

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWELVE
MARCH 9, 2023**

The Regular Meeting of the Board of Directors of Seal Beach Mutual Twelve was called to order by President Carson at 9:00 a.m. on Thursday, March 9, 2023, Administration Building, Conference Room A and via Zoom Video/Conference Call Meeting.

SHAREHOLDERS' COMMENTS

Several shareholders made comments.

ROLL CALL

Present: President Carson, Vice President Sprague, Secretary Milek, Chief Financial Officer Ferraro, Directors Kaplan, Addis and, Hoover

Absent: Secretary Milek

GRF Representative: Mrs. Damoci, GRF Representative (via zoom)

Guest: Three Mutual 12 Shareholder (in-Person)
Three Mutual 12 Shareholders (via zoom)

Staff: Mr. Antisdell, Building Inspector
Ms. Hopkins, Director of Mutual Administration (Via Zoom)
Ms. Barua, Senior Portfolio Specialist
Mr. Jackson, Portfolio Specialist

GRF REPRESENTATIVE

GRF Representative Damoci provided an update.

Following questions, Ms. Damoci left at adjournment at 10:44 a.m.

MINUTES

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

RESOLVED to approve the Regular Meeting Minutes of February 9, 2023,
as Written.

The MOTION passed unanimously.

GUEST SPEAKER – ITEM A

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

RESOLVED to accept the CliftonLarsonAllen LLP Engagement Letter for the 2022 audit and to authorize the President to sign the letter.

The MOTION passed unanimously.

BUILDING INSPECTOR'S REPORT

Building Inspector Antisdell presented his report (attached).

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

RESOLVED to ratify the payment for the emergency repair to the water main break at Bldg. 11 to MJ Jurado Inc. of \$6,150.00 to be charged to Infrastructure Reserve.

The MOTION passed unanimously.

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

RESOLVED to approve the request to change garden border edge at Unit 74H upon recommendation of the Landscape Committee. Work to be done at shareholder's expense

The MOTION passed unanimously.

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

RESOLVED to approve the proposal from MJ Jurado for removing and replacing failing asphalt due to tripping hazard, at a cost not to exceed \$5,000.00. Funds to come from Infrastructure Reserves and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

Following questions, Mr. Antisdell left the meeting at 10:00 a.m.

UNFINISHED BUSINESS

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

RESOLVED to ratify proposed rule change by adopting Rule 12-7558-1 Non-Resident Part-time Caregivers; the 28-day posting requirement has been met.

The MOTION passed unanimously.

NEW BUSINESS

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

RESOLVED to approve the January 2023 financial statements as reviewed per California Civil Code Section 5500 (a)-(f) for audit as presented.

The MOTION passed unanimously.

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

RESOLVED to reinvest one certificate of deposit held at US Bancorp in the amount of \$200,000 maturing on 3/31/2023 for a term not to exceed one year at the prevailing interest rate.

The MOTION passed unanimously.

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

RESOLVED to approve funds of \$2,250 for the 2023 Annual Shareholder Luncheon. Funds to come from Miscellaneous Expense and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

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

RESOLVED to place an Amendment to the Bylaws to Authorize Exclusive Use Patios on the 2023 Elections ballot and authorize the Mutual Attorney to review and prepare the ballot.

The MOTION passed unanimously.

March 9, 2023

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

RESOLVED to place the Amended and Restated Bylaws of Mutual Twelve on the 2023 Elections Ballot as prepared and revised by the Mutual attorney.

The MOTION passed unanimously.

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

RESOLVED to approve to place the Revised Occupancy Agreement for Mutual Twelve as prepared by the Mutual Attorney on the 2023 Election Ballot.

The MOTION passed unanimously.

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

RESOLVED to approve to appoint Accurate Voting Services as Mutual Twelve's Inspectors of Election for the 2023-2024 Annual Shareholder's Meeting.

The MOTION passed unanimously.

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

RESOLVED to approve the proposal from Four Stars Landscape Corp. for planting and features surrounding Bldg. 45 shade structure project, at a cost not to exceed \$13,554.00. Funds to come from Landscape Extras and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

SECRETARY / CORRESPONDENCE

Vice President Sprague received one correspondence.

CHIEF FINANCIAL OFFICER'S REPORT

Chief Financial Officer Ferraro presented her report (attached).

PORTFOLIO SPECIALIST REPORT

Senior Portfolio Specialist Barua presented her report (attached).

March 9, 2023

ANNOUNCEMENTS

NEXT BOARD MEETING: Thursday, April 13, 2023, at 9:00 a.m. Location: Administration Building, Conference Room A and via Zoom Video/Conference Call Meeting.

COMMITTEE REPORTS

Governing Documents Committee

CFO Ferraro Provided an update on governing documents (attached).

Luncheon Committee

CFO Ferraro provided an update on Luncheon meeting (attached).

Landscape Committee

Vice President Sprague provided and update (attached).

Physical Properties Committee

President Carson provided an update.

Laundry Rooms

Vice President Sprague provided an update on the laundry rooms.

Pets & Caregivers

Director Kaplan provided an update on pets and caregivers.

DIRECTORS' COMMENTS

Several Director made a comment.

SHAREHOLDERS' COMMENTS

Several shareholders made a comment.

ADJOURNMENT

There being no further business to conduct, President Carson adjourned the meeting at 10:44 a.m. and announced there would be an Executive Session following the meeting.

EXECUTIVE SESSION SUMMARY

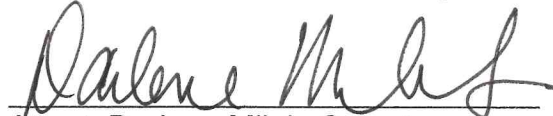
The Board met in Executive Session on March 9, 2023, and took the following actions:

The Board approved the Regular Executive Meeting Minutes of February 9, 2023 and Special Meeting Minutes of January 30, 2023.

March 9, 2023

1. Legal Matters
 - a. Legal matters were discussed.
2. Contracts
 - a. One contract was discussed.
3. Assessments / Delinquencies
 - a. Several Assessment/Delinquencies discussed.
4. Disciplinary Hearings
 - a. No disciplinary hearing was discussed.

The Executive Session was adjourned at 12:04 p.m.



Attest, Darlene Milek, Secretary
SEAL BEACH MUTUAL TWELVE
AJ/RB: 03/09/23
Attachments

SPECIAL MEETING ANNOUNCEMENTS AND AGENDAS ARE POSTED IN LAUNDRY ROOM 57 (D SIDE). FOR INFORMAL INDIVIDUAL NOTICE OF SPECIAL MEETINGS, CONTACT SECRETARY MILEK AT darlene.milek@mutual12.org OR EMAIL PRESIDENT CARSON AT RICH.CARSON@MUTUALTWELVE.ORG

| | 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: MARCH 9TH 2023 | | | Print Date: 3/2/2023 | | | | | |
| 5 | PERMIT ACTIVITY | | | | | | | | |
| 6 | UNIT # | DESCRIPTION OF WORK | GRF/CITY PERMIT | START DATE | COMP. DATE | CHANGE ORDER | FINAL INSPECTION | CONTRACTOR / COMMENTS | |
| 572 | 9-D | REMODEL | BOTH | 09/13/22 | 09/13/23 | NO | NONE | CAL CUSTOM INTERIORS | |
| 636 | LAUNDRY 45 | SHADE STRUCTURE | BOTH | | | NO | NONE | MJ JURADO | |
| 637 | 47-D | WINDOWS | BOTH | 02/06/23 | 04/28/23 | NO | NONE | BERGKVIST | |
| 669 | 55-B | CARPORT CABINET | GRF | 02/10/23 | 03/10/23 | NO | NONE | VICKERS CONSTRUCTION | |
| 671 | 55-K | HEAT PUMP | BOTH | 02/16/23 | 05/16/23 | NO | NONE | GREENWOOD | |
| 673 | 61-F | CART PAD/SIEWALK | BOTH | 12/15/22 | 02/20/23 | NO | 02/19/23 FINAL | JC KRESS | |
| 692 | 64-H | .CART PAD | GRF | 02/02/23 | 04/27/23 | NO | NONE | FOUR STAR LANDSCAPE | |
| 693 | 66-C | SHOWER CUT DOWN | BOTH | 03/09/23 | 04/09/23 | NO | NONE | NUKOTE | |
| 694 | 67-F | REMOVE CEILINGS | GRF | 01/30/23 | 04/28/23 | NO | NONE | KONRAD KONSTRUCTION | |
| 695 | 67-F | REMODEL | BOTH | 03/13/23 | 04/28/23 | NO | NONE | KONRAD KONSTRUCTION | |
| 696 | 67-F | FLOORING | GRF | 02/15/23 | 03/30/23 | NO | NONE | KARYS CARPET | |
| 697 | 67-A | SHOWER SEAT | GRF | 02/15/23 | 03/15/23 | NO | NONE | NUKOTE | |
| 705 | 68-I | CARPET AT PATIO | GRF | 11/21/22 | 12/21/22 | NO | 02/22/23 FINAL | LW DÉCOR | |
| 723 | 71-G | CARTPAD | GRF | 02/17/23 | 05/30/23 | NO | NONE | J&J LANDSCAPING | |
| 724 | 72-A | FLOORING | GRF | 02/20/23 | 03/30/23 | NO | NONE | KARYS CARPET | |
| 725 | 72-B | SKYLIGHT | BOTH | 02/15/23 | 03/15/23 | NO | NONE | M&M SKYLIGHTS | |
| 734 | 77-H | FLOORING | GRF | 02/15/23 | 03/30/23 | NO | NONE | KARYS CARPET | |
| 735 | | | | | | | | | |
| 783 | | | | | | | | | |
| 785 | GREY AREAS HAVE BEEN SIGNED OFF | | | | | | | | |
| 851 | ESCROW ACTIVITY | | | | | | | | |
| 852 | | NMI | PLI | NBO | FI | COE DATE | ROF | | |
| 978 | 10-D | | 02/17/23 | | | | | | |
| 979 | 11-G | | 06/23/22 | | | | | | |
| 980 | 34-H | | 03/08/22 | 04/12/22 | 04/13/22 | 04/27/22 | 05/24/22 | | |
| 981 | 36-A | | 09/09/21 | 03/18/22 | 03/22/22 | 04/04/22 | 06/03/22 | | |
| 988 | 37-D | | 08/24/22 | 11/02/22 | 11/02/22 | 11/17/22 | 12/08/22 | | |
| 989 | 38-F | | 02/04/22 | 03/01/22 | 03/03/22 | 03/17/22 | 04/29/22 | | |
| 990 | 40-A | | 02/24/23 | | | | | | |
| 991 | 40-G | | 01/25/22 | 04/06/22 | 04/13/22 | 04/27/22 | 06/16/22 | | |
| 996 | 44-E | | 11/18/22 | | | | | | |
| 997 | 45-A | | 06/29/22 | 08/02/22 | 08/02/22 | 08/16/22 | 08/30/22 | | |
| 998 | 46-E | | 03/21/22 | 03/30/22 | 03/30/22 | 04/13/22 | 05/23/22 | | |
| 999 | 47-C | | 03/24/22 | 04/13/22 | 04/20/22 | 05/04/22 | 06/29/22 | | |
| 1000 | 47-D | | 07/14/22 | 08/11/22 | 08/11/22 | 08/25/22 | 09/23/22 | | |
| 1001 | 55-B | | 07/28/22 | 10/04/22 | 10/04/22 | 10/17/22 | 10/31/22 | | |
| 1002 | 55-E | | 04/04/22 | 04/25/22 | 04/28/22 | 05/01/22 | 05/13/22 | | |
| 1003 | 55-J | | 06/17/22 | 07/27/22 | 07/28/22 | 08/11/22 | 08/30/22 | | |
| 1004 | 55-K | | 02/17/23 | | | | | | |
| 1005 | 56-A | | 04/22/22 | 04/28/22 | 05/06/22 | 05/22/22 | 06/20/22 | | |
| 1006 | 57-D | | 03/28/22 | 04/06/22 | 04/06/22 | 04/20/22 | 04/29/22 | | |
| 1018 | 59-F | | 03/28/22 | 04/06/22 | 04/08/22 | 04/22/22 | 05/10/22 | | |
| 1019 | 61-A | | 03/07/22 | 04/28/22 | 04/25/22 | 05/09/22 | 06/03/22 | | |
| 1020 | 61-C | | 05/23/22 | 06/06/22 | 06/17/22 | 07/01/22 | 07/29/22 | | |
| 1021 | 62-D | | 05/23/22 | 06/16/22 | 07/05/22 | 07/19/22 | 08/15/22 | | |
| 1022 | 62-G | | 04/22/22 | 05/19/22 | 05/26/22 | 06/10/22 | 06/23/22 | | |
| 1023 | 63-E | | 08/19/22 | 08/29/22 | 08/29/22 | 09/09/22 | 09/19/22 | | |
| 1024 | 64-E | | 09/29/22 | | | | | | |
| 1025 | 64-G | | 05/18/22 | 05/26/22 | 06/03/22 | 06/16/22 | 07/13/22 | | |
| 1026 | 65-A | | 04/21/22 | 06/01/22 | 06/01/22 | 06/15/22 | 07/12/22 | | |
| 1027 | 66-L | | 01/25/22 | 03/25/22 | 03/25/22 | 04/08/22 | 05/27/22 | | |
| 1028 | 67-A | | 03/28/22 | 05/25/22 | 06/02/22 | 06/16/22 | 07/13/22 | | |
| 1029 | 67-F | | 09/27/22 | 01/17/23 | 01/19/23 | 02/02/23 | 02/15/23 | | |
| 1030 | 69-D | | 06/23/22 | 07/06/22 | 07/07/22 | 07/21/22 | 08/15/22 | | |
| 1031 | 70G | | 11/19/21 | 03/31/22 | 04/12/22 | 04/26/22 | 06/03/22 | | |
| 1032 | 73-D | | 10/26/22 | 12/05/22 | 12/06/22 | 12/20/22 | 02/16/23 | | |
| 1033 | 74-G | | 10/26/22 | 08/02/22 | 08/05/22 | 08/19/22 | 08/22/22 | | |
| 1070 | GREY AREAS HAVE BEEN SIGNED OFF | | | | | | | | |

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| 1071 | NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds | | | | | | | | |
| 1072 | | | | | | | | | |

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| 1095 | CONTRACTS AND PROJECTS | | | | | | | | |
| 1354 | A.CAMERA WORK ON BUILDINGS 57 AND 60 AND 76 SHOWS WE NEED TO RELINE ALL 3 BILDINGS ESTAMITE OF \$24.000.00 | | | | | | | | |
| 1355 | B. DISCUSS AND VOTE TO RATIFY PAYMENT OF EMERGENCY REPAIRS TO WATER MAIN BREAK AT M 12 BLDG. 11 | | | | | | | | |
| 1356 | C. DISCUSS AND VOTE TO APPROVE 74-H REQUEST TO CHANGE GARDEN BOARDER EDGE AT SHAREHOLDERS EXPENCE | | | | | | | | |
| 1357 | D. DISCUSS AND VOTE ON PROPOSAL FROM FOUR STARS LANDSCAPE CORP FOR PLANTINGS AND FEATURES BLDG. 45 | | | | | | | | |
| 1358 | E. UPDATE OSTATUS REPORT ON PAINTING OF STOPS AND PARKING DELINEATORS ON CARPORTS AND DRIVEWAYS | | | | | | | | |
| 1359 | F. DISCUSS VACANT UNIT LIST | | | | | | | | |
| 1360 | G. UPDATE ON BUILDING 65 B AND C WATER DAMAGE FROM LEAK AT HOSE BIB AT END OF BUILDING | | | | | | | | |
| 1361 | H. UPDATE ON BUILDING 69-F WITH IN THE NEXT TO WEEKS PER MJ JURADO | | | | | | | | |
| 1362 | I. UPDATE ON ROOFING WILL BE STARTING IN LATE JULY DEPENDING ON WEATHER | | | | | | | | |
| 1368 | LANDSCAPE CONTRACT WITH FOUR STARS GOOD UNTIL 2024 | | | | | | | | |
| 1369 | BAIT STATIONS GOOD UNTIL 07/31/2023 | | | | | | | | |
| 1370 | FENN TERMITE AND PEST CONTROL CONTRACT GOOD UNTIL JUNE 30TH 2023 | | | | | | | | |
| 1546 | CALLS AND VISITE TO UNITS | | | | | | | | |
| 1903 | 62 | | | | | | | | |

P.O. Box 2069
Seal Beach CA 90740

| Jan Actual | Jan Budget | | 2023 Y-T-D Actual | 2023 Y-T-D Budget |
|----------------|----------------|---|----------------------|----------------------|
| 141,447 | 141,449 | Carrying Charges | 141,447 | 141,449 |
| 68,507 | 68,506 | Reserve Funding | 68,507 | 68,506 |
| 209,954 | 209,955 | Total Regular Assessments | 209,954 | 209,955 |
| 2,224 | 353 | Financial Income | 2,224 | 353 |
| 245 | 2,951 | Other Income | 245 | 2,951 |
| 2,469 | 3,304 | Total Other Income | 2,469 | 3,304 |
| 212,423 | 213,259 | Total Mutual Income | 212,423 | 213,259 |
| 87,340 | 87,340 | GRF Trust Maintenance Fee | 87,340 | 87,340 |
| 12,589 | 16,814 | Utilities | 12,589 | 16,814 |
| 25 | 1,749 | Professional Fees | 25 | 1,749 |
| 20,237 | 23,852 | Outside Services | 20,237 | 23,852 |
| 17,089 | 14,997 | Taxes & Insurance | 17,089 | 14,997 |
| 68,507 | 68,506 | Contributions to Reserves | 68,507 | 68,506 |
| 205,786 | 213,258 | Total Expenses Before Off-Budget | 205,786 | 213,258 |
| 6,636 | 1 | Excess Inc/(Exp) Before Off-Budget | 6,636 | 1 |
| 16,433 | 0 | Depreciation Expense | 16,433 | 0 |
| (9,797) | 1 | Excess Inc/(Exp) After Off-Budget | (9,797) | 1 |
| | | Restricted Reserves | | |
| 4,591 | 0 | Appliance Reserve Equity | 28,401 | 0 |
| 4,050 | 0 | Painting Reserve | 210,901 | 0 |
| 23,180 | 0 | Roofing Reserve | 1,534,925 | 0 |
| (2,045) | 0 | Emergency Reserve Equity | 281,252 | 0 |
| 37,358 | 0 | Infrastructure Reserve | 194,120 | 0 |
| 67,135 | 0 | Total Restricted Reserves | 2,249,599 | 0 |

CFO REPORT March 9, 2023 Regular Meeting

We are just beginning the 2023 budget year. Each Board member has received a copy of the detailed Financial Statements for January, 2023 for their review and comment. The Financial Review Committee met as required by the civil code and found no irregularities. Attached, for your personal review, is the January 2023 summary Financial Statement Recap.

OTHER INFORMATION as of JANUARY:

Cash: \$ 335,749 (Operations)

Reserve Accounts:

| | |
|----------------------|------------------|
| Appliance Reserve | \$ 28,401 |
| Painting Reserve | \$210,901 |
| Roofing Reserve | \$1,534,925 |
| Infrastructure Res | \$ 194,120 |
| Emer/Contingency | \$ 281,252 |
| Capital Improve Fund | <u>\$ 32,000</u> |
| Total Reserves | \$2,281,599 |

Project Commitments -0-

Available Reserves \$2,281,599

Accounts Receivable \$ 26,390 (3 accounts owing more than \$1800. One ESTATE to be paid upon sale or transfer, and 2 accounts being monitored for collection)

There is nothing of significant to report on the finances at this time. We continue to see rising interest rates which is helpful for our reserves.

Respectfully submitted:
Susan Ferraro CFO

