

**MINUTES OF THE REGULAR MONTHLY MEETING  
OF THE BOARD OF DIRECTORS  
SEAL BEACH MUTUAL TWELVE  
MAY 11, 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, May 11, 2023, Administration Building, Conference Room A and via Zoom Video/Conference Call Meeting.

**SHAREHOLDERS' COMMENTS**

No shareholders made comments.

**ROLL CALL**

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

GRF Representative: Ms. Damoci (entered at 9:07 a.m. via zoom)

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

Staff: Ms. Hopkins, Mutual Administration Director (entered at 9:51 a.m. via zoom)  
Mr. Antisdell, Building Inspector (entered at 9:53 a.m.)  
Mr. Jackson, Portfolio Specialist  
Ms. Equite, Assistant Portfolio Specialist

**MINUTES**

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

RESOLVED to approve the Regular Meeting Minutes of April 13, 2023, as the changes are corrected.

The MOTION passed unanimously.

**GRF REPRESENTATIVE**

GRF Representative Damoci provided an update on GRF projects.

Vice President Sprague left the meeting at 9:19 a.m.

**Building Inspector, Item A**

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

RESOLVED to approve Fenn Termite and Pest Control 3-Year contract from 2023-2026 at a cost not to exceed \$33,231.00. Funds to come from Pest Control and authorize president to sign any necessary documentation.

The MOTION passed unanimously.

Vice President Sprague returned to the meeting at 9:22 a.m.

**NEW BUSINESS**

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

RESOLVED to approve the March 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 approve that the certificate of deposit held at USBanCorp that matured on 5/4/2023 in the sum amount of \$150,000 be reinvested for a term of not to exceed one year at the prevailing interest rate. Further, I move to purchase a new certificate of deposit in the amount of \$200,000 to come from funds held in the US Bank Restricted Money Market Savings account 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 that the Annual fee of \$156.17 for the Mutual 12 domain/email accounts at Hover.com and the Annual fee of \$180.00 for the Box.com Mutual 12 Archive Storage billed to CFO Ferraro's personal credit card be reimbursed to CFO Ferraro for a total payment of \$336.17. Funds to be charged to Miscellaneous Expense.

The MOTION passed with six "yes" votes (Carson, Sprague, Milek, Kaplan, Hoover, and Addis) and one "abstention" (Ferraro).

**May 11, 2023**

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. dated 4/27/23 in the amount of \$4,250 for weed treatment on all turf areas and charge to Landscape Extras.

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 change the funding source assigned on resolution dated July 28, 2022 for the installation of concrete, footings and walkways by MJ Jurado, Inc. for the new shade structure in the common area at Building 45 from operating expense Landscape Extras account to the Capital Improvement Fund.

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 change the funding source assigned on resolution dated March 10, 2022 for the installation by AAA Awnings of a new gable patio shade covering in the common area at Building 45 from operating expense Landscape Extras account to the Capital Improvement Fund.

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 accept the change by Unit 66-F shareholder of the donation accepted by resolution on 9-28-22 of one bench at the newly building shade structure to be two benches.

The MOTION passed unanimously.

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

RESOLVED to approve the purchase of food and beverages for the Annual Meeting of Shareholders at a costs not to exceed \$225.00. Funds to come from Miscellaneous 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 payment to the Association Reserve for the 2024 Reserve Study at a cost not to exceed \$1,450.00 and authorize the President to sign any necessary documentation.

The MOTION passed unanimously.

### **SECRETARY / CORRESPONDENCE**

Secretary Milek received no correspondence.

### **CHIEF FINANCIAL OFFICER'S REPORT**

Chief Financial Officer Ferraro presented her report (attached).

### **PORTFOLIO SPECIALIST REPORT**

No report.

### **ANNOUNCEMENTS**

- a. **ANNUAL MEETING: Thursday, June 8, 2023 at 10:00 a.m. in Clubhouse 4 and via Zoom Video/ Conference Call Meeting**
- b. **NEXT BOARD MEETING: Thursday, July 13, 2023, at 9:00 a.m. Location: Administration Building, Conference Room B and via Zoom Video/Conference Call Meeting.**

### **COMMITTEE REPORTS**

#### Governing Documents Committee

CFO Ferraro Provided an update on governing documents.

#### Luncheon Committee

CFO Ferraro provided an update on Luncheon meeting.

#### Landscape Committee

Vice President Sprague provided an update.

#### Physical Properties Committee

President Carson provided an update.

#### Pets & Caregivers

Director Kaplan provided an update on pets and caregivers.

### **BUILDING INSPECTOR REPORT**

Building Inspector Antisdell presented his report (attached).

Following questions, Mr. Antisdell left the meeting at 10:25 a.m.

**DIRECTORS' COMMENTS**

Several Director made a comment.

**SHAREHOLDERS' COMMENTS**

No shareholders made a comment.

GRF Representative Ms. Damoci left the meeting at 10:25 a.m.

**ADJOURNMENT**

There being no further business to conduct, President Carson adjourned the meeting at 10:27 a.m. and announced there would be an Executive Session following the meeting.

**EXECUTIVE SESSION SUMMARY**

The Board met in Executive Session on May 11, 2023, and took the following actions:

The Board approved the Regular Executive Meeting Minutes of April 13, 2023.

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

The Executive Session was adjourned at 11:58 a.m.



Attest, Darlene Milek, Secretary  
SEAL BEACH MUTUAL TWELVE  
DE/AJ: 05/11/23  
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](mailto:darlene.milek@mutual12.org) OR EMAIL PRESIDENT CARSON AT [RICH.CARSON@MUTUALTWELVE.ORG](mailto:RICH.CARSON@MUTUALTWELVE.ORG)**



	A	B	C	D	E	F	G	H	I
1	<b>INSPECTOR MONTHLY MUTUAL REPORT</b>								
3	MUTUAL: <b>(12) TWELVE</b>			INSPECTOR: <b>JERRY ANTISDEL</b>					
4	MUTUAL BOARD MEETING DATE: <b>MAY 11TH 2023</b>			Print Date: 5/4/2023					
1105	<b>CONTRACTS AND PROJECTS</b>								
1368	A. FENN TERMITE AND PEST CONTROL CONTRACT DISCUSS AND VOTE FOR NEW 3 YEAR CONTRACT								
1369	B. UPDATE ON PAINTING OF STOP SIGNS AND PARKING DELINEATORS ON CARPORT DRIVEWAYS (HANDOUT)								
1379	C. DISCUSS UPDATE ASPHALT REPLACEMENT AT CARPORT 137								
1380	D. UPDATE REGARDING PRICING FOR OUTLETS PLUS LIGHTS AND SIGNS FOR GAZEBO AND VINYL FENCING (HANDOUT)								
1381	LANDSCAPE CONTRACT WITH FOUR STARS GOOD UNTIL 2024								
1382	BAIT STATIONS GOOD UNTIL 07/31/2023								
1383									
1559	<b>CALLS AND VISITS TO UNITS</b>								
1916	75								

## CFO REPORT REGULAR MEETING – MAY 11, 2023

Attached to this report is the Detailed Operating Budget Comparison Report for the first quarter ended March 31, 2023 for your review. The Financial Review Committee met in person for the monthly review required by Civil Code §5500 (a-f). As a reminder, all transfers of \$10,000 or more are supported by written agreements, contracts, and board resolutions and verified to financial institution statements. The detailed Financial Statement Report and accompanying reports have been provided to each Board member for review and comment, as well.

The numbers: Cash in the Bank: \$ 287,956 (Operations)

Reserves:

Appliance	\$ 39,524
Painting	\$ 219,002
Roofing	\$1,581,286
Infrastructure	\$ 262,686
Emer/Contingency	\$ 262,108
Capital Improvement	\$ 32,000
Total Reserves	\$2,396,606

Contract Commitments -0-  
**Net Reserves 2,396,606**

Shareholder Receivables \$25,185 (3 Estate Accounts to be paid upon transfer 1 account in collection process)

Operating Income and Expense Notes:

Mutual Income over budget \$ 4,907

Mutual Expenses under budget \$ 6,626

**Mutual Excess Income: \$ 11,533**

**VOTE VOTE VOTE!** It is important that you take time to review the secret ballot for the Election of Directors, as well as three important issues that require your vote – Restated Amended Bylaws, Occupancy Agreement, and Granting of Exclusive use of Common Area for Patios. Mark your ballot, even if it is “quorum only” box, then return the ballot in the envelope provided. A quorum is the minimum number of votes received for the Mutual to be able to conduct the election and other business at the Annual Meeting. PLEASE PARTICIPATE IN GOVERNING YOUR MUTUAL BY VOTING.

The Annual Member Meeting is June 8, 2023 in Clubhouse 4 at 10 a.m. Light refreshments will be served.



Respectfully submitted,  
Susan Ferraro  
Mutual 12 CFO



1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
03/31/2023

P.O. Box 2069  
Seal Beach CA 90740

	Mar Actuals	Mar Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
	87,340	87,340	0	7210000	Trust Maintenance Costs	262,020	262,020	0	1,048,080	786,060
	87,340	87,340	0		GRF Trust Maintenance Fee					
					Total Trust Maintenance Costs	262,020	262,020	0	1,048,080	786,060
	2,313	2,400	87	6420000	Utilities	8,307	7,200	(1,107)	28,801	20,494
	4,335	9,216	4,881	6423000	Electricity	15,404	27,648	12,244	110,595	95,191
	4,877	5,198	321	6424000	Water	14,631	15,594	963	62,376	47,745
	11,526	16,814	5,288		Trash					
					Total Utilities	38,343	50,442	12,099	201,772	163,429
	9,110	1,749	(7,361)	6434000	Professional Fees	12,211	5,247	(6,964)	20,991	8,781
	0	0	0	6435000	Legal Fees	25	0	(25)	0	(25)
					Bank Service Fees					
	9,110	1,749	(7,361)		Total Professional Fees	12,236	5,247	(6,989)	20,991	8,756
					Outside Services					
	10,932	10,934	2	6475000	Landscape Maint. - Contract	32,796	32,802	6	131,207	98,411
	6,750	1,333	(5,417)	6475500	Landscape Maint. - Extras	11,645	3,999	(7,646)	16,001	4,356
	0	1,415	1,415	6475505	Landscape Maint. - Trees	250	4,245	3,995	16,977	16,727
	730	375	(355)	6477100	Painting	972	1,125	153	4,502	3,530
	489	1,437	948	6477200	Pest Control	11,082	4,311	(6,771)	17,248	6,166
	625	1,835	1,210	6477300	Structural Repair	1,418	5,505	4,088	22,021	20,604
	144	416	272	6477400	Miscellaneous Services	1,747	1,248	(499)	4,990	3,243
	10,532	6,107	(4,425)	7552000	Service Maintenance-Standard	3,856	18,321	14,465	73,278	69,422
	3,069	0	(3,069)	7552200	Maintenance Replacements	(704)	0	704	0	704
	(3,069)	0	3,069	5394000	Transfers from Funded Resvs	704	0	(704)	0	(704)
	30,202	23,852	(6,350)		Total Outside Services	63,765	71,556	7,791	286,224	222,459

P.O. Box 2069  
 Seal Beach CA 90740

Mar Actuals	Mar Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
100	99	(1)	6720000	Taxes & Insurance	299	297	(2)	1,193	894
16,989	14,898	(2,091)	6730000	State & Federal Taxes	50,967	44,694	(6,273)	178,775	127,808
17,089	14,997	(2,092)		Property & Liability Insurance					
67,926	57,412	(10,514)		Total Taxes & Insurance	51,266	44,991	(6,275)	179,968	128,702
				Total Operating Expense	165,610	172,236	6,626	688,955	523,345
				Contributions to Capital					
5,003	5,003	0	7620000	Appliance Reserve From Assessments	15,009	15,009	0	60,037	45,028
4,050	4,050	0	7630000	Painting Reserve From Assessments	12,151	12,150	(1)	48,604	36,453
23,180	23,180	0	7675000	Roofing Reserve From Assessments	69,541	69,540	(1)	278,165	208,624
36,273	36,273	0	7677000	Infrastructure Reserve From Assessments	108,820	108,819	(1)	435,279	326,459
68,507	68,506	(1)		Total Contributions to Capital	205,521	205,518	(3)	822,085	616,564
223,774	213,258	(10,516)		Total Expenses	633,151	639,774	6,623	2,559,120	1,925,969

1012 Seal Beach Mutual No. Twelve  
Budget Comparison - Mutuals  
03/31/2023

P.O. Box 2069  
Seal Beach CA 90740

	Mar Actuals	Mar Budget	Budget Variance	Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance	Annual Budget	Annual Unused Budget
<b>OPERATING INCOME</b>										
	5,870	1,294	4,576	5397000	Financial Income					
	(1,085)	(1,085)	0	5398100	Taxable Interest Income - Mutual	12,289	3,882	8,407	15,523	3,234
	369	144	225	5420000	Interest Income Allocation	(3,254)	(3,255)	1	(13,018)	(9,784)
					Other Taxable Income	369	432	(63)	1,725	1,356
	5,153	353	4,800		Total Financial Income	9,403	1,059	8,344	4,230	(5,173)
	849	36	813	5610000	Other Income					
	1,500	2,915	(1,415)	5921000	Late Charges	849	108	741	434	(415)
	50	0	50	5980000	Inspection Fees	4,250	8,745	(4,495)	34,985	30,735
					Miscellaneous Income	320	0	320	0	(320)
	2,399	2,951	(552)		Total Other Income	5,419	8,853	(3,434)	35,419	30,000
	7,552	3,304	4,248		Total Operating Income	14,822	9,912	4,910	39,649	24,827
	5,003	5,003	0	5120000	Contributions To Capital					
	4,050	4,050	0	5130000	Appliance Reserve Contributions	15,009	15,009	0	60,037	45,028
	23,180	23,180	0	5175000	Painting Reserve Contributions	12,151	12,150	1	48,604	36,453
	36,273	36,273	0	5177000	Roofing Reserve Contributions	69,541	69,540	1	278,165	208,624
					Infrastructure Reserve Contributions	108,820	108,819	1	435,279	326,459
	68,507	68,506	1		Total Contributions To Capital	205,521	205,518	3	822,085	616,564
	141,447	141,449	(2)	5111000	Regular Assessments					
	141,447	141,449	(2)		Carrying Charges	424,341	424,347	(6)	1,697,386	1,273,045
	217,506	213,259	4,247		Total Regular Assessments	424,341	424,347	(6)	1,697,386	1,273,045
	(6,267)	1	(6,268)		Total Income and Contributions to Capit.	644,684	639,777	4,907	2,559,120	1,914,436
	16,433	0	(16,433)	8100000	Excess Inc/(Exp) Before Off-Budget Items	11,533	3	11,530	0	(11,533)
	16,433	0	(16,433)		Off-Budget Items					
	(22,700)	1	(22,701)		Depreciation Expense	49,299	0	(49,299)	0	(49,299)
					Total Off-Budget Items	49,299	0	(49,299)	0	(49,299)
					Excess Inc. Exp. After Off-Budget Items	(37,766)	3	(37,769)	0	37,766