

SEAL BEACH MUTUAL NO. TWELVE**Mutual Operations – Accounting and Fiscal****Cash Disbursements/Payables****1. Purpose:**

Cash disbursements are made from two separate checking accounts, a General Checking Account and a Repair and Tax Deposit Account. Payments from each are made by check or by approved electronic transfer.

2. GENERAL CHECKING ACCOUNT (OPERATIONS):

- 2.1. Outside Contractors and Services
- 2.2. Electricity
- 2.3. Trash collection
- 2.4. Golden Rain Foundation (GRF)
 - 2.4.1. GRF Trust Costs Assessments collected by the Mutual
 - 2.4.2. Reimbursement for costs paid by GRF, including but not limited to:
 - 2.4.2.1. Service Maintenance (Service Repair Orders)
 - 2.4.2.2. Water Charges
 - 2.4.2.3. Property and Liability Insurance
 - 2.4.2.4. Street and Carport Sweeping
 - 2.4.2.5. Third Party Charges
- 2.5. Repair and Replacement Expenditures (12-7622-3). Funds transferred from designated reserve money market savings accounts to the General Checking Account, as necessary.
 - 2.5.1. Appliance Replacement Reserve
 - 2.5.2. Infrastructure, Painting and Roofing Reserves
 - 2.5.3. Emergency Reserve
- 2.6. Federal and State Income Taxes
- 2.7. Property Taxes
- 2.8. All other approved disbursements

3. REPAIR AND TAX DEPOSIT ACCOUNT

An account for the purpose of managing the required seller/transferor repair deposit (12-7530-1) and property tax liability deposit (12-7709.1-1)

- 3.1. Unit repair costs paid to outside contractors
- 3.2. Service Maintenance repair costs
- 3.3. Property tax liability paid to the County Assessor
- 3.4. Refund deposit balance to seller/transferor

4. DELIVERY OF CASH DISBURSEMENTS

Subject to the exception below, all signed Mutual Twelve checks shall be transmitted by the Golden Rain Foundation directly to the respective payees by U.S. Mail or by electronic transfer.

(Jan 21)

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- 4.1. An authorized and designated Mutual Twelve check signer shall have discretion to hand deliver a Mutual Twelve check to a payee. Such a check signer shall sign a dated receipt on a photocopy of such check and shall report such an incident and the need for it at the first subsequent meeting of the Board of Directors of Mutual Twelve. The subject signed receipt shall be attached to the relevant invoice and retained by the Finance Department with Mutual Twelve records.

Document History

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