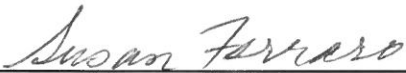
August 18, 2014

The Emergency Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Findlay at 10:00 a.m. at Mutual Twelve Unit 34A.

Those members present were: President Findlay, Vice President Fluharty, Secretary Ferraro and Directors Welch and CFO Woodruff (via telephone)

President Findlay stated that purpose of the meeting was to meet in Executive Session to discuss contractor concerns.

By consensus of the Board, President Findlay adjourned the meeting at 10:32 a.m.



Attest:

Susan Ferraro, Secretary
SEAL BEACH MUTUAL NO. TWELVE

/sf

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL NO. TWELVE**

August 21, 2014

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Findlay at 9:04 a.m. on Thursday, August 21, 2014 in the Physical Property Conference Room

Those members present were: President Findlay, Vice President Fluharty, CFO Woodruff, Secretary Ferraro, Directors Welch and Evans
Also in attendance: One Shareholder

The purpose of the meeting was to discuss the Mutual Twelve 2015 Budget recommendations.

Following a discussion on the reserve funding accounts, on motion made by President Findlay and seconded by Secretary Ferraro, it was:

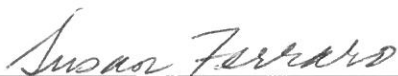
RESOLVED, that any unspent annual allocation to the current reserve funding for Plumbing Refurbishment/Replacement be retained and added to the following and subsequent years reserve infrastructure fund for Plumbing Refurbishment/Replacement.

The motion was passed by a unanimous vote.

By consensus of the Board, the meeting recessed for a break at 10:49 a.m.

The Board reconvened at 10:57 a.m. to adjourn to Executive Session.

President Findlay adjourned the Special Meeting at 11:58 a.m.



Attest:

Susan Ferraro, Secretary
SEAL BEACH MUTUAL NO. TWELVE

/sf