

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL TWELVE
April 11, 2024**

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, April 11, 2024, Building 5, Conference Room B and via Zoom Video/Conference Call Meeting.

SHAREHOLDERS' COMMENTS

Several shareholders made a comment.

ROLL CALL

Present: President Carson, Vice President Sprague, Chief Financial Officer Ferraro, Director Hoover (**absent**), Director Hogan, and Director Kaplan

GRF Representative: Ms. Damoci (**via zoom**)

Guest: Three Mutual Twelve Shareholder (**in-person**)
One Mutual Twelve Shareholders (**via zoom**)

Staff: Mr. Antidel, Building Inspector
Ms. Fish-Cacheiro, Building Inspector
Ms. Barua, Sr. Portfolio Specialist (**via zoom**)
Ms. Kong, Portfolio Specialist

GRF REPRESENTATIVE

GRF Representative, Ms. Damoci provided an update on GRF projects.

MINUTES

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

RESOLVED to approve the Regular Meeting Minutes of March 14, 2024, as published.

The MOTION passed unanimously.

BUILDING INSPECTOR'S REPORT

Building Inspector, Antidel presented his report (attached).

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

April 11, 2024

RESOLVED to approve permit application for an extended exclusive use patio located at unit 44-E. All irrigation work is to be done by mutual landscaper. All work to be done at shareholder's sole 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 Director Kaplan, it was

RESOLVED to approve the permit application for an extended exclusive use patio located at unit 36-A. All irrigation work is to be done by mutual landscaper. All work to be done at shareholder's sole expense and authorize the president to sign any necessary documentation.

The MOTION passed unanimously.

Following questions, Mr. Antidel left the meeting at 10:02 a.m.

UNFINISHED BUSINESS

No unfinished business was discussed.

NEW BUSINESS

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

RESOLVED to approve the February 2024, 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 that procedure 12-7709-3 Escape Tax Deposit be re-numbered and adopted as a Rule 12-7709-1 Escape Tax Deposit; and further to increase the stated deposit amount of \$3,000 to \$5,000.00 and approve 28-day posting of notice of proposed procedure change. The proposed procedure change will be considered by the board at the next scheduled meeting following review of any shareholder comments received.

The MOTION passed unanimously.

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

April 11, 2024

RESOLVED to reinvest \$500,000 of Certificate of Deposits held at US BanCorp maturing on April 19, 2024 for terms 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 Director Hogan, it was

RESOLVED since the qualified candidates nominated are the same or fewer in number than the positions to be filled that Richard Carson, Rose Marie Sprague, Susan Ferraro, John Hoover, Kathie Hogan, and John Kaplan are elected by acclamation to be seated as Directors for the term 2024-2025.

The MOTION passed unanimously.

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

RESOLVED to approve/cancel the previously scheduled Annual Meeting of Shareholders on June 13, 2024.

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 hold a regular board meeting on June 13, 2024 in place of the cancelled Annual 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 schedule a Town Hall Meeting of Shareholders in April 29, 2024 to meet and have questions answered by the candidates who will represent Mutual Twelve on the GRF Board.

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 Four Star proposal for mulch to be added in the gazebo planter in Mutual Twelve at a cost not to exceed \$1,050.00. 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 no correspondence.

CHIEF FINANCIAL OFFICER'S REPORT

Chief Financial Officer Ferraro presented her report (attached).

PORTFOLIO SPECIALIST REPORT

Portfolio Specialist Kong presented her report (attached).

ANNOUNCEMENTS

- a. **NEXT BOARD MEETING: Thursday, May 9, 2024, 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 presented no report.

Luncheon Committee
CFO Ferraro submitted a report (attached).

Landscape Committee
No Report.

Physical Properties Committee
President Carson provided an update.

Pets & Caregivers
Director Kaplan presented a report (attached).

Financial Review Committee
CFO Ferraro provided no update.

DIRECTORS' COMMENTS

One Director made a comment.

SHAREHOLDERS' COMMENTS

Several shareholders made a comment.

ADJOURNMENT

April 11, 2024

There being no further business to conduct, President Carson adjourned the meeting at 10:33 a.m. and announced there would be an Executive Session following the meeting.

EXECUTIVE SESSION SUMMARY

The Board met in Executive Session on April 11, 2024, and took the following actions:

The Board approved the Regular Executive Session Meeting Minutes of March 14, 2024.

1. Legal Matters
 - a. No 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 11:54 a.m.

Attest, Rose Sprague, Secretary
SEAL BEACH MUTUAL TWELVE
DK: 04/11/2024
Attachments

INSPECTOR MONTHLY REPORT

MUTUAL : (12) TWELVE

INSPECTOR : Jerry Antisdal

MUTUAL BOARD MEETING DATE: **APRIL 11,2024 9:00 AM**

PERMIT ACTIVITY

| UNIT # | DISCRIPTION OF WORK | GRF/CITY | START | FINISH | CHANGE | RESENT/FINAL INSPECTIONS | CONTRACTOR |
|----------|-------------------------|----------|----------|----------|--------|--------------------------|-----------------------|
| 10-A | REMODEL | BOTH | 12/20/23 | 05/30/24 | NO | 03/06/24 GROUND WORK | MP CONSTRCUTION |
| 35-H | PATIO SLAB/BLOCK WALL | GRF | 03/11/24 | 03/27/24 | NO | NONE | HADI |
| 36-A | HEAT PUMP | BOTH | 03/18/24 | 06/18/24 | NO | NONE | GREENWOOD |
| 36-A | REMODEL | BOTH | 03/18/24 | 05/20/24 | NO | NONE | KONRAD CONSTRUCTION |
| 37-F | AWNINGS | GRF | 12/01/23 | 12/01/23 | NO | NONE | AAA AWNINGS |
| 38-J | COUNTER TOPS | BOTH | 03/15/24 | 06/30/24 | NO | NONE | MP CONSTRUCTION |
| 39-G | ENTRY DOOR | GRF | 04/15/24 | 09/15/24 | NO | NONE | RYDEN CONSTRUCTION |
| 41-H | PATIO SLAB/BLOCK WALL | GRF | 03/18/24 | 04/10/24 | NO | NONE | HADI CONSTRUCTION |
| 43-G | REMODEL WINDOWS | BOTH | 03/01/24 | 05/31/24 | NO | NONE | BERGKVIST |
| 44-E | PAVERS DRIP SYSTEM | GRF | 12/04/23 | 03/05/24 | NO | NONE | FOUR STAR |
| 44-F | FLOORING/KIT CABINETS | GRF | 01/31/24 | 03/29/24 | NO | NONE | PERFOMANCE REMODEL |
| 45-C | FLOORING | GRF | 12/20/23 | 01/30/24 | NO | NONE | KARYS |
| 45-E | SHOWER | BOTH | 02/12/24 | 03/29/24 | NO | 02/15/24 ROUGH PLUMBING | BERGKVIST |
| 45-H | CART PAD | GRF | 03/10/24 | 03/30/24 | NO | NONE | FOUR STAR LANDSCAPE |
| 46-C | FLOORING | GRF | 02/29/24 | 04/30/24 | NO | NONE | B&B CARPET & FLOORING |
| 46-I | WASHER/DRYER | BOTH | 10/06/23 | 01/18/24 | NO | ROUGH PLUM/ELECTRICAL | LOS AL BUILDERS |
| 47-K | KITCHEN REMODEL | BOTH | 03/15/24 | 07/30/24 | NO | NONE | MAMUSCIA |
| 56-J | HEAT PUMP | BOTH | 03/19/24 | 05/19/24 | NO | NONE | ALPINE |
| 60-C | CARPORT CABINET | GRF | 03/18/24 | 05/03/24 | NO | NONE | CJ CONSTRUCTION |
| 62-G | PATIO | GRF | 03/04/24 | 05/30/24 | NO | NONE | MP CONSTRUCTION |
| 63-G | CARPORT CABINET | GRF | 03/20/24 | 04/20/24 | NO | 03/28/24 FINAL | VICKERS CONSTRUCTION |
| 64-C | CARPORT CABINET | GRF | 02/19/24 | 04/30/24 | NO | 03/15/24 FINAL | CJ CONSTRUCTION |
| 70-H | HEAT PUMP | BOTH | 02/29/24 | 03/01/24 | NO | NONE | ALPINE |
| 73-H | HEAT PUMP | BOTH | 10/02/23 | 01/02/24 | NO | NONE | GREENWOOD |
| 76-E | INTERIOR PATIO CONCRETE | GRF | 12/18/23 | 03/23/24 | NO | NONE | M JURADO |
| MUT 12 | REROOFS 14 BUILDINGS | BOTH | 01/16/24 | 01/16/25 | NO | | ROOFING STANDARDS |
| BLDG. 40 | REROOF | BOTH | 01/16/24 | 01/16/25 | NO | SHEATHING | ROOFING STANDARDS |
| BLDG. 65 | REROOF | BOTH | 01/16/24 | 01/16/25 | NO | SHEATHING | ROOFING STANDARDS |
| BLDG. 44 | REROOF | BOTH | 01/16/24 | 01/16/25 | NO | SHEATHING | ROOFING STANDARDS |
| BLDG. 34 | REROOF | BOTH | 01/16/24 | 01/16/25 | NO | SHEATHING | ROOFING STANDARDS |
| BLDG. 56 | REROOF | BOTH | 01/16/24 | 01/16/24 | NO | SHEATHING | ROOFING STANDARDS |
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ALL SHADED AREAS HAVE BEEN SIGNED OFF

ESCROW ACTIVITY

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

| UNIT | NMI | PLI | NBO | FI | COE | ROF |
|------|-----|----------|----------|----------|----------|----------|
| 11-G | | 06/23/23 | | | | |
| 34-D | | 10/30/23 | | | | |
| 34-E | NMI | 03/26/24 | | | | |
| 35-I | | 02/29/24 | 03/27/24 | 03/28/24 | 04/11/24 | |
| 36-A | | 01/26/24 | 02/14/24 | 02/16/24 | 03/04/24 | 03/29/24 |
| 38-L | | 02/13/24 | | | | |
| 40-G | | 02/09/24 | | | | |
| 40-H | | 02/09/24 | | | | |
| 41-D | | 03/13/24 | | | | |

INSPECTOR MONTHLY REPORT

| | | | | | | | |
|------|--|----------|----------|----------|----------|----------|--|
| 43-B | | 03/20/24 | | | | | |
| 46-F | | 03/29/24 | | | | | |
| 63-G | | 09/29/23 | 01/26/24 | 02/02/24 | 02/16/24 | 03/26/24 | |
| 70-F | | 03/28/24 | | | | | |
| 74-F | | 03/28/24 | | | | | |

ALL SHADED AREAS HAVE BEEN SIGNED OFF

CONTRACTS & PROJECTS

- 7-A DISCUSS AND VOTE TO APPROVE TESTING AND ABATEMENT (~~HAND OUT~~)
- 7-B DISCUSS AND VOTE TO APPROVE PATIO PROPOSAL FOR UNIT # 44-E.
- 7-C DISCUSS AND VOTE TO APPROVE PATIO PROPOSAL FOR UNIT # 36-A.
- 7-D DISCUSS AND VOTE TO APPROVE SOLAR ENERGY PERMIT APPLICATION FOR UNIT # 77-F.
- 7-E UPDATE ON ROOFING PROJECT NEXT PHASE OF BUILDINGS 55 ,56 ,72 ,76.
- 7-F DISCUSS PROCEDURES AND TIMING FOR REPLACEMENT OF WATER HEATERS INSTALLED IN UNITS PRIOR TO 2014
- 7-G REQUEST FOR PROPOSALS FOR BIDS FOR LANDSCAPE SERVICES
- FENN BAIT STATION FOR 3 YEARS CONTRACT GOOD UNTIL JULY 31 ST 2026
- FENN TERMITE AND PEST CONTROL CONTRACT GOOD UNTIL JUNE 30 TH 2026
- LANDSCAPE CONTRACT WITH FOUR STARS GOOD UNTIL AUGUST 31 ST 2024

CALLS & VISITS TO UNITS

CFO REPORT – REGULAR MEETING APRIL 11, 2024

This report covers the current year financial statements through February 29, 2024. Each member of the Board of Directors has received the full report for their review and comment. In addition, the statements were reviewed by the M12 Financial Review Committee in compliance with California Civil Code §5500 (a)-(f). .

As of February 29, 2024:

| | | |
|---------------------|-----------|-----------------------------|
| Cash in the bank | \$406,346 | (Checking & MMA Operations) |
| General Investments | \$259,798 | |

Reserve Accounts:

| | |
|------------------------|-----------------|
| Appliance Reserve | \$ 55,483 |
| Painting Reserve | \$ 263,945 |
| Roofing Reserve | \$1,836,692 |
| Emergency/Cont. | \$ 261,329 |
| Infrastructure Reserve | \$ 452,456 |
| Capital Fund | <u>\$ 2,064</u> |

TOTAL RESERVES \$ 2,871,969

Less Project Commitments (\$1,652,771) – Roofing Contract in Progress

Available RESERVES \$ 1,219,198

Accounts Receivable: \$ 77,132 (4 accounts owe more than \$1800 – 2 Estate accounts to be paid upon sale or transfer and 2 accounts in collect)

Operating Income \$ 14,410 – Positive variance from Budget

Operating Expense \$ 4,177 – Positive variance from Budget

EXCESS INCOME 2/29/2024 \$18,587

The 2nd Installment of real property taxes for the period 2023-2024 have been timely paid and cleared the bank.

Respectfully submitted,
Susan Ferraro
M12 Chief Financial Officer

