

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
February 8, 2018**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Gillon at 9:05 a.m. on Thursday, February 8, 2018, followed by the *Pledge of Allegiance*, in the Administration Building, Conference Room A.

**SHAREHOLDER'S COMMENTS**

Two shareholders made comments.

**ROLL CALL**

Present: President Gillon, Secretary Sprague, CFO Ferraro, and Directors Anderson and Woodruff

Absent: Vice President Carson

GRF Representative: Mrs. Damoci

Guests: Five shareholders of Mutual Twelve  
Mr. Gary Weaver, Atlas Consulting, Roofing Project Management (arrived at 10:40 a.m.)

Staff: Ms. Hopkins, Mutual Administration Director  
Mr. Antidel, Building Inspector  
Ms. Fernandez, Mutual Administration Manager

President Gillon welcomed guests and staff to the meeting.

**MINUTES**

President Gillon asked for any corrections to the Regular Meeting minutes of January 11, 2018; and the Special Meeting minutes for January 22, 2018. Upon a MOTION duly made by President Gillon and seconded by Secretary Sprague, it was

RESOLVED, To approve the meeting minutes for January 11, 2018, and January 22, 2018, as corrected by calendar consent.

The MOTION passed.

**BUILDING INSPECTOR'S REPORT**

Inspectors Antidel discussed the monthly report (attached).

RESOLVED, To approve the work order from Johns Landscaping dated January 30, 2018, at a cost of \$868.00 for two 24" Magnolia Gem trees and two root barriers to be planted at units 56K and 74F and to be billed to Landscape Trees Expense.

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

The MOTION passed.

Following questions, Inspector Antisdell left the meeting at 9:27 a.m.

**GRF REPRESENTATIVE**

Mrs. Damoci's presented her report (attached).

**GUEST SPEAKER – Gary Weaver, Atlas Consulting, Roofing Project Management**

Mr. Gary Weaver, Atlas Consulting, Roofing Project Management, entered the meeting at 10:40 a.m.

Following the presentation and questions, Mr. Gary Weaver, Atlas Consulting, Roofing Project Management left the meeting at 11:31 a.m.

**EMERGENCY AGENDA ITEM**

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Director Anderson, it was

RESOLVED, To add an emergency agenda item under New Business to discuss seating a new director on the board.

The MOTION passed.

**UNFINISHED BUSINESS**

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Director Anderson, it was

RESOLVED, To accept the Proposal for installing new valves and controllers at building 35 and building 38 to control the drip system for Carports 145 and 146 landscape area from Pinnacle Landscape, dated 1/31/2018, for a cost of \$4,100 to be charged to Infrastructure Reserves and authorize the President to sign the proposal.

The MOTION passed.

Following a discussion it was the consensus of the Board to not repair non-emergency sprinkler items as the lawn dethatching will begin shortly.

**NEW BUSINESS**

Following a discussion, and upon a MOTION duly made by President Gillon and seconded by Director Woodruff, it was

RESOLVED, To appoint Brian Harmon to the Mutual Twelve Board of Directors as the director for Parcel 4 for the remaining 2017-2018 term of office.

The MOTION passed

Following a discussion, it was the consensus of the Board that Director Anderson contact the El Dorado Audubon regarding the placement of California Bluebird nest boxes in Mutual Twelve trees.

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

RESOLVED, To approve the expenditure for the Annual Shareholders' Luncheon, not to exceed \$ 1,825.00, to be paid out of the current year operating budget, miscellaneous expense.

The MOTION passed

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

RESOLVED, Whereas there are two certificates of deposit in the amounts of \$100,000 and \$140,000 held at NuVision Federal Credit Union maturing on or before February 20, 2018, the Board authorizes the withdrawal of \$40,000 to be deposited into the US Bank Money Market Reserve Account and to reinvest with NuVision Federal Credit Union the remaining \$200,000 in certificates of deposit at the prevailing interest rate for a term not to exceed two years.

Further, Whereas there is a certificate of deposit in the amount of \$250,500 held at Pacific Premier Bank that is maturing on February 28, 2018, the Board authorizes the withdrawal of \$50,500 to be deposit into the US Bank Money Market Reserve Account and to invest with Pacific Premier Bank the remaining \$200,000 in a certificate of deposit at the prevailing interest rate for a term not to exceed two years.

The MOTION passed

**SECRETARY / CORRESPONDENCE**

No report

**CHIEF FINANCIAL OFFICER'S REPORT**

Ms. Ferraro presented her financial report (attached).

**MUTUAL ADMINISTRATION DIRECTOR'S REPORT**

Ms. Hopkins presented her report (attached).

**ANNOUNCEMENTS**

No announcements

**COMMITTEE REPORTS**

President Gillon presented a report (attached)

**DIRECTOR'S COMMENTS**

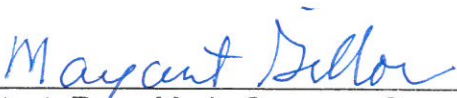
Three Directors made remarks.

**SHAREHOLDER(S)' COMMENTS**

Two shareholders made comments

**ADJOURNMENT**

There being no further business to conduct, President Gillon adjourned the meeting at 11:46 a.m. and announced there would be an Executive Session following the meeting to discuss member issues.



Attest, Rose Marie Sprague, Secretary  
SEAL BEACH MUTUAL TWELVE  
bf:02/08/18  
Attachments

**NEXT MEETING: March 8, 2018 at 9:00 a.m.  
Administration Building, Conference Room A**

**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 FEBRUARY 8, 2018**

02/08/18 RESOLVED, to approve the meeting minutes for January 11, 2018, and January 22, 2018, as corrected by calendar consent.

RESOLVED to approve the work order from Johns Landscaping dated January 30, 2018, at a cost of \$868.00 for two 24" Magnolia Gem trees and two root barriers to be planted at units 56K and 74F and to be billed to Landscape Trees.

RESOLVED, To add an emergency agenda item under New Business to discuss seating a new director on the board.

RESOLVED, To accept the Proposal for installing new valves and controllers at building 35 and building 38 to control the drip system for Carports 145 and 146 landscape area from Pinnacle Landscape, dated 1/31/2018, for a cost of \$4,100 to be charged to Infrastructure Reserves and authorize the President to sign the proposal.

RESOLVED, To appoint Brian Harmon to the Mutual Twelve Board of Directors as the director for Parcel 4 for the remaining 2017-2018 term of office.

RESOLVED, To approve the expenditure for the Annual Shareholders' Luncheon, not to exceed \$ 1,825.00, to be paid out of the current year operating budget, miscellaneous expense.

RESOLVED, Whereas there are two certificates of deposit in the amounts of \$100,000 and \$140,000 held at NuVision Federal Credit Union maturing on or before February 20, 2018, the Board authorizes the withdrawal of \$40,000 to be deposited into the US Bank Money Market Reserve Account and to reinvest with NuVision Federal Credit union the remaining \$200,000 in certificates of deposit at the prevailing interest rate for a term not to exceed two years.

Further, Whereas there is a certificate of deposit in the amount of \$250,500 held at Pacific Premier Bank that is maturing on February 28, 2018, the Board authorizes the withdrawal of \$50,500 to be deposit into the US Bank Money Market Reserve Account and to invest with Pacific Premier Bank the remaining \$200,000 in a certificate of deposit at the prevailing interest rate for a term not to exceed two years.

# INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(12) TWELVE**

INSPECTOR: **Mark Harper**

MUTUAL BOARD MEETING DATE: **February 8, 2018**

Print Date: **1/31/2018**

## PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS
6-H	FLOORING	GRF	01/31/18	02/28/18	NO	NONE	KARYS CARPET
9-K	SLIDING DOORS	BOTH	01/02/18	02/06/18	NO	NONE	LW DÉCOR
36-C	SKYLIGHT	GRF	01/15/18	02/15/18	NO	01/31/18 FINAL	SKYLIGHTS PLUS
36-C	REMODEL	BOTH	10/31/17	01/30/18	YES	01/12/18 D WALL	LW DÉCOR
36-C	REMODEL	BOTH	10/31/17	01/30/18	YES	NONE	LW DÉCOR
42-G	PATIO TILE	GRF	01/10/18	03/10/18	NO	NONE	LW DÉCOR
43-K	GLASS BLOCK	GRF	01/15/18	02/15/18	NO	NONE	NATIONWIDE PAINTING
44-C	DECO BLOCKS	GRF	01/09/18	02/09/18	NO	NONE	MJ JURADO
44-H	REMODEL	BOTH	01/02/18	02/23/18	NO	1/5/2018 FRAME	BERGKVIST
44-H	REMODEL	BOTH	01/02/18	02/23/18	NO	01/05/18 R WIRING	BERGKVIST
44-H	REMODEL	BOTH	01/02/18	02/23/18	NO	01/05/18 R PLUMB	BERGKVIST
44-H	REMODEL	BOTH	01/02/18	02/23/18	NO	01/10/18 D WALL	BERGKVIST
44-H	REMODEL	BOTH	01/02/18	02/23/18	NO	NONE	BERGKVIST
46-A	FLOORING	GRF	01/30/18	02/28/18	NO	NONE	KARYS CARPET
56-F	FLOORING	GRF	01/15/18	02/15/18	NO	NONE	NATIONWIDE PAINT
56-F	ASBESTOS TEST	BOTH	01/15/18	02/15/18	YES	NONE	NATIONWIDE PAINT
56-I	WINDOWS DRY WALL	BOTH	02/15/18	05/20/18	NO	NONE	LW DÉCOR
58-B	HEAT PUMP	BOTH	01/25/18	03/02/18	NO	NONE	GREENWOOD
62-E	FLOORING	GRF	01/04/18	02/06/18	NO	01/16/18 FINAL	KARYS CARPET
64-E	REMODEL	BOTH	10/07/17	02/07/18	NO	01/18/18 FINAL	OGAN CONSTRUCTION
67-J	REMODEL	BOTH				NONE	NATIONWIDE PAINT
69-H	REMODEL	BOTH	01/20/18	04/20/18	NO	NONE	MP CONSTRUCTION
70-I	COUNTERS	BOTH	12/26/17	01/26/18	NO	01/9/18 D WALL	MP CONSTRUCTION
70-I	COUNTERS	BOTH	12/26/17	01/26/18	NO	01/18/18 FINAL	MP CONSTRUCTION
73-F	REMODEL	BOTH	06/01/17	02/15/18	YES	09/26/17 FRAMING	AMORE DESIGN INC
73-F	REMODEL	BOTH	06/01/17	02/15/18	YES	09/26/17 R PLUMB	AMORE DESIGN INC
73-F	REMODEL	BOTH	06/01/17	02/15/18	YES	11/7/2017 D WALL	AMORE DESIGN INC
73-F	REMODEL	BOTH	06/01/17	02/15/18	YES	NONE	AMORE DESIGN INC

DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
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**CNP = Correction Notice Posted**

### Escrow Activity

	NMI	PLI	NBO	FI	FCOEI	COE DATE	ROF
6-H		11/13/17	12/26/17	12/27/17	01/09/18	01/11/18	
7-L		11/21/17					
34-C	1/24/2018	04/10/17					
34-L		09/22/17					
64-I		08/03/17	11/08/17	11/16/17	11/29/17	12/01/17	01/22/18
72-G		09/28/17	01/10/18	01/12/18	01/24/18	01/26/18	
73-H		04/12/17					
78-E		12/29/17					

**SB/SA: Supplemental Buyer/Seller Agreement**

**NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation**

**FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds**



Carole Damoci  
Mutual 12 GRF Representative

February 8<sup>th</sup>, 2018

The landscaping and lighting around the Globe area is complete. The Leisure World sign on the Security building will be removed later this month and 2 monument signs, one on either side of the globe, will be installed.

Demolition for the multi-purpose court and picnic area behind clubhouse 2 is complete and we will be starting the new pickle ball courts this week.

Phase 3 of the street paving project with the repaving of St. Andrews, north of Golden Rain to Northwood Road will be starting it's way through the Physical Property Committee next month for a start date in June. The street project will take at least 3 more years to complete.

The Monday night dinners at clubhouse 1 with food from Finbars and Lilly's are going strong. 200 Members a week are buying dinners. We will be adding Naples Rib Company to the mix in March and are looking for one more restaurant.

In January the GRF Board voted to add a policy on golf carts. No drivers licensees will be required but no golf carts will be allowed to be driven on trust streets or parked anywhere on trust property without new decals. In the next few months a schedule will be set up Mutual by Mutual for getting your new decals. No new decals will be issued before that time nor tickets issued. But it wouldn't hurt to start researching insurance policies for your golf carts as insurance will be required to own or drive a golf cart in LW.

We are starting the planning stages for a new pool and will be having our first meeting with a pool architect next week. The pool is our second largest used amenity and is in serious need of updating.

Election time is near. I will be running for re-election but this will be my last term.

As always, if you have any questions concerning the Golden Rain Foundation, please feel free to contact me. If I don't have your answers I will get them.

Respectfully submitted,  
Carole S. Damoci GRF Vice-President 562-405-4965 [cdamoci@lwsb.com](mailto:cdamoci@lwsb.com)



## **Luncheon Report February 8, 2018**

The luncheon will be on THURSDAY, APRIL 26

CLUBHOUSE 2 (Confirmed in writing with Recreation Dept.)

TIME IS: 11:30 AM, LUNCH TO BE SERVED AT NOON

A SAVE-THE-DATE FLYER WILL BE ATTACHED TO THESE MINUTES WITH MORE INFORMATION.

We will be using the same caterer as last year, Love at First Bite and it will be served buffet style. They will be a serving tropical inspired meal in keeping with our chosen theme for this year.

The Luncheon Committee will be meeting next week to discuss our progress and determine what remains to be done. If anyone has suggestions or how to improve our neighborly social gathering or would like to volunteer to help on April 26th, please let me know.

Last year we had a number of door prizes that were graciously donated. If you would like to contribute a door prize, please contact me (562) 596-3133.

Respectfully submitted,  
Susan Ferraro  
Luncheon Committee Chair

## **Mutual 12 Occupancy Agreement Draft Progress review 2/8/18**

This past November, the Board gave me its consent to work on the Attorney Draft of the Occupancy Agreement dated 3/10/17, because there are 8 other mutuals doing the same and they are using one attorney with a May 2018 deadline, at which time elections are held.

Once our attorney has input from the Board, he can then share Mutual Twelve's point of view with the other attorney, to see if we have the same general objectives.

Our Occupancy Agreement is the backbone document that provides the conditions that promote harmonious community living. I have reviewed the Attorney's Draft with my understanding of the following stated goals:

- Retain the member's level of interest in real property as strong or stronger as in the Original OA.
- Clarify that the member is not a "mere" lessee, but rather an equal partner in Mutual 12, but who must respect their neighbors and the rules, or they will have to give up Membership and occupancy.
- Make the OA consistent and conform with the Davis-Stirling Common Interest Development Act Bylaws Amendment, Article II Section 2.
- Use the language in Davis Stirling, as much as possible.
- Continue to hold member accountable for modifications and or damages to the dwelling unit and associated appurtenances (the premises).
- Clearly identify all Assessments and consequences for failure to pay.
- State Member compliance with the agreement in a positive manner consistent with the law, governing documents, and management procedures.

I have now completed the work. My process included comparing the document to the original Occupancy Agreement to identify where changes were made and whether the changes are clear and understandable in keeping with administration and policies. For example, Article 7 No Subletting without Consent of

Corporation is double the length at 25 sentences. I am suggesting that it be changed to one sentence, "The member hereby agrees not to assign or sublet member's dwelling unit."

I am NOT an attorney. I have questions, as well as input for clarification, and changes to the agreement that only the Board and our Attorney can answer before the project can move forward.

## CFO REPORT February 8, 2018 Regular Meeting

This report covers the year-end preliminary December 31, 2017 financial statements. These are presently being audited by the accountancy firm and are subject to adjusting entries that they may recommend or require. Each member of the Board has received the year-end. Financial Statement and accompanying standard reports for their review and comment. The January 2018 financial reports are delayed pending completion of the audit for the prior year.

Attached for your review is the detail Income and Expense report for the year 2017. Mutual 12 has excess income of \$17,278 pre audit and before depreciation expense:

Over budget Income	\$19,000
Over budget Expenses	<u>- 1,722</u>
EXCESS INCOME	<u>\$17,278</u>

**Income items:** Positive variance of \$19,000. Sales of units were higher than anticipated which resulted in an additional \$11,000. Interest Earned (after allocation to reserve accounts) and Gains on Investments were higher than projected by \$8,000.

**Expense items:** Overall Negative Variance of \$1,722  
Significant negative variances:

Legal Expenses \$31,400. The Mutual expects to be reimbursed for such expenses as the individual cases are resolved. There are 4 remaining evictions in progress.

Pest Control: \$4,174 due to the addition of rodent bait traps and monitoring at carports. The effectiveness of traps will be reviewed in June when the contract is up for renewal.

Structural Repairs: \$5,103 to correct water intrusion and termite damage.

Service Maintenance: \$7,375 due to labor rate change in May, 2017 from \$39 to \$42 (7%) and miscellaneous repairs discovered during the Fire/Safety Inspections.

Significant Positive variances:

Landscape Contract and Extras (combined) \$41,650. There was no increase from 2016 in the contract pricing which had been anticipated and the Extras work for the drought tolerant carport ends on Del Monte was less than budgeted.

CASH AND OTHER DEPOSITS:

Cash in the Bank	\$ 370,249 (for operations)
Appliance Reserve	\$ 2,616
Painting Reserve	71,340
Roofing Reserve	1,785,354
Emer/Contingency Reserve	298,660
Infrastructure Reserve	<u>311,298</u>
TOTAL	\$2,469,268

The contracts for the copper re-piping project completed in 2017 have all been paid in full. The contract for lawn renovation (de-thatching) and sprinkler system upgrades project has been approved in the amount of \$293,450. That work will be starting in the next few weeks and continue until fall. The Roofing Project is scheduled to begin in 2018, once the bid process is completed.

Respectfully submitted:



Susan Ferraro  
CFO, MUTUAL TWELVE

1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
12/31/2017

P.O. Box 2069  
Seal Beach CA 90740

Dec Actuals	Dec Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Unused Budget	Annual Budget
65,399	65,399	0	7210000	Trust Maintenance Costs	784,799	784,799	0	784,799	0	0
65,399	65,399	0		GRF Trust Maintenance Fee	784,799	784,799	0	784,799	0	0
2,578	2,562	(16)	6420000	Utilities	27,674	30,700	3,026	30,700	3,026	3,026
3,762	5,612	1,850	6423000	Electricity	66,565	67,366	801	67,366	801	801
3,670	3,635	(35)	6424000	Water	43,568	43,609	41	43,609	41	41
				Trash						
10,011	11,809	1,798		Total Utilities	137,807	141,675	3,868	141,675	3,868	3,868
254	254	0	6430000	Professional Fees	3,037	3,037	0	3,037	0	0
8,191	1,233	(6,958)	6434000	GRF Management Fee	46,284	14,862	(31,422)	14,862	(31,422)	(31,422)
39	122	83	6435000	Legal Fees	1,096	1,519	423	1,519	423	423
				Bank Service Fees						
8,484	1,609	(6,875)		Total Professional Fees	50,416	19,418	(30,998)	19,418	(30,998)	(30,998)
0	0	0	6474000	Outside Services	108	0	(108)	0	(108)	(108)
10,429	12,467	2,038	6475000	Janitorial Services	125,149	149,648	24,499	149,648	24,499	24,499
1,151	2,994	1,843	6475500	Landscap Maint. - Contract	18,808	35,961	17,153	35,961	17,153	17,153
6,045	2,194	(3,851)	6475505	Landscap Maint. - Extras	25,242	26,361	1,119	26,361	1,119	1,119
304	254	(50)	6477100	Landscap Maint. - Trees	1,751	3,037	1,286	3,037	1,286	1,286
511	527	16	6477200	Painting	10,520	6,346	(4,174)	6,346	(4,174)	(4,174)
1,390	1,451	61	6477300	Pest Control	22,460	17,357	(5,103)	17,357	(5,103)	(5,103)
160	348	188	6477400	Structural Repair	4,660	4,231	(429)	4,231	(429)	(429)
0	0	0	6512000	Miscellaneous Services	100	0	(100)	0	(100)	(100)
10,259	5,536	(4,723)	7552000	Escrow Expense - W/O	73,871	66,498	(7,373)	66,498	(7,373)	(7,373)
32,950	0	(32,950)	7552200	Service Maintenance-Standard	72,926	0	(72,926)	0	(72,926)	(72,926)
(32,950)	0	32,950	5394000	Maintenance Replacements	(72,926)	0	72,926	0	72,926	72,926
				Transfers from Funded Resvs						
30,248	25,771	(4,477)		Total Outside Services	282,670	309,439	26,769	309,439	26,769	26,769

1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
12/31/2017

P.O. Box 2069  
Seal Beach CA 90740

Dec Actuals	Dec Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
1,072	273	(799)	6720000	Taxes & Insurance	9,419	3,309	(6,110)	3,309	(6,110)
2,903	9,106	6,203	6730000	State & Federal Taxes	104,583	109,294	4,711	109,294	4,711
3,975	9,379	5,404		Property & Liability Insurance	114,002	112,603	(1,399)	112,603	(1,399)
52,718	48,568	(4,150)		Total Taxes & Insurance	584,895	583,135	(1,760)	583,135	(1,760)
3,272	3,277	5	7620000	Total Operating Expense	39,269	39,269	0	39,269	0
2,500	2,500	0	7630000	Contributions to Capital	30,000	30,000	0	30,000	0
40,695	40,691	(4)	7675000	Appliance Reserve From Assessments	488,336	488,336	0	488,336	0
8,333	8,337	4	7677000	Painting Reserve From Assessments	100,000	100,000	0	100,000	0
54,800	54,805	5		Roofing Reserve From Assessments	657,605	657,605	0	657,605	0
172,918	168,772	(4,146)		Infrastructure Reserve From Assessments	2,027,299	2,025,539	(1,760)	2,025,539	(1,760)
				Total Contributions to Capital					
				Total Expenses					

1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
12/31/2017

P.O. Box 2069  
Seal Beach CA 90740

Dec Actuals	Dec Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
0	0	0	5110000	Income From Services	14	0	14	0	(14)
0	0	0		Merchandise Resales	14	0	14	0	(14)
0	0	0		Total Income From Services	14	0	14	0	(14)
2,512	2,242	270	5397000	Financial Income	30,864	26,860	4,004	26,860	(4,004)
170	540	(370)	5397500	Taxable Interest Income - Mutual	7,530	6,480	1,050	6,480	(1,050)
(2,472)	(2,477)	5	5398100	Tax Exempt Interest Income	(29,669)	(29,669)	0	(29,669)	0
0	0	0	5412000	Interest Income Allocation	1,958	0	1,958	0	(1,958)
38	15	23	5420000	Gain / Loss on Investments	223	235	(12)	235	12
247	320	(73)		Other Taxable Income	10,907	3,906	7,001	3,906	(7,001)
44	37	7	5610000	Total Financial Income	870	488	382	488	(382)
3,000	1,996	1,004	5921000	Other Income	35,000	23,974	11,026	23,974	(11,026)
0	0	0	5980000	Late Charges	615	0	615	0	(615)
3,044	2,033	1,011		Inspection Fees	36,485	24,462	12,023	24,462	(12,023)
3,291	2,353	938		Miscellaneous Income	47,405	28,368	19,037	28,368	(19,037)
3,272	3,277	(5)	5120000	Total Other Income	39,269	39,269	0	39,269	0
2,500	2,500	0	5130000	Contributions To Capital	30,000	30,000	0	30,000	0
40,695	40,691	4	5175000	Appliance Reserve Contributions	488,336	488,336	0	488,336	0
8,333	8,337	(4)	5177000	Painting Reserve Contributions	100,000	100,000	0	100,000	0
54,800	54,805	(5)		Roofing Reserve Contributions	657,605	657,605	0	657,605	0
111,631	111,625	6	5111000	Infrastructure Reserve Contributions	1,339,567	1,339,566	1	1,339,566	(1)
111,631	111,625	6		Total Contributions To Capital	1,339,567	1,339,566	1	1,339,566	(1)
169,722	168,783	939		Regular Assessments	1,339,567	1,339,566	1	1,339,566	(1)
(3,196)	11	(3,207)		Carrying Charges	2,044,577	2,025,539	19,038	2,025,539	(19,038)
8,364	0	(8,364)	8100000	Total Regular Assessments	17,278	0	17,278	0	(17,278)
				Total Income and Contributions to Capit.	49,608	0	(49,608)	0	(49,608)
				Excess Inc/(Exp) Before Off-Budget Items					
				Off-Budget Items					
				Depreciation Expense					

5



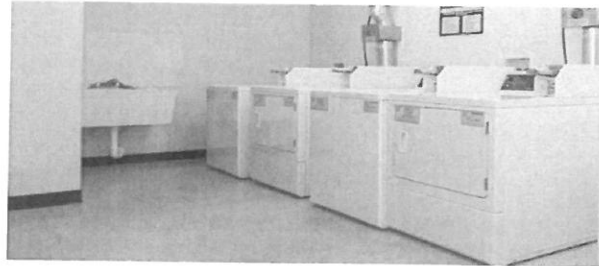
1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
12/31/2017

P.O. Box 2069  
Seal Beach CA 90740

Dec Actuals	Dec Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Budget
8,364	0	(8,364)		Total Off-Budget Items	49,608	0	(49,608)	0	(49,608)
(11,559)	11	(11,570)		Excess Inc.Exp. After Off-Budget Items	(32,330)	0	(32,330)	0	32,330

# The Mutual Administration Director's Comments FEBRUARY 2018

## Laundry Rooms



The Laundry Rooms are just one of the most important conveniences provided to all Shareholders/Members/Residents.

Laundry Room facilities are available for use by Shareholder/Members/Residents of their respective Mutual.

### Read the respective: Laundry Room Policy 7575.12

The following items may not be washed in the washers, or dried in the dryers: rubber- or plastic-backed mats, rugs or runners, sneakers, fiberglass curtains, sleeping bags, heavy blankets, quilts, comforters, or car covers.

Do not overload washers or dryers. Improper loading may cause damage to the machine due to unbalanced loads.

The trash containers in the laundry rooms are for lint and dryer sheets only. Detergent containers, bleach containers, softener bottles, or other trash must be disposed of in another location.

Clean the dryer filter after each use, and dispose of lint in the trash containers.

Help keep the laundry rooms clean.

Remember to clean up after yourself, turn off the lights and shut the door after you are finished.



**MUTUAL 12  
ANNUAL SHAREHOLDER  
LUNCHEON**

**SAVE THE DATE!  
MARK YOUR CALENDAR**

**WHEN: THURSDAY, APRIL 26, 2018**

**TIME: 11:30 A.M. (Lunch served at noon)**

**PLACE: CLUBHOUSE 2**

**A TROPICAL INSPIRED CHICKEN KABOB MEAL WITH  
MAUI RICE, SALAD AND HAWAIIAN ROLLS – SERVED  
BUFFET STYLE**

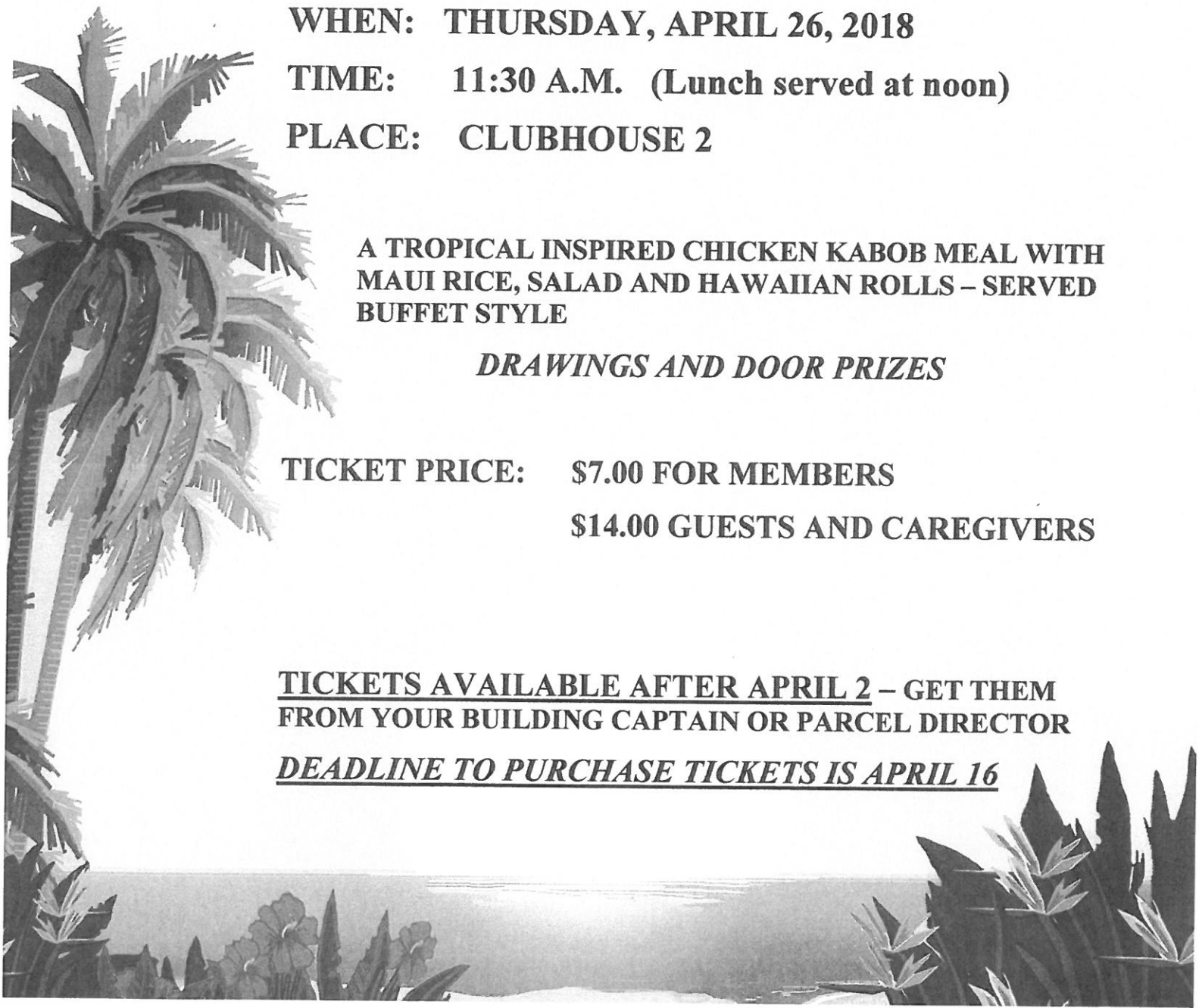
***DRAWINGS AND DOOR PRIZES***

**TICKET PRICE: \$7.00 FOR MEMBERS**

**\$14.00 GUESTS AND CAREGIVERS**

**TICKETS AVAILABLE AFTER APRIL 2 – GET THEM  
FROM YOUR BUILDING CAPTAIN OR PARCEL DIRECTOR**

**DEADLINE TO PURCHASE TICKETS IS APRIL 16**



## President's Report

Margaret Gillon, February 08, 2018

Margaret.Gillon@mutual12.org

**SPRINKLER REHABILITATION PROJECT WILL BEGIN IN MARCH.** Last month the board selected a proposal for sprinkler rehabilitation from Pinnacle Landscape Management. This project will start in March and is due to be completed by August 17, 2018. As the new sprinklers are installed we will be detaching and reseeding the grass. Our new sprinklers will be water efficient and will improve water coverage of our oddly shaped grass areas.

**CAR COVERS MUST SHOW GRF REGISTRATION STICKERS.** Some people are covering their cars when parking in hopes that the parking enforcement will not ticket covered unregistered cars. Parking control will not lift car covers to search for registration stickers. If parking enforcement cannot see the dashboard pass or the GRF registration stickers on the windshield of the car the car will be ticketed. Shareholders covering their cars should consider modifying the car cover so the GRF stickers are visible. This rule includes cars parked in carports with car covers on them. Once all the golf carts in the mutual are registered golf cart covers will also require this modification.

**BOARD OF DIRECTOR'S APPLICATIONS.** Shareholders running for the board of directors can begin submitting their applications to the Stock Transfer Office on Friday, March 16, 2018. The deadline to submit applications is Monday, April 16, 2018. Being a director is a volunteer position, there is no pay, and being on the board does not exclude the board members from following the same rules and policies that all Mutual Twelve residents must follow. I will not be running for the board this year so Parcel 1 will need a new director to work with the shareholders. I encourage everyone to consider running for the board. It's a unique way to learn more about our home and meet new people. There are 7 seats on the Mutual Twelve board of directors. The directors will be elected and seated at our annual election on June 14, 2018.

MUTUAL LUNCHEON. We have a date for the mutual's annual luncheon. It will be on Thursday, April 26, 2018. There is a flyer in these minutes with more information. There will be good food, door prizes, and a chance to meet people from other neighborhoods in our mutual. Thanks to the Luncheon committee ( Susan Ferraro, RoseMarie Sprague, Sharon Woodruff) for the work they have done to create this event for all of us.

GOLF CART REGISTRATION IS COMING. Last month at the Golden Rain Foundation board meeting a golf cart policy was adopted that will require all golf carts in Leisure World to be registered. Proof of liability insurance will be required for the golf cart registration. The registration will be done one mutual at a time over the next six months. There will be more information in the LW Weekly newspaper as dates are set for the registration.

Regards,

Margaret Gillon

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
JANUARY 22, 2018**

**CALL TO ORDER:**

The Special Meeting of Seal Beach Mutual No. Twelve was called to order by President Gillon at 10:10 on Monday, January 22, 2018 in the Physical Property Conference Room.

**ROLL CALL:**

Those members present were: President Gillon, CFO Ferraro, Secretary Sprague, Director Anderson, Director Woodruff

Absent was: Vice President Carson

Also present: One Shareholder

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

Discussion on the sprinkler refurbishment contract.

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

**RESOLVED**, to accept the irrigation/turf renovation proposal from Pinnacle for \$293,450 to be charged to Infrastructure Reserves and authorize the President to sign the contract.

The Motion passed.

The meeting was adjourned to the Executive Session at 10:40 AM.

During the Executive Session it was the Consensus of the Board for President Gillon to consult with John's Landscape regarding planting a tree at unit 56-K.

Further, it was the Consensus of the Board to consult with John's Landscape regarding planting a tree at unit 74-F.

Following a discussion on 69-F, Sam the concrete deer, and on **MOTION** made by President Gillon, and second by Secretary Sprague, it was:

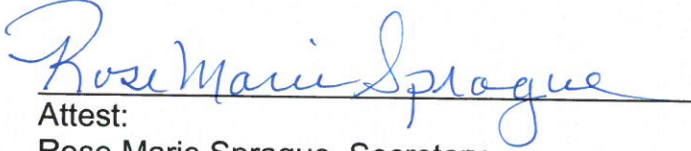
**RESOLVED**, that Sam the concrete deer may permanently stay under the tree at unit 69-F.

The Motion passed.

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL NO. TWELVE  
JANUARY 22, 2018**

**ADJOURNMENT:**

President Gillon adjourned the meeting at 10:40 AM.



Attest:

Rose Marie Sprague, Secretary

SEAL BEACH MUTUAL NO. TWELVE

/RMS





# MUTUAL TWELVE

GOLDEN RAIN MONTHLY  
SUMMARIES FOR

FEBRUARY 2018

(See information attached.)

## **RECAP OF GOLDEN RAIN FOUNDATION BOARD ACTIVITY OF February 27, 2018**

### Approved Minutes

The minutes of the January 23, 2018 Golden Rain Foundation (GRF) Board of Directors (BOD) meeting will remain in draft format.

### Communications Committee – Non-budgeted Funding Request – Office 365

MOVED and duly approved the purchase of Microsoft Office 365 licenses (20 subscriptions = 100 seats total) for \$2000/year, to be charged to 6481000-34 (Computer Maintenance & Software), non-budgeted Operating funding.

### Communications Committee – Non-budgeted Funding Request – Publications Management Software

MOVED and duly approved non-budgeted Operating funding for the purchase of new sales software, "The Magazine Manager," which will replace sales software, FileMaker Pro. The set-up fee for the new software is \$1,750 and \$346 per month (2018, 10 months, \$3,460) for hosting and user fees (\$5,210 per year).

### Executive Committee – Rescind Policy 5508-30, Renewal of Service and Maintenance Contracts

MOVED and duly approved to rescind Policy 5508-30, Renewal of Service and Maintenance Contracts.

### Executive Committee – Rescind Policy 5440-30, Emergency Plan

MOVED and duly approved to rescind Policy 5440-30, Emergency Plan.

### Executive Committee – Rescind Policy 5442-30, Community Emergency Preparedness

MOVED and duly approved to rescind Policy 5442-30, Community Emergency Preparedness.

### Executive Committee – Approve Election Provider

MOVED and duly approved to appoint Accurate Voting Services as the Inspectors of Election for the 2018 elections, as set forth in Policy 5025-30.

### Executive Committee – Approve Group Health Insurance

MOVED and duly approved the employee health benefit packages: Kaiser Medical Low and High Plans, Guardian Dental HMO and PPO Plans, Guardian VSP Vision Plan, Guardian Basic Life and AD&D Insurance Plan, Guardian Long Term Disability Plan, Guardian Employee Assistance Plan, Guardian Voluntary Life Plan, VPI Voluntary Pet Insurance Plan, Reimbursement of up to \$500 hospitalization copay annually, per qualified employee, and Flexible Spending Account. Additionally, to recommend the GRF BOD to approve the addition of two (2) voluntary Plans – the Accident Plan and the Critical Illness Plan, through Guardian, for full time GRF employees, effective April 1, 2018.

### Finance Committee – Accepted January 2018 Financial Statements

MOVED and duly approved to accept the January 2018 Financial Statements for audit.

Finance Committee –Approve CDAR Purchase

Moved and duly approved to continue the investment ladder by investing \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR @ .70% which will be fully insured by the FDIC.

Physical Property Committee – Trust Property Modification – Jim’s Gate

This item was removed from the agenda, due to new information brought to bear and was referred back to the Physical Property Committee.

Recreation Committee – Reserve Funding Request – Amphitheater, Sound System

This item was removed from the agenda, due to new information brought to bear and was referred back to the Recreation Committee.

Recreation Committee – Conceptual Approval – Veterans’ Plaza

MOVED and duly approved to approve the proposed project to be identified as Veterans Plaza, in an amount not to exceed \$75,000, from Capital Funds. The Project is contingent upon final review of proposals by applicable committees, per established policy. Upon committee review and approval, the President is authorized to sign contracts provided; such contracts are fully within the cost estimates as identified.

Recreation Committee – Amend Policy 2501-35, Patron Use

MOVED and duly approved to amend Policy 2501-35, Patron Use, updating policy language and eliminating the library card fee.

RV Lot Ad hoc Committee – **FINAL VOTE:** Adopt Policy 1487.50, Recreational Vehicle Lot (RVL) Rules and Regulations

MOVED and duly approved to ratify Policy 1487-50, Recreational Vehicle Lot (RVL) Rules and Regulations, as amended.

RV Lot Ad hoc Committee – **FINAL VOTE:** Adopt Policy 1487.01-50, Schedule of Fees and Monetary Fines for Notice of Violation

MOVED to ratify Policy 1487.01-50, Schedule of Penalties and Fines for Notice of Violation, as amended.

RV Lot Ad hoc Committee – **FINAL VOTE:** Adopt Policy 1487.02-50, RV Lot Maintenance

MOVED and duly approved to ratify Policy 1487.02-50, RV Lot Maintenance, as presented.

RV Lot Ad hoc Committee – Approved Revised RV Lot Use Lease

MOVED and duly approved the proposed Lease Agreement GRF and GRF Member for the use of Trust Property for storing a recreational vehicle, trailer or other such vehicle used for recreation, as defined by applicable policy, for a portion of the Trust Property commonly identified as the RV Storage Lot and authorize the President to sign the agreements compliant to policy.