

**A G E N D A**  
**REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS**  
**SEAL BEACH MUTUAL SEVEN**  
**March 20, 2019**  
**Meeting begins at 1:00 p.m.**  
**Administration Building Conference Room A**

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. SHAREHOLDER COMMENTS (2-3 minutes per shareholder)
3. ROLL CALL
4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUEST(S):
  - Ms. Miller, Finance Director
  - Ms. Rapp, GRF Representative
  - Ms. Hopkins, Mutual Administration Director
  - Mr. Hurtado, Building Inspector
  - Ms. Villalobos, Recording Secretary
5. APPROVAL OF MINUTES:  
**Regular Meeting Minutes of February 20, 2019**
6. CONSENT CALENDAR
  - a. Discuss and vote to authorize the transfer of funds for Mutual Seven (p.3)
7. BUILDING INSPECTOR'S REPORT Mr. Hurtado  
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (p.4)
8. **GUEST SPEAKER** **Ms. Miller**
  - a. Review and approve the 2018 Financial Statements Audit (p.5)
9. **UNFINISHED BUSINESS**
  - a. Discuss and vote to ratify amended/posted Policy 7405.07 – Flooring and Floor Covering Permits (p.6-7)
  - b. Discuss and vote to ratify rescinded/posted Policy 7707 – Apartment Pre-Sale Cleanup and adopted/posted Policy 7707.07 – Apartment Pre-Sale Cleanup (p.8-12)
  - c. Update Replacing Smoke Detectors
10. **NEW BUSINESS**
  - a. Discuss and vote to approve the Financial Review for February 2019 (p.13)
  - b. Discuss and vote to approve/deny the invoice for Legal Opinion from Roseman Law APC (p.14)
  - c. Discuss and vote to approve/deny the Restatement Agreement with Roseman Law APC (p.15)

**NEW BUSINESS (continued)**

- d. Shareholder Statement to Vote Cumulatively (p.16)
- e. Discuss and vote to Cancel the Regular Meeting of May 15, 2019 due to Annual Shareholders Meeting (p.17)

**STAFF BREAK BY 3:00 p.m.**

- 11. SECRETARY / CORRESPONDENCE Ms. Rettela
- 12. CHIEF FINANCIAL OFFICERS REPORT Mrs. Fellows
- 13. GRF REPRESENTATIVE Ms. Rapp
- 14. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
- 15. COMMITTEE REPORTS Ms. Moore
- 16. ANNOUNCEMENTS
  - a. **NEXT MEETING WEDNESDAY, April 17, 2019 at 1:00 p.m.  
Administration, Conference Room A**
- 17. DIRECTORS' COMMENTS
- 18. SHAREHOLDER(S') COMMENTS (2-3 MINUTES)
- 19. ADJOURNMENT
- 20. EXECUTIVE SESSION

**STAFF WILL LEAVE THE MEETING BY 4:00 p.m.**

# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO DISCUSS AND VOTE TO AUTHORIZE THE TRANSFER OF FUNDS FOR MUTUAL NINE (CONSENT CALENDAR ITEM A)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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*I move that the Board authorizes the following transfer of funds per detailed Resolutions.*

## INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(07) SEVEN**

INSPECTOR: **George Hurtado**

MUTUAL BOARD MEETING DATE: **March 20, 2019**

### PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
156H	lvrm, bdrm ext. 1/2 bath	yes	09/11/18	03/22/19	no	drywall 1/4/19	MP Construction
148A	lattice patio cover	yes	01/15/19	04/20/19	no		AAA Awnings
163G	New entrance, windows	yes	08/13/18	03/15/19	no	drywall 3/4/19	BJ & Co
155H	countertops, patio tile	yes	01/30/19	05/30/19	no		Mamusia
174G	countertops,dishwasher,floor	yes	01/30/19	05/30/19	no		Mamusia
168E	heat pump	yes	01/30/19	04/30/19	no	final 2/21/19	Greenwood
156H	heat pump	yes	12/13/18	03/10/19	no		Yes A/C
168L	Remodel	yes	08/28/18	03/29/19	no	scratch coat 3/12/19	Roberts
146A	heat pump	yes	02/22/19	04/05/19	no		Alpine
155G	heat pump	yes	02/22/19	04/04/19	no	03/11/19	Alpine
176B	ceiling fan, cabinet modificatio	yes	02/22/19	04/26/19	no		Los Al Builders
145K	remodel	yes	10/31/18	03/31/19	no	drywall 3/4/19	BJ &Co
150E	Awnings	yes	09/19/18	01/20/18	no	final 1/3/19	AAA Awnings
175D,E	entry sidewalk modification	yes	02/26/19	04/30/19			Los Al Builders
160L	counters, appliances	yes	02/11/19	04/19/19	no		Bergkvist
161F	1/2 bath, kitchen remodel	yes	02/22/19	07/30/19	no		MP Construction
170K	carpet, vinyl plank flooring	yes	01/31/19	03/01/19	no	final 2/12/19	Kary's
156E	heat pump	yes	12/18/18	03/21/19	no		Greenwood
176L	patio tile	yes	02/04/19	03/15/19	no		Roberts Construction
158B	countertops	yes	12/06/18	02/22/19	no		Mamuscia
161D	vinyl plank flooring	yes	03/04/19	04/01/19	no		Kary's Carpet
146A	vinyl plank flooring	yes	02/21/19	03/25/19	no		Kary's
168C	heat pump	yes	02/11/19	05/11/19	no		Greenwood
158H	vinyl flooring	yes	02/12/19	03/20/19	no	final 3/5/19	Kary's carpet
158G	bath remodel	yes	02/14/19	03/20/19	no		Hadi
165F	pavers	yes	02/04/19	03/15/19	no		Anguano

### ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
169E				02/27/19			
151E			02/28/19				
169L			03/04/19				
155I			03/07/19				
148J		02/21/19					
152D		02/21/19					

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

### CONTRACTS

CONTRACTOR	PROJECT
Fenn	termites and pests
Total Landscape	gardening
Empire Pipe	sewer cleaning
Innovative Cleaning Services	laundry rooms / partitions
Jordan Roofing	roofing project
Bruno Alvarez	termite and dry rot repairs
ERC	asbestos abatement
Cal Repipe	re-pipe project

### SPECIAL PROJECTS

CONTRACTOR	PROJECT

### APARTMENT VISITS

Various apartment visits

# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE 2018 AUDITED FINANCIAL STATEMENTS (GUEST SPEAKER ITEM A)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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On March 20, 2019, Ms. Miller, Director of Finance, will review the Financial Statements as of the year ending December 31, 2018, by the Independent Accountant's Report as submitted by CliftonLarsonAllen (CLA).

***I move to accept that the Board of Directors of Seal Beach Mutual Seven, upon a presentation of the Financial Statements as of December 31, 2018, for the year then ended, and the proposed Accountant's Report as submitted by CliftonLarsonAllen (CLA), hereby accepts the above-mentioned Financial Statements and reports therein, and authorize the President to sign the Management Representation Letter.***

# Mutual Corporation No. Seven

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO RATIFY AMENDED/POSTED POLICY  
7405.07 – FLOORING AND FLOOR COVERING PERMITS  
(UNFINISHED BUSINESS ITEM A)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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At the February 20, 2019, Regular Board Meeting, the Board of Directors amended Policy 7405.07 – Flooring and Floor Covering Permits(attached).

The 28-day posting period has been completed, and on March 20, 2019, the Board of Directors will vote to ratify amended/posted Policy 7405.07 – Flooring and Floor Covering Permits.

***I move to ratify amended/posted Policy 7405.07 – Flooring and Floor Covering Permits.***

**MUTUAL OPERATIONS****AMEND****PHYSICAL PROPERTY****Flooring and Floor Covering Permits – Mutual Seven**

Building Permit – to include ~~wood, tile and stone~~ **all flooring**.

Effective immediately, Mutual Seven requires a GRF Building Permit for all **flooring** ~~wood, tile, and stone~~ floor installation at Shareholder expense.

If original flooring is disturbed, all abatement procedures for asbestos will be required. All testing reports and EPA/AQMD permits will be required as needed. Copies of permits and testing reports shall be filed with GRF flooring permit.

Reason for this requirement includes:

- Assurance that no asbestos contained material is removed or compromised.
- No Mutual property is damaged.
- Interior/exterior patio/porch flooring is appropriate (for example – if tile on patio and interior of the unit – nonskid).
- When any patio flooring is altered the first panel of the entry sidewalk shall be removed and then replaced to the same elevation **at as** new patio floor with appropriate slope to existing remaining entry sidewalk.
- At sale or transfer of the unit when existing patio floor is not same elevation as existing entry sidewalk, the first panel of entry sidewalk must be replaced as noted above at the seller's expense.
- Shareholder understands that Mutual Seven is not responsible for damage to, or failure of, flooring purchased and installed by shareholders.

**MUTUAL ADOPTION****AMENDMENTS**

SEVEN: 04-19-17

# Mutual Corporation No. Seven

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO RATIFY ADOPTED/POSTED POLICY 7707.07 – APARTMENT PRE-SALE CLEANUP AND RESCIND POSTED POLICY 7707 - APARTMENT PRE-SALE CLEANUP (UNFINISHED BUSINESS ITEM B)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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At the February 20, 2019, Regular Board Meeting, the Board of Directors adopted/posted Policy 7707.07 – Apartment Pre-Sale Cleanup and rescind Policy 7707 - Apartment Pre-Sale Cleanup (attached).

The 28-day posting period has been completed, and on March 20, 2019, the Board of Directors will vote to ratify adopted/posted Policy 7707.07 – Apartment Pre-Sale Cleanup and rescind Policy 7707 - Apartment Pre-Sale Cleanup.

***I move to ratify adopted/posted Policy 7707.07 – Apartment Pre-Sale Cleanup and rescind Policy 7707 - Apartment Pre-Sale Cleanup.***



**MUTUAL OPERATIONS****ADOPT DRAFT****PHYSICAL PROPERTY****Apartment Pre-Sale Cleanup**

The following information is provided to all relatives, heirs, or Trustees of an estate who will be involved with the disposition of a Leisure world apartment upon the resident's demise and/or sale of the apartment.

1. If the apartment is to be sold, a "Notice of Intention to Withdraw" must be filed with the Stock Transfer Office in the Administration Building. This form can be obtained from your realtor or escrow company.
2. For the disposal of trash, use the trash bins located at the ends of the carports. All trash must be completely contained within these trash bins. Discarded items may not be left outside the trash bins. For large items that cannot be contained within these trash bins, a large dumpster is located in the garden area at the northwest corner of Leisure World on Nassau Street (behind Mutual Nine). Contact a Director of the Mutual for assistance if you are unfamiliar with the area (a list of Directors can be found in the laundry room).
3. Televisions and such, paint and other combustibles or chemicals may not be placed in any trash dumpster within Leisure World. Items of this type and liquids containing hazardous materials must be disposed of at a hazardous waste facility. Contact: Huntington Beach Hazardous Waste Collection Center at (714) 847-3581 for information (on Nichols Street, west of Beach Boulevard and south of Warner Avenue), or the Orange County Integrated Waste Management Department at (714) 834-6752.
4. Refrigerator must be emptied and washed inside and out, be turned off, and the doors propped open to vent and dry the interior. If the refrigerator doors are not propped open, the refrigerator must be left on.
5. All food products, **medications and all cleaning products either liquid or spray containers** must be removed from **the apartment**.
6. Cook top must be cleaned, and grease or drippings removed from under the burners. Exhaust filter must be thoroughly washed or replaced. Replacement filters may be obtained through the Golden Rain Foundation Purchasing Department located at the Copy & Supply Center in Building 5, adjacent to the Security Satellite Office or the main Purchasing Department located at the west end of Golden Rain Road.
7. Oven must be cleaned, and the grates and broiler pan/cover thoroughly washed.
8. Kitchen and bathroom countertops, sinks, tub, shower enclosures and toilets must be thoroughly cleaned.

(draft created on 2-12-19cv)

(draft further amended on 2-20-19cv)

**MUTUAL OPERATIONS**

**ADOPT DRAFT**

**PHYSICAL PROPERTY**

**Apartment Pre-Sale Cleanup**

9. Interior surfaces in apartment are to be cleaned, and the carpet vacuumed.
10. Trash must be removed from the apartment and patio area to avoid attracting bugs and/or rodents.
11. Only patio furniture may be left on the patio during this interim period.
12. Electricity must be left on during the sale period to allow the electric smoke detector system to remain operational.
13. Carport storage locker must be cleaned out and left unlocked.
14. For additional assistance or information, please contact a Board member.

**MUTUAL ADOPTION**

**AMENDMENTS**

SEVEN:

(draft created on 2-12-19cv)  
(draft further amended on 2-20-19cv)

**MUTUAL OPERATIONS****RESCIND MUTUAL SEVEN****PHYSICAL PROPERTY****Apartment Pre-Sale Cleanup**

The following information is provided to all relatives, heirs, or Trustees of an estate who will be involved with the disposition of a Leisure world apartment upon the resident's demise and/or sale of the apartment.

1. If the apartment is to be sold, a "Notice of Intention to Withdraw" must be filed with the Stock Transfer Office in the Administration Building. This form can be obtained from your realtor or escrow company.
2. For the disposal of trash, use the trash bins located at the ends of the carports. All trash must be completely contained within these trash bins. Discarded items may not be left outside the trash bins. For large items that cannot be contained within these trash bins, a large dumpster is located in the garden area at the northwest corner of Leisure World on Nassau Street (behind Mutual Nine). Contact a Director of the Mutual for assistance if you are unfamiliar with the area (a list of Directors can be found in the laundry room).
3. Televisions and such, paint and other combustibles or chemicals may not be placed in any trash dumpster within Leisure World. Items of this type and liquids containing hazardous materials must be disposed of at a hazardous waste facility. Contact: Huntington Beach Hazardous Waste Collection Center at (714) 847-3581 for information (on Nichols Street, west of Beach Boulevard and south of Warner Avenue), or the Orange County Integrated Waste Management Department at (714) 834-6752.
4. Refrigerator must be emptied and washed inside and out, be turned off, and the doors propped open to vent and dry the interior. **If the refrigerator doors are not propped open, the refrigerator must be left on.**
5. All food products must be removed from the cupboards and disposed of properly. Mutual Four: All food products must be removed from the apartment.
6. Cook top must be cleaned, and grease or drippings removed from under the burners. Exhaust filter must be thoroughly washed, or replaced. Replacement filters may be obtained through the Golden Rain Foundation Purchasing Department located at the west end of Golden Rain Road.
7. Oven must be cleaned, and the grates and broiler pan/cover thoroughly washed.
8. Kitchen and bathroom countertops, sinks, tub, shower enclosures and toilets must be

(Jan 05)

**MUTUAL OPERATIONS****RESCIND MUTUAL SEVEN****PHYSICAL PROPERTY****Apartment Pre-Sale Cleanup**

thoroughly cleaned.

9. Interior surfaces in apartment are to be cleaned, and the carpet vacuumed.
10. Trash must be removed from the apartment and patio area to avoid attracting bugs and/or rodents.
11. Only patio furniture may be left on the patio during this interim period.
12. Electricity must be left on during the sale period to allow the electric smoke detector system to remain operational.
13. Carport storage locker must be cleaned out and left unlocked.
14. For additional assistance or information, please contact a Board member.

**MUTUAL ADOPTION**

ONE:	27 Jan 05	NINE:	11 Oct 04
TWO:	18 Nov 04	TEN:	27 Oct 04
THREE:	10 Dec 04	ELEVEN:	18 Nov 04
FOUR:	03 Jan 05	TWELVE:	12 Nov 04
FIVE:	20 Oct 04	FOURTEEN:	26 Oct 04
SIX:	26 Oct 04	FIFTEEN:	18 Oct 04
SEVEN:	15 Oct 04	SIXTEEN:	16 Nov 04
EIGHT:	25 Oct 04	SEVENTEEN:	Not Applicable

(Jan 05)

# Mutual Corporation No. Seven

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE THE FINANCIAL REVIEWS FOR FEBRUARY 2019 (NEW BUSINESS ITEM A)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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*I move to acknowledge, that per the requirements of Civil Code Section 5500(a)-(f), a review has been completed of the Mutual's' reconciliations of the operating and reserve accounts, operating revenues and expenses compared to the current year's budget, statements prepared by the financial institutions where the Mutual has its operating and reserve accounts, income and expense statement for the Mutual's operating and reserve accounts, the check registers, the monthly general ledger and delinquent assessment receivable reports, for the month of February 2019.*

# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE THE FINANCIAL REVIEWS FOR FEBRUARY 2019 (NEW BUSINESS ITEM B)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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*I move to approve/deny the invoice regarding invoice from Roseman Law APC regarding Legal Opinion, Financial Procedures and Approvals at a cost not to exceed \$222.22*

# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO APPROVE/DENY THE RESTATEMENT AGREEMENT WITH ROSEMAN LAW APC (NEW BUSINESS ITEM C)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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*I move to approve/deny the Restatement Agreement with Roseman Law APC. The restatement will include the Bylaws, Occupancy Agreement and Policies, at a cost not to exceed \$2,800, and authorize the President to sign the contract.*

# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** SHAREHOLDER STATEMENT TO VOTE CUMULATIVELY  
(NEW BUSINESS ITEM D)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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Per the Mutuals' Bylaws Article IV, Section 7, I (**please state your first and last name**), shareholder of Mutual Seven, intend to vote cumulatively for the election of Directors for the 2019-2020 term of office.



# *Mutual Corporation No. Seven*

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## MEMO

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**TO:** MUTUAL BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION  
**SUBJECT:** DISCUSS AND VOTE TO CANCEL THE REGULAR MEETING OF MAY 15, 2019  
DUE TO ANNUAL SHAREHOLDERS MEETING (NEW BUSINESS ITEM E)  
**DATE:** MARCH 20, 2019  
**CC:** MUTUAL FILE

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On March 20, 2019, the Board of Directors will vote to cancel the May 15, 2019 Regular Meeting due to the Shareholders Annual Meeting.

***I move to cancel the May 15, 2019 Regular Board Meeting due to the Shareholders Annual Meeting.***