

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL SEVEN
October 21, 2020
Meeting begins at 1:00 p.m.
Zoom Video and Call Conference Meeting

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone upon the Shareholder contacting Mutual Administration and requesting the call-in information. Please submit your information, including your name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., 10/20/2020, the business day before, the date of the meeting.

TO PROVIDE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must (i) notify their parcel director of their intent to speak during Shareholder open forum, or (ii) submit their information, including their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:00 p.m., the business day before the date of the meeting.

1. CALL TO ORDER
2. SHAREHOLDER COMMENTS (2-3 minutes per shareholder, agenda items only)
3. ROLL CALL
4. INTRODUCTION OF GRF REPRESENTATIVE, STAFF, AND GUEST(S):

Ms. Rapp, GRF Representative
Ms. Miller, Director of Finance
Ms. Hopkins, Mutual Administration Director
Mr. Hurtado, Building Inspector
Ms. Gamboa, Portfolio Specialist
Ms. Dullaart, Recording Secretary

5. APPROVAL OF MINUTES:
 - a. Regular Meeting Minutes of September 16, 2020
6. BUILDING INSPECTOR'S REPORT Mr. Hurtado
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (pp. 3-4)
 - a. Discuss and vote to approve the patio for 145-G by Jurado (p. 5)
7. GUEST SPEAKER Ms. Miller
 - a. Discuss and vote to approve the 2021 Operating Budget (pp. 6-14)
 - b. Discuss and vote to approve the acceptance of the CliftonLarsonAllen, LLP engagement letter (pp. 15-27)

7. CHIEF FINANCIAL OFFICER'S REPORT Mrs. Fellows
a. Discuss and vote to approve Monthly Financials (p. 28)
b. Discuss and vote to authorize transfers of funds for Mutual Seven (p. 29)
c. Discuss and vote to approve the transfer of funds (p. 30)
8. UNFINISHED BUSINESS
No unfinished business
9. NEW BUSINESS
a. Discuss and vote to approve gutter cleaning by Total Landscaping (p. 30)
10. SECRETARY / CORRESPONDENCE Mrs. Repasi
11. GRF REPRESENTATIVE Ms. Rapp
12. MUTUAL ADMINISTRATION DIRECTOR Ms. Hopkins
13. ANNOUNCEMENTS
- NEXT REGULAR MEETING:
Wednesday, November 18, 2020 at 1:00 p.m. Clubhouse Four/Virtual
14. COMMITTEE REPORTS
15. DIRECTOR'S COMMENTS
16. SHAREHOLDERS COMMENTS (2-3 MINUTES)
17. ADJOURNMENT
18. EXECUTIVE SESSION

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

MUTUAL: **(07) SEVEN**

INSPECTOR: **George Hurtado**

MUTUAL BOARD MEETING DATE: **October 21, 2020**

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
145C	vinyl plank flooring	yes	10/12/20	11/15/20	no		Karys Carpet
147L	skylights	yes	09/03/20	11/30/20	no		M&M
148H	carport cabinet	yes	10/07/20	11/15/20	no		Imagination Unlimited
149K	heat pump	yes	09/02/20	12/14/20	no		Greenwood
150G	pergola	yes	06/25/20	10/15/20	no		AAA Awnings
152D	slider, windows	yes	08/25/20	10/14/20	no		Los Al Builders
153B	dishwasher	yes	09/10/20	10/20/20	no		Los Al Builders
155C	block wall @ patio	yes	08/21/20	10/30/20	no	final 9/8/20	Mamuscia
157F	carport cabinet	yes	10/07/20	11/15/20	no		Imagination Unlimited
157L	vinyl plank flooring	yes	10/07/20	11/10/20	no		Karys Carpet
157L	windows	yes	10/01/20	12/10/20	no		Los Al Builders
157L	heat pump	yes	08/18/20	11/25/20	no		Greenwood
159G	Tri Zone heat pump	yes	10/12/20	01/26/21	no		Greenwood
159G	vinyl plank flooring	yes	08/06/20	10/15/20	no	final 10/6/20	Kary's
159H	heat pump	yes	09/14/20	12/08/20	no		Greenwood
159J	carport cabinet	yes	09/24/20	10/15/20	no		Imagination Unlimited
157D	remodel throughout unit	yes	07/02/20	10/20/20	no		Ogan
162A	countertop	yes	08/07/20	11/30/20	yes		Mamuscia
166B	heat pump	yes	09/14/20	12/01/20	no		Greenwood
167L	heat pump	yes	09/09/20	01/01/21	no		Greenwood
169I	heat pump	yes	08/27/20	12/15/20	no		Greenwood
163A	Patio	yes	07/29/20	11/30/20	no	final 10/6/20	Mamuscia

MUTUAL: **(07) SEVEN**

INSPECTOR: **George Hurtado**

MUTUAL BOARD MEETING DATE: **October 21, 2020**

175D	microwave, cabinets	yes	08/02/20	11/01/20	no		Cascarini Construction
175F	patio windows,slider	yes	10/09/20	12/16/20	no		Los Al Builders
174B	2nd bath,laundry,cabinets	yes	12/31/19	11/30/20	yes	scratch coat 9/29/20	Mamuscia
159G	windows, door	yes	07/31/20	10/24/20	no		Ogan
174L	pavers	yes	09/17/20	10/26/20	no		Roberts

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
161L		08/26/20	10/05/20	10/07/20	10/19/20		
167D		02/25/20					
165J		03/23/20					
165I		01/21/20					
160F	9/18/2020						
160B		08/07/20					
175H		06/08/20	10/02/20	10/20/20			
159I		05/21/20	10/02/20				
154H		09/21/20	10/09/20				
150J		08/13/20	09/15/20	09/24/20			

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
Southern Property Fire Protection	service and refill laundry extinguisher

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE 145-G PATIO BY JURADO (BUILDING INSPECTORS REPORT, ITEM A)
DATE: OCTOBER 21, 2020
CC: FILE

I move to approve the 145-G patio. Work to be done by Jurado, at the shareholders expense.

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE 2021 BUDGET (GUEST SPEAKER, ITEM A)
DATE: OCTOBER 21, 2020
CC: MUTUAL FILE

I move to approve the 2021 Operating Budget for Mutual Seven of \$1,965,117.00, resulting in a regular monthly assessment of \$426.46 per apartment per month, for an increase of \$9.29 per month over the total regular assessment, as presented, and to adopt this budget forthwith.

**Seal Beach Mutual Seven
Operating Budget
Year Ended December 31, 2021**

384	Average Monthly Per Apartment			Operating Budget In Dollars		
	2021	2020	Change	2021	2020	Change
Apartments						
Electricity	2.17	2.39	(0.22)	9,999	11,013	(1,014)
Telephone	0.24	0.27	(0.03)	1,106	1,244	(138)
Water	15.19	15.46	(0.27)	69,996	71,240	(1,244)
Trash	9.50	8.89	0.61	43,776	40,965	2,811
Total Utilities	27.10	27.01	0.09	124,877	124,462	415
Management Fee	0.56	0.56	0.00	2,580	2,580	0
Legal Fees	1.95	1.74	0.21	8,986	8,018	968
Investment Fees	0.07	0.08	(0.01)	323	369	(46)
Total Professional Fees	2.58	2.38	0.20	11,889	10,967	922
Janitorial Services	0.78	0.77	0.01	3,594	3,548	46
Landscape - Contract	38.73	36.97	1.76	178,468	170,358	8,110
Landscape - Extras	4.34	3.91	0.43	19,999	18,017	1,982
Green Waste Bins	0.00	0.00	0.00	0	0	0
Painting	1.19	1.19	0.00	5,484	5,484	0
Pest Control	2.32	2.05	0.27	10,691	9,446	1,245
Structural Repairs	6.51	6.08	0.43	29,998	28,017	1,981
Miscellaneous Services	0.65	0.65	0.00	2,995	2,995	0
Emergency Preparedness	0.02	0.05	(0.03)	92	230	(138)
Standard Service	20.18	19.53	0.65	92,989	89,994	2,995
Total Services	74.72	71.20	3.52	344,310	328,089	16,221
State & Federal Taxes	1.03	2.01	(0.98)	4,746	9,262	(4,516)
Property / Liability Ins.	24.32	23.35	0.97	112,067	107,597	4,470
Total Taxes & Insurance	25.35	25.36	(0.01)	116,813	116,859	(46)
Operating Expenses	129.75	125.95	3.80	597,889	580,377	17,512
Income from Services						
Merchandise Sales	0.00	0.00	0.00	0	0	0
Laundry Machines	1.86	2.34	(0.48)	8,571	10,783	(2,212)
Total Services Income	1.86	2.34	(0.48)	8,571	10,783	(2,212)
Financial Income						
Interest Income	3.09	6.72	(3.63)	14,239	30,966	(16,727)
Late Charges	0.74	0.39	0.35	3,410	1,797	1,613
Inspection Fees	5.64	5.21	0.43	25,989	24,008	1,981
Miscellaneous	0.09	0.09	0.00	415	415	0
Parking Fines	0.00	0.00	0.00	0	0	0
Total Financial Income	9.56	12.41	(2.85)	44,053.00	57,186	(13,133)
Operating Income	11.42	14.75	(3.33)	52,624	67,969	(15,345)
Net Operating Cost	118.33	111.20	7.13	545,265	512,408	32,857
Reserve Funding	143.08	142.86	0.22	659,302	658,299	1,003
Total Mutual Costs	261.41	254.06	7.35	1,204,567	1,170,707	33,860
Allocated Trust Cost	165.05	163.11	1.94	760,550	751,611	8,940
Regular assessment	426.46	417.17	9.29	1,965,117	1,922,318	42,800

Property taxes are assessed to the stockholder's unit and are added to the regular assessment and become part of the monthly payment. Accordingly, they are excluded from the operating budget.

**Seal Beach Mutual Seven
Assessment And Reserve Funding Disclosure Summary**

- 1) The current regular assessment per ownership interest per month is \$ 426.46 and the portion allocated to reserves per ownership interest per month is \$ 132.38 .
- 2) Neither the board nor the members have approved additional assessments for any purpose.
- 3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major component during the next 30 years?
 Yes X No _____
- 4) If the answer to #3 is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members?
- 5) All major components are included in the reserve study and are included in its calculations.
- 6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated required amount to be in the reserve fund at the end of the 2020 fiscal year is \$ 2,155,404 based in whole or in part on the last reserve study or update prepared by the board as of 8/26/2020. The projected reserve fund cash balance at the end of the 2020 fiscal year is \$ 826,012 reserves being 38.3% funded at this date.
- 7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated required amount to be in the reserve fund, the projected fund balance of those years, taking into account only assessments approved and other known revenues, and the percentage funded at the end of each of the next five years is:

Year	Required Funding	Projected Fund Bal.	% Funded
2021	\$ 1,843,408	843,004	45.7%
2022	1,361,133	667,274	49.0%
2023	1,569,508	1,179,462	75.1%
2024	1,786,031	1,718,518	96.2%
2025	1,991,982	2,288,563	114.9%

This financial representation set forth in this summary is based on the best estimates of the board at this time and is further predicated on the board maintaining the current Reserve Funding Plan.

**Seal Beach Mutual Seven
Replacement Reserve Summary
Budget Year 2021**

While preparing the annual operating budget, the board reviews the conditions and assumptions regarding the common interest of the Mutual. This review consists of updating the replacement cost and remaining useful life of the Mutual's common interest property. This data is used to develop reserve requirements using the formula set forth in Civil Code 5570 (b) (4). The board expects to finance all replacements through regular assessments to the shareholders. Accordingly, the board does not plan any special assessments.

Fund	Estimated			Reserve Funding			
	Useful Life	Remaining Life	Replacement Cost	Required Funding	Estimated Beg. Bal.	Planned 2021 Funding	Estimated % Funded
Paint	5 - 11	1 - 4	442,266	395,182	261,596	100,000	91.5%
Roof	29 - 40	0 - 29	3,573,842	1,255,869	324,709	360,000	54.5%
Infrastructure	1 - 30	0 - 24	1,197,827	504,353	239,707	150,000	77.3%
Total			5,213,935	2,155,404	826,012	610,000	66.6%

**Seal Beach Mutual Seven
Project Listing for Budget Year
2021**

Painting Reserve Projects

Description	Unit		Base Line		Year Acqurd	Repl Year	Yrs. In Serv.	Useful Life	Years Left	Fnding Ratio	Required Balance	Est. Beg Bal	(Surplus)/ Deficit	% Funded
	#	Cost	Year	Cost										
Light Poles/Fixtures - Repaint	1	9,700	2021	9,700	2020	2025	1	5	4	20.0%	1,940	1,284	656	66.2%
All Wood & Stucco - Repaint	32	13,518	2021	432,566	2011	2022	10	11	1	90.9%	393,242	260,312	132,930	66.2%
<i>Set aside for painting</i>				442,266							395,182	\$ 261,596	133,586	66.2%

Roofing Reserve Projects

Description	Unit		Base Line		Year Acqurd	Repl Year	Yrs. In Serv.	Useful Life	Years Left	Fnding Ratio	Required Balance	Est. Beg Bal	(Surplus)/ Deficit	% Funded
	#	Cost	Year	Cost										
Bldg 150	1	127,365	2021	127,365	1991	2021	30	30	0	100.0%	127,365	32,931	94,434	25.9%
Bldg 153	1	127,365	2021	127,365	1991	2021	30	30	0	100.0%	127,365	32,931	94,434	25.9%
Bldg 161+ Lau	1	129,990	2021	129,990	1991	2021	30	30	0	100.0%	129,990	33,609	96,381	25.9%
Bldg 162	1	127,365	2021	127,365	1991	2021	30	30	0	100.0%	127,365	32,931	94,434	25.9%
Bldg 147	1	127,365	2021	127,365	1993	2022	28	29	1	96.6%	122,973	31,795	91,178	25.9%
Bldg 173 + Lau	1	129,990	2021	129,990	1992	2022	29	30	1	96.7%	125,657	32,489	93,168	25.9%
Comp Shingle Roof (2044) - Rep	2	128,678	2021	257,355	2004	2044	17	40	23	42.5%	109,376	28,279	81,096	25.9%
Comp Shingle Roof (2045) - Rep	2	117,180	2021	234,360	2005	2045	16	40	24	40.0%	93,744	24,238	69,506	25.9%
Comp Shingle Roof (2046) - Rep	2	129,990	2021	259,980	2006	2046	15	40	25	37.5%	97,493	25,207	72,285	25.9%
Comp Shingle Roof (2047) - Rep	3	90,000	2021	270,000	2017	2047	4	30	26	13.3%	36,000	9,308	26,692	25.9%
Comp Shingle Roof (2048) - Rep	6	95,000	2021	570,000	2018	2048	3	30	27	10.0%	57,000	14,738	42,262	25.9%
Comp Shingle Roof (2049) - Rep	5	94,000	2021	470,000	2019	2049	2	30	28	6.7%	31,333	8,101	23,232	25.9%
Comp Shingle Roof (2050) - Rep	5	94,000	2021	470,000	2020	2050	1	30	29	3.3%	15,667	4,051	11,616	25.9%
Carports	11	24,792	2021	272,707	2015	2045	6	30	24	20.0%	54,541	14,102	40,440	25.9%
<i>Set aside for roofing</i>				3,573,842							1,255,869	\$ 324,709	931,160	25.9%

Infrastructure Reserve Projects

Description	Unit		Base Line		Year Acqurd	Repl Year	Yrs. In Serv.	Useful Life	Years Left	Fnding Ratio	Required Balance	Est. Beg Bal	(Surplus)/ Deficit	% Funded
	#	Cost	Year	Cost										
Solar - 2 New	2	96,000	2021	192,000		2026			5	50.0%	96,000	45,627	50,373	47.5%
Solar - 1 New	1	96,000	2021	96,000		2027			6	40.0%	38,400	18,251	20,149	47.5%
Dryrot repair (2021)	4	4,000	2021	16,000	2010	2021	11	11	0	100.0%	16,000	7,604	8,396	47.5%

Seal Beach Mutual Seven
Project Listing for Budget Year
2021

Infrastructure Reserve Projects, continued

Description	Unit		Base Line		Year <i>Acquird</i>	Repl <i>Year</i>	Yrs. In <i>Serv.</i>	Useful <i>Life</i>	Years <i>Left</i>	Fnding <i>Ratio</i>	Required <i>Balance</i>	Est. <i>Beg Bal</i>	(Surplus)/ <i>Deficit</i>	% <i>Funded</i>
	#	Cost	Year	Cost										
Dryrot repair (2022)	2	4,000	2021	8,000	2011	2022	10	11	1	90.9%	7,273	3,457	3,816	47.5%
Dryrot repair (Allowance)	1	5,800	2021	5,800	2020	2021	1	1	0	100.0%	5,800	2,757	3,043	47.5%
Asphalt Seal Coat - Carports 181	1	27,274	2021	27,274	2014	2023	7	9	2	77.8%	21,213	10,082	11,131	47.5%
Asphalt Replace - Carport 181, 1	1	130,829	2021	130,829	2017	2042	4	25	21	16.0%	20,933	9,949	10,984	47.5%
Asphalt Replace - Remaining Ca	1	359,204	2021	359,204	2017	2027	4	10	6	40.0%	143,682	68,288	75,393	47.5%
Sewer Pipes Allowance	1	39,123	2021	39,123	2020	2021	1	1	0	100.0%	39,123	18,594	20,529	47.5%
Sewer Pipes Allowance	1	39,123	2021	39,123	2018	2022	3	4	1	75.0%	29,342	13,946	15,397	47.5%
Sewer Pipes Allowance	1	39,123	2021	39,123	2019	2023	2	4	2	50.0%	19,562	9,297	10,264	47.5%
Sewer Pipes Allowance	1	39,123	2021	39,123	2020	2024	1	4	3	25.0%	9,781	4,649	5,132	47.5%
Sidewalks-Allowance for Concre	1	20,000	2021	20,000	2020	2021	1	1	0	100.0%	20,000	9,506	10,494	47.5%
Solar - Replace	6	31,038	2021	186,228	2015	2045	6	30	24	20.0%	37,246	17,702	19,544	47.5%
<i>Set aside for infrastucture</i>				1,197,827							504,353	239,707	264,646	47.5%
<i>Total requirement for replacement res</i>				5,213,935							2,155,404	826,012	1,329,392	38.3%

**Seal Beach Mutual Seven
Reserve Contributions Work Sheet
Budget Year 2021**

Fund	Estimated	Current	Reserve Balance		Annual	Per Unit
	Remaining	Replacement	Required	Est. Beg. Bal.	Contribution	Per Month
Appliance	Note (1)	82,839	82,839	33,581	49,302	10.70
Painting	1 - 4	442,266	395,182	261,596	100,000	Note (2)
Roofing	0 - 29	3,573,842	1,255,869	324,709	360,000	Note (3)
Infrastructure	0 - 24	1,197,827	504,353	239,707	150,000	Note (4)
Contributions to Replacement Reserves			2,155,404	826,012	610,000	\$ 132.38
Emergency				116,787	0	Note (5)
Per Unit Per Month				976,380	659,302	\$ 143.08

Project Reserve Contribution Comparison				
Project	2021	2020	Change	Chg PAPM
Appliance	49,302	48,299	1,003	0.22
Painting	100,000	100,000	-	-
Roofing	360,000	360,000	-	-
Infrastruct	150,000	150,000	-	-
Emergency	-	-	-	-
Total	659,302	658,299	1,003	0.22

Note:

- 1) The appliance fund is used to fund the replacement of appliances and fixtures. The value of this fund is calculated annually and is the five-year average units replaced times the current replacement cost adjusted for planned expenditures during the budget year. Current installed replacement cost for this calculation is \$102,595 and the adjustment is a \$19,756 decrease for a total requirement of \$82,839. The board approved the 2021 funding of this reserve for \$49,302.
- 2) The board determined funding of \$100,000 for 2021.
- 3) The board had established a minimum assessment of \$200,000 annually. The board determined funding of \$360,000 for 2021.
- 4) Included in this category are water distribution pipes, sewer pipes, solar lights, dry rot repairs and paving work. The board determined funding of \$150,000 for 2021. This will be reviewed annually to determine the proper funding.
- 5) The board determined no funding was necessary for 2021.

**Seal Beach Mutual Seven
Appliance Replacement History**

Item															Unit		Installed Cost	
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Total	5 yr Avg.	Unit	Extended
Cooktops	6	4	7	4	4	3	3	2	6	13	3	14	18	2	89	5	\$ 520	\$ 2,601
Ovens	5	7	8	12	9	8	12	4	9	3	6	8	15	5	111	8	1,147	9,175
Refrigerators	17	26	22	24	27	15	28	13	12	12	11	23	23	19	272	23	1,126	25,901
Hot Water Heaters	136	47	15	15	13	19	25	30	25	30	12	16	39	13	435	45	778	35,023
Garbage Disposals	5	8	16	17	10	17	16	5	7	9	11	9	14	14	158	11	233	2,562
Sinks - Bath	7	10	6	11	3	2	9	1	7	5	2	2	6	1	72	7	156	1,094
Sinks - Kitchen	4	5	6	6	6	5	5	3	6	4	3	6	11	3	73	5	662	3,310
Counters - Bath	3	3	1	1	0	0	6	0	2	5	1	1	3	1	27	2	624	1,248
Counters - Kitchen	6	4	4	2	1	1	5	7	8	7	0	5	6	2	58	3	1,470	4,411
Bath Heaters and Fan	9	15	16	13	11	20	17	11	28	21	12	20	21	8	222	13	538	6,988
Toilets	16	5	7	17	13	18	17	8	25	10	4	12	21	7	180	12	275	3,305
Faucet - Bath	14	10	10	13	8	8	8	3	14	6	3	4	5	2	108	11	143	1,571
Faucet - Kitchen	23	16	16	22	21	13	13	9	24	26	5	20	27	9	244	20	191	3,821
Hot Water Tanks - Laund	0	0	0	0	0	0	0	1	1	6	0	1	1	3	13	0	833	0
Washers	1	6	1	3	5	2	3	0	1	0	3	2	4	0	31	3	936	2,808
Dryers	3	2	3	1	8	2	2	3	3	0	1	3	6	10	47	3	722	2,166
Estimated replacement cost based on average replacement history - 2015 to 2019 x current pricing																		105,984

Adjustment for projected expenditures in 2021 \$ (23,145)
 Combined current and contingent appliance replacements **\$ 82,839**

Appliances can be billed on bill codes other than replacement. As such, total replacement expenditures to the right may be less than the total value of replacement items listed above.

Actual expenditures:	
2019	113,831
2018	69,652
2017	51,093
2016	50,913
2015	51,423
2014	45,443
2013	57,222
2012	46,722
5 yr average	<u>\$ 67,382</u>

MUTUAL SEVEN
FLOW OF RESERVE FUNDS

Year	Beginning Fund	Annual Funding	Interest* 0%	Loans or Assessments	Expenses	Ending Fund
2020						826,012
2021	826,012	610,000	0		593,008	843,004
2022	843,004	610,000	0		785,730	667,274
2023	667,274	610,000	0		97,812	1,179,462
2024	1,179,462	610,000	0		70,944	1,718,518
2025	1,718,518	610,000	0		39,955	2,288,563
2026	2,288,563	610,000	0		252,490	2,646,073
2027	2,646,073	622,200	0		574,344	2,693,929
2028	2,693,929	634,644	0		31,730	3,296,843
2029	3,296,843	647,337	0		32,682	3,911,498
2030	3,911,498	660,284	0		46,319	4,525,462
2031	4,525,462	673,489	0		34,673	5,164,279
2032	5,164,279	686,959	0		95,616	5,755,622
2033	5,755,622	700,698	0		664,926	5,791,394
2034	5,791,394	714,712	0		37,888	6,468,218
2035	6,468,218	729,006	0		53,697	7,143,528
2036	7,143,528	743,587	0		339,325	7,547,789
2037	7,547,789	758,458	0		771,870	7,534,378
2038	7,534,378	773,627	0		42,644	8,265,361
2039	8,265,361	789,100	0		43,923	9,010,538
2040	9,010,538	804,882	0		62,249	9,753,171
2041	9,753,171	820,980	0		95,857	10,478,294
2042	10,478,294	837,399	0		291,376	11,024,317
2043	11,024,317	854,147	0		80,093	11,798,372
2044	11,798,372	871,230	0		1,428,326	11,241,276
2045	11,241,276	888,655	0		1,481,490	10,648,441
2046	10,648,441	906,428	0		1,000,365	10,554,503
2047	10,554,503	924,556	0		1,619,609	9,859,451
2048	9,859,451	943,048	0		1,323,444	9,479,055
2049	9,479,055	961,909	0		1,134,355	9,306,608
2050	9,306,608	981,147	0		1,255,517	9,032,238
Totals		22,588,483	0	0	14,382,257	

* Interest earned on the fund is currently not reinvested in the fund.

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE ACCEPTANCE OF THE CLIFTONLARSONALLEN LLP ENGAGEMENT LETTER (GUEST SPEAKER – ITEM B)
DATE: OCTOBER 21, 2020
CC: FILE

I move to approve the acceptance of the CliftonLarsonAllen, LLP Engagement Letter for the 2020 audit and to authorize the President to sign the letter.



CLA (CliftonLarsonAllen LLP)
1925 Century Park East, 16th Floor
Los Angeles, California 90067
310-273-2501 | fax 310-859-0374
CLAconnect.com

September 14, 2020

Susan Hopewell, GRF Board President
Golden Rain Foundation
Post Office Box 2069
Seal Beach, California 90740

Dear Susan:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the audit and nonaudit services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Golden Rain Foundation (the “Company”) and the 16 Seal Beach Mutual Corporations (the “Mutual Corporations”) (“you,” “your,” or “the entity”) for the year ended December 31, 2020.

Johnny Minassian is responsible for the performance of the audit engagement.

Audit services

We will audit the basic financial statements of the Company and the Mutual Corporations, which comprise the balance sheet as of December 31, 2020, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

The Financial Accounting Standards Board (FASB) provides for certain required supplementary information (RSI) about future major repairs and replacements to accompany the entity’s basic financial statements. The RSI will be subjected to certain limited procedures, but will not be audited.

We will also evaluate and report on the presentation of the supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Nonaudit services

We will also provide the following nonaudit service:

- Preparation of your federal and state (if applicable) income tax returns
- Preparation of adjusting journal entries.

Audit objective

The objective of our audit is the expression of an opinion about whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on

whether the supplementary information other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error. An audit involves performing procedures to obtain sufficient appropriate audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal

control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we identify during the audit.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations, and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, and for the accuracy and completeness of that information; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's revenues and expenses, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

The responsibilities and limitations related to the nonaudit services performed as part of this engagement are as follows:

- We will prepare your 2020 federal and state (if applicable) income tax returns. The scope, limitations, and related terms of these tax services will be communicated in a separate engagement letter.
- We will propose adjusting journal entries as needed. You will be required to review and approve those entries and to understand the nature of the changes and their impact on the financial statements.

Use of financial statements

The financial statements and our report thereon are for management's use. If you intend to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We are available to perform additional procedures with regard to fraud detection and prevention, at your request, as a separate engagement, subject to completion of our normal engagement acceptance procedures. The terms and fees of such an engagement would be documented in a separate engagement letter.

The workpapers supporting the services we perform are the sole and exclusive property of CLA and constitute confidential and proprietary information. We do not provide access to our workpapers to you or anyone else in the normal course of business. Unless required by law or regulation to the contrary, we retain our workpapers in accordance with our record retention policy that typically provides for a retention period of seven years.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to regulators. We will notify you of any such request. Access to the requested workpapers will be provided to the regulators under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulators. The regulators may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Except as permitted by the "Consent" section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our relationship with you is limited to that described in this letter. As such, you understand and agree that we are acting solely as independent accountants. We are not acting in any way as a fiduciary or assuming any fiduciary responsibilities for you. We are not responsible for the preparation of any report to any governmental agency, or any other form, return, or report or for providing advice or any other service not specifically recited in this letter.

Our engagement and responsibility end on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Mediation

Any disagreement, controversy, or claim (“Dispute”) that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice (“Mediation Notice”) to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months (“Limitation Period”) after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

Fees

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Based on our preliminary estimates, the total fees and expenses for the engagement should approximate \$141,000. This estimate is based on anticipated

cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee and expenses estimate. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Unanticipated services

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are listings of services considered to be outside the scope of our engagement. If any such service needs to be completed before the audit can proceed in an efficient manner, we will notify you and provide a fair and reasonable price for providing the service. We will bill you for the service at periodic dates after the additional service has been performed.

Bookkeeping services

Bookkeeping services are not audit services. Bookkeeping services include the following activities:

- Preparation of a trial balance
- Account reconciliations
- Bank statement reconciliations
- Capital asset accounting (e.g., calculating depreciation, identify capital assets for additions and deletions)
- Calculating accruals
- Analyzing transactions for proper recording
- Converting cash basis accounting records to accrual basis
- Assisting in calculating tax provisions
- Preparation of financial statements and the related notes to the financial statements
- Processing immaterial adjustments through the financial statements
- Adjusting the financial statements for new activities and new disclosures

Additional work resulting from unanticipated changes in your organization or accounting records

If your organization undergoes significant changes in key personnel, accounting systems, and/or internal control, we are required to update our audit documentation and audit plan. The following are examples of situations that will require additional audit work:

- Revising documentation of your internal control for changes resulting from your implementation of new information systems
- Deterioration in the quality of the entity’s accounting records during the current-year engagement in comparison to the prior-year engagement
- Significant new accounting issues
- Significant changes in your volume of business
- Mergers, acquisitions, or other business combinations
- New or unusual transactions
- Changes in audit scope or requirements resulting from changes in your operations
- Erroneous or incomplete accounting records
- Evidence of material weaknesses or significant deficiencies in internal control
- Substantial increases in the number or significance of problem loans
- Regulatory examination matters
- Implementation or adoption of new or existing accounting, reporting, regulatory, or tax requirements
- New financial statement disclosures

Changes in engagement timing and assistance by your personnel

The fee estimate is based on anticipated cooperation from your personnel and their assistance with timely preparation of confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, we will advise management. Additional time and costs may be necessary because of such unanticipated delays. Examples of situations that may cause our estimated fee to increase include:

- Significant delays in responding to our requests for information such as reconciling variances or providing requested supporting documentation (e.g., invoices, contracts, and other documents)
- Rescheduling our fieldwork

- Schedule disruption caused by litigation, financial challenges (going concern), loan covenants (waivers), etc.
- Identifying a significant number of proposed audit adjustments
- Schedules prepared by your personnel that do not reconcile to the general ledger
- Numerous revisions to information and schedules provided by your personnel
- Restating financial statements for accounting errors in the prior year
- Lack of availability of entity personnel during audit fieldwork

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the letter increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Consent

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using client data obtained through our audit and other engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this engagement letter will serve as your consent to use of the Company and the Mutual Corporations' information in these cost comparison, performance indicator, and/or benchmarking reports.

Subcontractors

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. Please sign, date, and return a copy of this letter to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP



Johnny Minassian, CPA
Principal
310-288-4268
johnny.minassian@CLAconnect.com

Enclosure

Response:

This letter correctly sets forth the understanding of Golden Rain Foundation.

Authorized governance signature: _____

Title: _____

Date: _____

Appendix A

Acknowledgement of services to be performed by CliftonLarsonAllen LLP for each Mutual Corporation as documented in the engagement letter dated September 14, 2020:

Mutual 1	_____	Date: _____
	<i>Board President</i>	
Mutual 2	_____	Date: _____
	<i>Board President</i>	
Mutual 3	_____	Date: _____
	<i>Board President</i>	
Mutual 4	_____	Date: _____
	<i>Board President</i>	
Mutual 5	_____	Date: _____
	<i>Board President</i>	
Mutual 6	_____	Date: _____
	<i>Board President</i>	
Mutual 7	_____	Date: _____
	<i>Board President</i>	
Mutual 8	_____	Date: _____
	<i>Board President</i>	
Mutual 9	_____	Date: _____
	<i>Board President</i>	
Mutual 10	_____	Date: _____
	<i>Board President</i>	

Mutual 11 _____ **Date:** _____
Board President

Mutual 12 _____ **Date:** _____
Board President

Mutual 14 _____ **Date:** _____
Board President

Mutual 15 _____ **Date:** _____
Board President

Mutual 16 _____ **Date:** _____
Board President

Mutual 17 _____ **Date:** _____
Board President

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE MONTHLY FINANCIAL (CHIEF FINANCIAL OFFICER - ITEM A)
DATE: OCTOBER 21, 2020
CC: FILE

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 September 2020.

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AUTHORIZE TRANSFERS OF FUNDS FOR MUTUAL SEVEN (CHIEF FINANCIAL OFFICER'S REPORT - ITEM B)
DATE: OCTOBER 21, 2020
CC: FILE

I move to authorize the following transfers of funds per detailed resolutions:

<i>Transfer/ Invoice Date</i>	<i>Amount</i>	<i>Originating/Destination Accounts or Payee</i>
6/26/2020	\$19,469.80	Jordan Roof Company (Invoice 14483)
8/24/2020 8/31/2020	\$149,960.30	Jordan Roof Company (Invoices 14562 and 14569)
8/31/2020	\$22,790.80	US Bank Restricted Money Market to US Bank Non-Restricted Money Market
9/1/2020	\$14,196.00	Total Landscape Maintenance (Invoice 7166)
9/2/2020	\$10,000.00	Payee: Charles Downing c/o David Downey – Refund repair deposit
9/2/2020	\$10,000.00	Payee: Wendy Hovey – Refund repair deposit
9/9/2020	\$98,514.56	US Bank Checking to GRF-US Bank Checking
9/9/2020	\$64,522.35	US Bank Checking to US Bank Impound
9/9/2020	\$173,549.47	ACH-Direct Debit from multiple shareholders to US Bank Checking
9/22/2020	\$200,000.00	Merrill Lynch Investment Account to Money Market Restricted Account (US Bank)

Mutual Corporation No. Seven

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE THE TRANSFER OF FUNDS
(CHIEF FINANCIAL OFFICER'S REPORT, ITEM C)
DATE: OCTOBER 21, 2020
CC: MUTUAL FILE

I move to approve the transfer of funds in the amount of \$200,000.00 from Merrill Lynch to US Bank – Operating Funds for the roofing reserves.

Mutual Corporation No. Seven

MEMO

TO: MUTUALBOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE GUTTER CLEANING (NEW BUSINESS ITEM A)
DATE: OCTOBER 21, 2020
CC: MUTUAL FILE

I move to approve Total Landscaping to clean the gutters at a cost not to exceed \$_____ funds to be taken from _____.