

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

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Carson at 9:01 a.m. on Thursday, November 8, 2018, in Conference Room A of the Administration Building, followed by the *Pledge of Allegiance*.

SHAREHOLDERS' COMMENTS

Several Shareholders made comments.

ROLL CALL

Present: President Carson, Vice President Anderson, Secretary Sprague, Chief Financial Officer Ferraro, Director Milek, and Director Mortesen (arrived 9:14 a.m.)

GRF Representative: Ms. Findlay (arrived 9:08 a.m.)

Guests: Three Shareholders of Mutual Twelve
Mr. Blomquist, OptumCare

Staff: Ms. Hopkins, Mutual Administration Director
Mr. Antisdell, Building Inspector
Ms. Kemp, Recording Secretary

MINUTES

President Carson asked for any corrections to the Regular Meeting minutes of October 11, 2018. Upon a MOTION duly made by President Carson and seconded by Director Milek, it was

RESOLVED, To approve the Regular Meeting Minutes of
October 11, 2018, as printed.

The MOTION passed.

EMERGENCY LINE ITEM

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

RESOLVED, To amend today's agenda of November 8, 2018,
by adding Discuss and vote to approve/deny roofing proposal
from Roofing Standards to Building Inspector's Report, Item
D.

The MOTION passed.

GUEST SPEAKER – Mr. Blomquist, OptumCare

Mr. Blomquist discussed the services that OptumCare will provide to Seal Beach Leisure World.

Following questions, Mr. Blomquist left the meeting at 9:16 a.m.

BUILDING INSPECTOR'S REPORT

Inspector Antisdell updated the Board on activity in the Mutual (attached).

Following a discussion, it was the consensus of the Board to postpone discussion of walkway light repairs at Buildings 71, 72, and 75 to the January 10, 2019, meeting.

Following a discussion, and upon a MOTION duly made by President Carson and seconded by Director Mortesen, it was

RESOLVED, To approve the revised roofing proposal from Roofing Standards for eight (8) additional roofs for a total of sixteen (16) roofs at a cost not to exceed \$1,236,848, and authorize the President to sign the contract.

The MOTION passed.

Following questions, Inspector Antisdell left the meeting at 10:03 a.m.

GRF REPRESENTATIVE

Ms. Findlay presented her report.

Following questions, Ms. Findlay left the meeting at 10:25 a.m.

UNFINISHED BUSINESS

CFO Ferraro gave an update on Policy 7541.12 – Qualified Permanent Residents, Co-Occupants (Non-Owner) and Health Care Providers.

President Carson discussed the Tree Donation Protocol.

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by President Carson and seconded by Director Mortesen, it was

RESOLVED, To approve the replacement of the flooring in unit 71-F by Kary's Carpets at a cost not to exceed \$7,000, to be paid from the Emergency Contingency Fund, and authorize the President to sign the work order.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by President Carson and seconded by Director Mortesen, it was

RESOLVED, To approve emergency repair of walkway lights at Building 76 at a cost not to exceed \$3,500, and authorize the President to sign the work order.

The MOTION passed.

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

RESOLVED, To cancel the Regular Monthly Meeting scheduled for December 13, 2018.

The MOTION passed.

CFO Ferraro discussed cash management investments.

SECRETARY / CORRESPONDENCE

Secretary Sprague received no correspondence.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Ferraro presented her report (attached).

MUTUAL ADMINISTRATION DIRECTOR'S REPORT

Director Hopkins presented her report.

ANNOUNCEMENTS

HISTORICAL SOCIETY OPEN HOUSE: Thursday, November 8, 2018, 10:00 a.m. to 2:00 p.m., Clubhouse 1.

VETERANS DAY EVENT: Monday, November 12, 2018, at 9:30 a.m., in Clubhouse 2.

NEXT MEETING: Thursday, January 10, 2019, at 9:00 a.m., location TBD.

COMMITTEE REPORTS

There were no Committee Reports.

DIRECTORS' COMMENTS

One Director made a comment.

SHAREHOLDERS' COMMENTS

Several shareholders made comments.


ADJOURNMENT

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

RESOLVED, To adjourn the meeting.

The MOTION passed.

There being no further business to conduct, President Carson adjourned the meeting at 10:53 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
ck: 11/14/18
Attachments

November 8, 2018

**NEXT MEETING: Thursday, January 10, 2019, at 9:00 a.m.
Location TBD**

**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 CARSON
AT RICH.CARSON@MUTUAL12.ORG.**

**RESOLUTIONS IN THE REGULAR
MONTHLY MEETING OF NOVEMBER 8, 2018**

11/08/18 RESOLVED, To approve the Regular Meeting Minutes of October 11, 2018, as printed.

RESOLVED, To amend today's agenda of November 8, 2018, by adding Discuss and vote to approve/deny roofing proposal from Roofing Standards to Building Inspector's Report, Item D.

RESOLVED, To approve the revised roofing proposal from Roofing Standards for eight (8) additional roofs for a total of sixteen (16) roofs at a cost not to exceed \$1,236,848, and authorize the President to sign the contract.

RESOLVED, To approve the replacement of the flooring in unit 71-F by Kary's Carpets at a cost not to exceed \$7,000, to be paid from the Emergency Contingency Fund, and authorize the President to sign the work order.

RESOLVED, To approve emergency repair of walkway lights at Building 76 at a cost not to exceed \$3,500, and authorize the President to sign the work order.

RESOLVED, To cancel the Regular Monthly Meeting scheduled for December 13, 2018.

RESOLVED, To adjourn the meeting.

	A	B	C	D	E	F	G	H	I
1	INSPECTOR MONTHLY MUTUAL REPORT								

3	MUTUAL: (12) TWELVE)				INSPECTOR: JERRY ANTISDEL				
4	MUTUAL BOARD MEETING DATE: NOVEMBER 8TH				Print Date: 11/7/2018				

5	PERMIT ACTIVITY								
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6	UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	START DATE	COMP. DATE	CHANGE ORDER	FINAL INSPECTION	CONTRACTOR / COMMENTS	
172	34-J	SKYLIGHT	GRF	10/15/18	11/15/18	NO	NONE	M&M SKYLIGHTS	
174	38-I	FLOORING	GRF	10/22/18	11/22/18	NO	10/29/18 FINAL	CORNERSTONE FLOORS	
178	42-C	HEAT PUMP	BOTH	08/31/18	12/01/18	NO	10/30/18 FINAL	GREENWOOD	
202	46-G	REMODEL	BOTH	08/10/18	12/21/18	NO	08/29/18 PLUMBING	JC KRESS CONSTRUCTION	
203	46-G	REMODEL	BOTH	08/10/18	12/21/18	NO	09/17/18 R-ELEC	JC KRESS CONSTRUCTION	
204	46-G	REMODEL	BOTH	08/10/18	12/21/18	NO	09/17/18 R-PLUMB	JC KRESS CONSTRUCTION	
205	46-G	REMODEL	BOTH	08/10/18	12/21/18	NO	09/17/18 FRA/INSUL	JC KRESS CONSTRUCTION	
208	47-A	SHOWER CUT DOWN	BOTH	10/24/18	11/24/18	NO	NONE	NUKOTE	
209	47-G	DECO BLOCKS/GATE	GRF	10/08/18	11/08/18	NO	10/15/18 FINAL	BERGKVIST	
210	55-A	DECO BLOCKS/LIGHTS	BOTH	11/05/18	12/28/18	NO	NONE	BERGKVIST	
245	59-A	HEAT PUMP	BOTH	10/17/18	01/17/19	NO	NONE	GREENWOOD	
248	68-J	BATH REMODEL	BOTH	10/01/18	11/15/18	NO	10/22/18 FINAL	OGAN CONSTRUCTION	
249	68-J	RAISE SHOWER SEAT	GRF	11/01/18	12/01/18	NO	NONE	NUKOTE	
254	70-G	HEAT PUMP	BOTH	09/17/18	12/17/18	NO	10/30/18 FINAL	GREENWOOD	
256	71-F	FLOORING	GRF	10/25/18	12/28/18	NO	11/06/18 FINAL	KARYS CARPET	
268	75-C	SKYLIGHTS	GRF	10/20/18	12/29/18	NO	10/26/18 FINAL	SOLATUBE HOME	
272	76-B	CEILING FANS	BOTH	10/22/18	12/07/18	NO	NONE	BERGKVIST	
273	76-B	PATIO REMODEL	BOTH	10/22/18	12/07/18	NO	NONE	BERGKVIST	
274	77-C	SKYLIGHTS	GRF	10/20/18	12/29/18	NO	11/06/18 FINAL	SOLATUBE HOME	
296	78-F	HEAT PUMP	BOTH	11/15/18	02/20/19	NO	NONE	GREENWOOD	
298	GREY AREAS HAVE BEEN SIGNED OFF								

364	Escrow Activity								
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365	NMI	PLI	NBO	FI	COE DATE	ROF	
393	6-E	08/02/18					
394	6-G	10/17/18					
395	9-F	06/21/18					
396	9-I	09/04/18	11/07/18				
397	35-B	10/16/18					

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4	MUTUAL BOARD MEETING DATE: NOVEMBER 8TH				Print Date: 11/7/2018				
398	37-H		06/25/18						
399	38-I		04/19/18	07/11/18	07/19/18	08/02/18			
400	38-J		08/13/18						
402	43-A		10/31/18						
403	43-E		07/17/18						
417	43-F		10/17/18	10/31/18	11/02/18	11/19/18			
418	55-C		07/17/18						
419	55-G		04/04/18						
420	62-J		06/27/18	10/12/18	10/19/18	11/02/18			
421	64-A		11/02/18						
422	64-D		08/08/18	10/16/18	10/18/18	11/01/18			
423	66-D		06/22/18	10/09/18	10/09/18	10/23/18			
424	69-D		10/30/18						
425	71-D		08/02/18						
426	73-F		03/28/18						
427	73-H		04/12/18						
429	76-H		08/30/18						
430									
446	GREY AREAS HAVE BEEN SIGNED OFF								
447	NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation								
448	FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds								

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4	MUTUAL BOARD MEETING DATE: NOVEMBER 8TH				Print Date: 11/7/2018				
471	Contract Services				Project Description				
684	FENN TERMITE AND PEST CONTROL				CONTRACT GOOD UNTIL 2020				
685	EMPIRE PIPE CLEANING				CONTRACT GOOD UNTIL 2020				
686	PINNACLE LANDSCAPE				MONTH TO MONTH				
689	PINNACLE LANDSCAPE				IRRIGATION 2018				
709	MAINTENANCE IS WORKING ON THE REMOVAL OF RAFTER TAILS								
713	BERGKVIST HAS STARTED DRY ROT REPAIRS								
726	UPDATE ON CAMERA REPORTS M J JURADO WILL HAVE A PRICE AT NEXT MEETING								
727	EMPTY UNITS WILL FINISH UP BEFORE NEXT MEETING								
728	DUMPSTER SIGNS ARE DONE								
729	WALK LIGHT REPAIRS AT BUILDINGS 71/72/75 COST IS \$2,362.50 WORK TO BE DONE BY SCHLICK SERVICES								
730	12-62-J DOING WORK WITHOUT PERMIT INSTALLED NEW LOCK ON ENTRY DOOR UNTIL PERMIT IS ISSUED								
731	12-71-F AND G WORKING ON WATER DAMAGE FROM WATER HEATER F HAS BEEN COMPLETED WILL START ON G NEXT WEEK								
732	ROOFING PRICE FOR 16 BUILDINGS FROM ROOFING STANDARDS								
733	Site Visits								
757	52								
758									

CFO Report – November 8, 2018 Regular Meeting

I want to remind all shareholders to watch for the Mutual 12 Annual Budget Report and Policy Statement for 2019 that is being mailed to you this year. The GRF Annual Budget Report and Policy Statement will be delivered with the LW Weekly newspaper next week on November 14. Both contain important information for you to keep as reference.

The October 2018 Financial reports are not yet available since our meeting is very early this month.

Some information of interest:

The 2019 Mutual 12 Assessment including GRF Trust Cost is \$390.42. (2.5% increase)

Mutual 12 is in the top 3rd of assessments – The highest being \$415.42

The average assessment is \$375.36

Funding for reserves averages 52% of the monthly assessment

Social Security has announced a 2.8% increase in benefits for 2019

Medicare Part B Standard Premium is increasing by \$1.50 to \$135.50.

Personal Property and Liability Insurance is the responsibility of each shareholder. Coverage information obtained at the last fire inspections showed that 90% of Mutual 12 residents carry HO6 or equivalent insurance policies. Be aware that fire inspections are to be scheduled for 2019 and evidence of insurance will be requested again at that time.

There are 21 cats, 46 dogs, 10 emotional support dogs, and 1 service dog residing in Mutual 12, that we know about. Please register your pets. Pet owners must have Liability insurance.

HAPPY THANKSGIVING

Respectfully submitted,
Susan Ferraro, CFO
Mutual 12

1012 Seal Beach Mutual No. Twelve Financial Statement Recap 10/31/2018
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P.O. Box 2069
Seal Beach CA 90740

Oct Actual	Oct Budget		2018 Y-T-D Actual	2018 Y-T-D Budget
114,937	114,939	Carrying Charges	1,149,364	1,149,390
57,198	57,198	Reserve Funding	571,978	571,980
172,135	172,137	Total Regular Assessments	1,721,342	1,721,370
1,754	290	Financial Income	16,655	2,900
2,045	2,717	Other Income	34,504	27,170
3,799	3,007	Total Other Income	51,159	30,070
175,934	175,144	Total Mutual Income	1,772,500	1,751,440
69,020	69,020	GRF Trust Maintenance Fee	681,436	690,200
15,541	11,969	Utilities	132,599	119,690
3,596	2,934	Professional Fees	24,736	29,340
21,772	23,717	Outside Services	207,934	237,170
3,676	10,306	Taxes & Insurance	100,898	103,060
57,198	57,198	Contributions to Reserves	571,978	571,980
170,803	175,144	Total Expenses Before Off-Budget	1,719,579	1,751,440
5,132	0	Excess Inc/(Exp) Before Off-Budget	52,921	0
6,688	0	Depreciation Expense	69,389	0
(1,557)	0	Excess Inc/(Exp) After Off-Budget	(16,468)	0
		Restricted Reserves		
(335)	0	Appliance Reserve Equity	28,152	0
3,767	0	Painting Reserve	109,015	0
24,233	0	Roofing Reserve	1,926,750	0
0	0	Emergency Reserve Equity	295,971	0
27,469	0	Infrastructure Reserve	207,717	0
55,134	0	Total Restricted Reserves	2,567,606	0

20