

A G E N D A
REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SEAL BEACH MUTUAL EIGHT

March 27, 2023

Open Forum begins at 9:15 a.m. – Meeting begins at 9:30 a.m.
Administration Building, Conference Room A and via Zoom Video/
Conference Call

TO ATTEND: The Shareholder will be provided with instructions on how to access the call via telephone or via video upon the Shareholder contacting GRF Mutual Administration at mutualsecretaries@lwsb.com or (562)431-6586 ext. 313 and requesting the call-in or log-in information.

TO MAKE COMMENTS DURING MEETING: In order to make a comment during the open Shareholder forum, the Shareholder must submit their name, Unit number, and telephone number, via e-mail at mutualsecretaries@lwsb.com, by no later than 3:30 p.m., on 03/24/2022, the business day before the date of the meeting. If you do not have access to an email, please call (562)431-6586 ext. 313 and let us know that you wish to make a comment during the open shareholder forum.

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. INTRODUCTION OF GRF REPRESENTATIVE, STAFF AND GUEST(S)

Ms. Thompson, GRF Representative
Mr. Hough, Building Inspector
Ms. Barua, Senior Portfolio Specialist
Mr. Jackson, Portfolio Specialist

4. APPROVAL OF MINUTES
 - a. **Regular Meeting Minutes of February 27, 2023**
5. BUILDING INSPECTOR'S REPORT Mr. Hough
Permit Activity; Escrow Activity; Contracts & Projects; Shareholder and Mutual Requests (pp. 3-6)
6. GRF REPRESENTATIVE Ms. Thompson
7. CONSENT CALENDAR
 - a. Discuss and vote to approve authorization of transfers of funds for Mutual Eight (p. 7)
8. **UNFINISHED Business**
 - a. Discuss and vote to ratify amending Rules and Regulations by adding Section 2.38 – Solar Panel System and Form (pp. 8-12)
9. **NEW BUSINESS**
 - a. Discuss and vote to approve Mutual Monthly Finances (p. 13)
 - b. Discuss and vote to approve the CliftonLarsonAllen LLP Engagement Letter (pp. 14-23)
 - c. Discuss and vote to appoint Accurate Voting as Inspectors of

Elections (p. 24)

- d. Discuss and vote to appoint Budget Committee (p. 25)
- e. Shareholder's intent to vote cumulatively (p. 26)
- f. Financial Statement Recap (p. 27)

STAFF BREAK BY 11:00 A.M.

- | | | |
|-----|----------------------------------|-----------------|
| 10. | SECRETARY / CORRESPONDENCE | Ms. Youngs |
| 11. | CHIEF FINANCIAL OFFICER'S REPORT | Ms. Weisenstein |
| 12. | VICE PRESIDENT REPORT | Mr. Banfield |
| 13. | PRESIDENT REPORT | Ms. Dolch |
| 14. | PORTFOLIO SPECIALIST REPORT | Ms. Barua |
| 15. | ANNOUNCEMENTS | |

- a. **NEXT MEETING: Monday, April 24, 2023, at 9:15 a.m. Open Session, 9:30 a.m. Location: Administration Building, Conference Room A and via Zoom Video/ Conference Call**

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|-----|--------------------------------------|
| 16. | COMMITTEE REPORTS |
| 17. | DIRECTORS' COMMENTS |
| 18. | SHAREHOLDERS' COMMENTS (2-3 minutes) |
| 19. | ADJOURNMENT |
| 20. | EXECUTIVE SESSION |

STAFF WILL LEAVE THE MEETING BY 12:00 P.M.

MUTUAL EIGHT EMAIL BLAST

If you would like to keep up with the Mutual Eight current information and events, please submit your email address to President Dolch. To be included in the Mutual Eight email blast, please email President Dolch at the email address provided with a subject line referencing your unit number:

m8emails@gmail.com

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: ☐ **EIGHT**

INSPECTOR: **Danny Hough**

MUTUAL BOARD MEETING DATE: **March, 2022**

PERMIT ACTIVITY							
UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
1778K	Shower cut down	GRF	10/27/22	02/11/23			Nukote
178C	Kitchen & bath Remodel	Both	02/06/23	11/01/23		plumbing, electrical 3/1/23, Lath , hot mop 3/10/23	Cal Custom Interiors
178C	Windows	GRF	02/13/23	03/13/23		Final 3/7/23	mamuscia
183G	Remodel	Both	04/18/22	10/30/22	no	Insulation 6/28/22, Framing, Rough wiring, HVCA wiring, rough plumbing 6/24/22, Sheer Pa	JC Kress
184E	windows/sliders/ electrical/walls	Both	12/06/22	03/31/23	Yes		berkvist
185F	Remodel	Both	09/06/22	03/18/23	Yes	Plumbing 12/13/22, footings 1/5/23178C, Rough Elec, Framing, plumbing, Insulation 2/22/23	BYDC INC.
186I	Flooring	GRF	12/05/22	02/01/23			Michael's Carpet
188h	Barn door	GRF	01/18/23	04/20/23		Final 2/8/23	Los Al Builders
189K	Solar Panels	Both	02/13/23	03/13/23			Steadfast Home
190C	Flooring	GRF	01/06/23	02/28/23		Final 1/24/23	B&B Carpet
190H	Flooring	GRF	08/30/22	09/30/22		Final 2/28/23	Kary's Carpet
191B	Kitchen cabinets	GRF	02/28/23	03/27/23			Payless Kitchen Cabinets
191E	Shower remodel	GRF	11/07/22	03/03/22		Rough Plumbing, framing 1/24/23, Final 2/22/23	bergkvist
193L	Heat pump	Both	11/15/22	03/01/22		Final 1/10/23	Greenwvood
192E	Flooring, Heat Pump, bathroom re	Both	11/23/22	12/23/22	Yes		Marco Plumbing
195B	Kitchen Remodel	GRF	02/06/23	03/31/23	Yes		Marco Construction
195J	Patio flooring	GRF	01/17/23	03/30/23		Final 2/10/23	MP Construction
195H	Entry door	GRF	03/19/22	07/02/22		final 2/28/23	Ryden Construction
196B	Door/ pony wall/stucco	Both	11/10/22	12/30/22		Framing 12/5/22, Lath 12/6/22, Final 1/13/23	Vickers
198I	windows	Both	10/27/22	12/31/22		Final 1/11/23	Vickers
199J	Flooring	GRF	12/16/22	01/21/23		Final 1/13/23	Family flooring
198I	Windows	GRF	10/27/22	12/31/22		Framing 12/5/22, lath 12/6/22	Vickers
199C	Kitchen cabinets	GRF	01/27/23	03/27/23			Ogan Construction
202K	Washer dryer/ electrical panel	Both	01/23/23	05/30/23		rough plumbing, electrical, framing, mechanical 3/16/23	Bruno Alvarez
204B	Bathroom remodel	Both	11/08/22	12/31/22		Final 2/28/23	Konrad Konstruction

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: ☐ EIGHT

INSPECTOR: Danny Hough

MUTUAL BOARD MEETING DATE: March, 2022

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
178C		07/12/22	12/19/22	12/21/22			
178D		10/24/22	12/05/22	12/05/22			
178F		08/03/22	09/20/22	10/14/22		12/13/22	
183J		06/28/22	10/24/22	10/31/22	11/10/22	12/08/22	
185L		04/29/22	07/26/22	08/22/22			
189D		10/13/22	01/24/23	01/26/23		03/08/23	
192K		02/01/23					
195B		05/09/22	09/09/22	09/12/22			
200B		09/14/22					
200K		04/26/22	08/01/22	08/08/22			
202L		04/18/22	08/01/22	08/08/22	08/12/22		
203F		03/01/23					
204C		07/28/22	08/16/22	08/25/22			

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

CONTRACTOR	PROJECT
J & J Landscaping	September 16, 2019 to September 15, 2022
So Cal Fire Protection	laundry room fire extinguishers - yearly
Empire Pipe and Supply	sewer cleaning - yearly
Fenn	Pest control May 31, 2021 to May 31, 2023
Fenn	Bait station -july 1,2020 to june 30, 2023
National Coin Washer & Service, Inc.	laundry services + 29 washers and 29 dryers July 1, 2019 - June 30, 2024

Shareholder Visits and Mutual Requests

200 laundry room	
183F sky light	
192E ants FENN	
181 Carport water leak	
199C Kitchen cabinets	
178D Dishwasher	
178F Smoke detector	
187B Water heater	
Carport 103 spc24 damaged	
178F slow drain shower	
189K Sand bags	
181H Shower mixer replacement	
181L Side walk/ water leak	
202F &G water heater repairs	
178B Sand bags and plastic	
188D skylight leaking	
192E ants FENN	
188D skylight order	
202G water heater repair	

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: ☐ **EIGHT**

INSPECTOR: **Danny Hough**

MUTUAL BOARD MEETING DATE: **March, 2022**

178C Bath fan	
192E ants FENN	
185L Check on construction progress	
178D Dishwasher	
194G Fill side walk	
189D Escrow questions	
194G Fill side walk	
178F French doors	
178D Microwave	
189K Solar Panels	
201D Maintenance bill- skylight closer	
189B Rodents	
201D billing skyligh closure	
203D Faucet replacement	
189D Reverse Osmosis	
196L window leak	
178D sewage leak	
189D Wall heaters	
178D sewage leak	
199C Maitenance left tools behind	
178D Flooring	
188D Skylight repalcement	
194G Fill side walk	
196B light fixture	
183G roof leak	
191B Kitchen cabinets	
178C Doors	
189D bathroom faucet	
183G roof leak	
189D bathroom faucet	
178D flooring	
178D FENN	
179A Electricty draw	
192K install new kitchen hood	
200B dishwasher	
178F Lock door	
192B soloar panels	
178D Microwave	
178F File cabinet	
186 Attic access	
198F Refrigerator	
186G screen	
191D Electrical receptacle	
189D Refrigerator	
178D Microwave	
182B plumbing issues	
179D Nail pop	
185F Patio signatures	

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: ☐ **EIGHT**

INSPECTOR: **Danny Hough**

MUTUAL BOARD MEETING DATE: **March, 2022**

178D Microwave	
178D Microwave	
186 Attic access	
187 Sign replacement	
186 Attic access	
184 Attic access panel	
180J key in box	
195C Water damage	
194E Water damage patio skylight damaged	
181H Shower mixer replacement	
189 Side walk light	
192E Marco Plumbing	
193B closed a skylight	
185 Drywall	
181H Shower mixer replacement	
195C sky light damage	
185F washer / dryer access	
180L Key in lock box	
189K Solar panels	
204B Remove Orchid trees	
194 Gutter protector	
189K Solar Panels	
195C Order skylight	
191D Rondal number	
181I Ceiling/ roof leak	
189C rodent removal	
196G Light pole cover came off	
184H kitchen light defuser replacement	
200K unit inspection notice	
177C Washer dryer combo clogged food	
178C screen door	
189C rodent removal	
189E Termites	

Mutual Corporation No. Eight

MEMO

TO: MUTUAL EIGHT BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO AUTHORIZE TRANSFERS OF FUNDS FOR
MUTUAL EIGHT (CONSENT CALENDAR, ITEM A)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

I move that the Mutual Eight Board authorizes the following transfers of funds per detailed and dated resolutions.

<i>Transfer/ Invoice Date</i>	<i>Amount</i>	<i>Originating/Destination Accounts or Payee</i>
2/17/2023	\$15,000.00	US Bank Non-Restricted Money Mkt. To US Bank Checking
2/17/2023	\$36,032.50	US Bank Checking to US Bank Non-Restr. Money Mkt.
3/06/2023	\$165,394.10	ACH Direct Debit from multiple shareholders to US Bank Checking
3/06/2023	\$87,117.20	US bank Checking to GRF-US Bank Checking
3/7/2023	\$66,551.41	US Bank Checking to US Bank Impound (Property Taxes)
3/10/2023	\$350,000.00	US Bank Impound to US bank Checking

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO RATIFY AMENDING RULES AND REGULATIONS BY
ADDING SECTION 2.38 – SOLAR PANEL SYSTEM AND FORM (UNFINISHED
BUSINESS, ITEM A)
DATE: JANUARY 23, 2023
CC: MUTUAL FILE

I move to ratify the proposed rule change by adding Section 2.38 – Solar Panel System and Form of the Rule and Regulation; the 28-day posting requirement has been met.

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Rules and Regulations

inspection as ordered by the Mutual Board, with a duly posted 72-hour notification to the Qualifying Resident. Any infractions will be indicated, and the Qualifying Resident will be informed by mail to cure the infraction within thirty-two (32) days of the date of the letter. A follow-up inspection of the premises will be conducted to assure compliance. If compliance is not completed, Shareholder will be fined on a per diem basis until compliance is complete.

2.38. Section 2.38 – Solar Panel System and Form.

Shareholder Print Name	Date	Apt
If a shareholder wishes to purchase a solar panel system for their unit, the following must be adhered to:		
Only a PURCHASED (Non-Financed) solar panel system will be considered. Leasing will not be approved.		
The Shareholder must obtain a permit from the City of Seal Beach and the Physical Property Department of the Golden Rain Foundation (GRF) prior to having solar panels and the related equipment installed by an approved LW licensed contractor.		
The Shareholder will assume financial responsibility in case the licensed company fails to comply with all provisions of the permits and all GRF and Mutual policies, rules and regulations and agrees to return the Mutual property to its original condition or satisfactorily complete the installation. The installing approved contractor will have a C-10 contractor license. Installation and removal of any product that penetrates the roof, such as solar system jacks, shall be performed by the Mutual 8 roofing contractor that retains the roof guarantee, at the shareholders' expense and requires a permit from Physical Properties.		
The Mutual has the authorization to remove the solar panels and related equipment at shareholder's expense if the installation does not comply with these regulations or the provisions of this policy are not met or fail to remain in compliance.		
Solar panels will be mounted flat on the roof directly over the serviced unit with a minimum number of roof penetrations and will be located so as not to interfere with direct access to the roof vents from the front of the unit for clearing plumbing stoppages, and in locations approved by the		

(FEB 23)

SEAL BEACH MUTUAL NO. EIGHT**Rules and Regulations**

Mutual Board and the Physical Property Department. Five feet of clearance is to be used as a pathway for a Spartan drain cleaner to reach the drains from the front of the unit. Panels must not interfere with plumbing, electrical internet or TV access. Panels will be mounted in accordance with the specifications of the Physical Property Department. Related equipment will be placed in locations approved by the Mutual and the Physical Property Department and mounted in accordance with the specifications of the Mutual and the Physical Property Department.

The shareholder must sign a copy of Section 2.38 and acknowledge that they are aware of the provisions and agree to abide by them. The Mutual, and others acting on behalf of the Mutual, are not liable for any damage to or misalignment of the solar panels and related equipment caused by repairs and/or maintenance work authorized by the Mutual. Further, the shareholder will remove and reinstall the solar panels and related equipment at their expense when deemed necessary by the Mutual for the purpose of repairs and/or maintenance work to the roof and/or building, including reroofing and/or painting operations.

Any damage which may occur to the roof or building during and/or after installation of the solar panels and related equipment or upgrading equipment is the responsibility of the shareholder and any repairs will be paid for by the shareholder. The repairs will be performed by a Golden Rain Foundation approved contractor.

2.38.1. Invertor Box

If used, the central/string inverter box must be installed inside the apartment, or an outside closet/ cabinet; it may not be installed at building ends, on the roof, or at the front of the apartment. If used, micro-inverters or optimizers are to be installed underneath the solar panels and attached to the rails or solar panels.

If the existing electric sub-panel is not adequate, it must be upgraded subject to all City of Seal Beach, Southern California Edison, and GRF-Seal Beach electric codes at the shareholder's expense.

The solar panels and related equipment must be maintained in good condition. If the solar panels and related equipment are not maintained in clean and operable condition by the

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Rules and Regulations

shareholder, the solar panels and/or related equipment will be removed and/or replaced at the shareholder's expense.

The solar panels and related equipment must be removed upon the sale or transfer of the unit, at the shareholder's expense, unless the buyer/transferee signs a supplemental agreement accepting responsibility for the solar panels and related equipment and agrees to the provisions of this regulation. In any case, the shareholder is responsible for returning the roof to its original condition including and not limited to re-roofing the unit area.

2.38.2. Battery Backup's or Power Wall

Any installation of a Battery backup or Power Wall system at any time must be submitted to Mutual 8 for approval. A permit must be obtained from the City of Seal Beach, and the Physical Property Department of the Golden Rain Foundation (GRF) prior to any installation. Installation must be performed by an LW licensed Electrical contractor.

2.38.3. Cleaning of Solar Panels

Cleaning of solar panels must be performed by LW Service Maintenance, a LW approved handyman, the roofing company that holds the current warranty or the solar system contractor, at the Shareholder's expense. It's suggested that solar panels be cleaned once a year by an approved contractor.

2.38.4. Insurance

The Shareholder is required to have H06 Insurance policy of \$500,000 liability minimum. Upon application, the shareholders must provide the Board of Directors with a copy of the shareholder's HO6 insurance policy of \$500,000 liability minimum. This policy must be maintained, not ever allowed to lapse, as long as the solar panels and systems are installed.

All applications will be approved on a case-by-case basis.

Shareholder Signature

Date

Apt

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Rules and Regulations

Shareholder Signature	Date	Apt
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Contractors Signature	Date	Contractors License #
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(FEB 23)

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPROVE MUTUAL MONTHLY FINANCES (NEW BUSINESS, ITEM A)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

I move to acknowledge, per the requirements of the Civil Code Section 5500(a)-(f), a review of the 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, an income and expense statement for the Mutual's operating and reserve accounts, the check registers, monthly general ledger and delinquent assessment receivable reports for the month of February 2023.

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO ACCEPT THE CLIFTONLARSONALLEN LLP
ENGAGEMENT LETTER FOR 2022 AUDIT (NEW BUSINESS, ITEM B)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

I move to approve the CliftonLarsonAllen LLP Engagement Letter for the 2022 audit and authorize the President to sign any necessary documentation.



Statement of Work - Audit Services

December 16, 2022

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated November 4, 2021, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Golden Rain Foundation and 16 Seal Beach Mutual Corporations ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2022.

Karen Lo is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the consolidated financial statements of Golden Rain Foundation and the basic financial statements of the 16 Seal Beach Mutual Corporations (the "Mutual Corporations"), which comprise the financial statements identified below, and the related notes to the financial statements (collectively, the "financial statements").

Consolidated Balance Sheet of the Golden Rain Foundation

Consolidated Statement of Revenues and Expenses of the Golden Rain Foundation

Consolidated Changes in Membership Interest and Trust Equity of the Golden Rain Foundation

Consolidated Statement of Cash Flows of the Golden Rain Foundation

Balance Sheets of the Mutual Corporations

Statements of Operations of the Mutual Corporations

Statements of Stockholders' Equity of the Mutual Corporations

Statements of Cash Flows of the Mutual Corporations

The Financial Accounting Standards Board (FASB) provides for certain required supplementary information (RSI) about future major repairs and replacements to accompany the entity's financial statements, respectively. 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 services:

- Preparation of adjusting journal entries, if needed

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your 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). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion.

We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) 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.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, 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 exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management Override of Controls
- Revenue Recognition

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.

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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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, including monitoring ongoing activities and safeguarding assets. 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, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (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. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's operations, 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.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

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.

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 audit engagement ends 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 SOW for that service.

Fees

We estimate our professional fees will be \$162,200. We will also bill for expenses including travel, internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing 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. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation.

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

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 SOW 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.

Authority to Execute

The entity executing this SOW represents that it is duly authorized to do so and on behalf of itself and the entities listed on the Multiple Entities List.

Agreement

We appreciate the opportunity to provide to you the services described in this SOW under the MSA and believe this SOW accurately summarizes the significant terms of our audit engagement. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA related to audit services. If you have any questions, please let us know. Please sign, date, and return this SOW 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

Response:

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

CLA

CLA

Karen Lo

Karen Lo, Principal

Client

Golden Rain Foundation

SIGN: *Mallorie Hall*

Mallorie Hall, Director of Finance

DATE: *12/21/2022*

Golden Rain Foundation

SIGN: *Marsha Gerber*

Marsha Gerber, Board President

DATE: *12/21/22*

Multiple Entities

CLA Client ID

A265378

A245538

A245537

A245536

A245535

A245534

A245533

Entity Name

Golden Rain Foundation

Seal Beach Mutual One

Seal Beach Mutual Two

Seal Beach Mutual Three

Seal Beach Mutual Four

Seal Beach Mutual Five

Seal Beach Mutual Six

A245532	Seal Beach Mutual Seven
A245531	Seal Beach Mutual Eight
A245530	Seal Beach Mutual Nine
A245529	Seal Beach Mutual Ten
A245527	Seal Beach Mutual Eleven
A245526	Seal Beach Mutual Twelve
A245525	Seal Beach Mutual Fourteen
A245524	Seal Beach Mutual Fifteen
A245522	Seal Beach Mutual Sixteen
A245521	Seal Beach Mutual Seventeen

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPOINT INSPECTORS OF ELECTIONS FOR THE ANNUAL ELECTIONS (NEW BUSINESS, ITEM C)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

I move to appoint Accurate Voting Services as Mutual Eight's Inspectors of Election for the 2023-2024 Election of Directors.

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: DISCUSS AND VOTE TO APPOINT BUDGET COMMITTEE (NEW BUSINESS, ITEM D)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

I move to appoint Craig Jaunzemis, Jeri Dolch, Gary Southern, and Kathy Raymond to the Budget Committee.

Mutual Corporation No. Eight

MEMO

TO: MUTUAL BOARD OF DIRECTORS
FROM: MUTUAL ADMINISTRATION
SUBJECT: SHAREHOLDER'S INTENT TO VOTE CUMULATIVELY (NEW BUSINESS, ITEM E)
DATE: MARCH 27, 2023
CC: MUTUAL FILE

Per the Mutual's Bylaws, Article IV, Section 7, I (please state your first and last name)
Shareholder of Mutual Eight Unit _____, intend to vote cumulatively for the Elections of Directors
for the 2023-2024 term of office.

P.O. Box 2069
Seal Beach CA 90740

Feb Actual	Feb Budget		2023 Y-T-D Actual	2023 Y-T-D Budget
110,763	110,765	Carrying Charges	221,527	221,530
43,978	43,978	Reserve Funding	87,957	87,956
154,742	154,743	Total Regular Assessments	309,483	309,486
317	334	Service Income	611	668
822	1,604	Financial Income	1,848	3,208
1,550	3,042	Other Income	3,075	6,084
2,690	4,980	Total Other Income	5,533	9,960
157,431	159,723	Total Mutual Income	315,017	319,446
67,244	67,244	GRF Trust Maintenance Fee	134,488	134,488
10,978	12,716	Utilities	20,605	25,432
(1,996)	1,218	Professional Fees	25	2,436
2,029	22,603	Outside Services	21,351	45,206
14,685	11,964	Taxes & Insurance	29,369	23,928
43,978	43,978	Contributions to Reserves	87,957	87,956
136,918	159,723	Total Expenses Before Off-Budget	293,794	319,446
20,514	0	Excess Inc/(Exp) Before Off-Budget	21,222	0
8,820	0	Depreciation Expense	17,640	0
11,694	0	Excess Inc/(Exp) After Off-Budget	3,582	0
		Restricted Reserves		
4,010	0	Appliance Reserve Equity	21,934	0
992	0	Painting Reserve	272,364	0
29,941	0	Roofing Reserve	166,251	0
(7,309)	0	Emergency Reserve Equity	255,877	0
(4,000)	0	Infrastructure Reserve	756,110	0
23,634	0	Total Restricted Reserves	1,472,536	0