



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
February 26, 2019**

CALL TO ORDER

President Linda Stone called the regular monthly meeting of the Board of Directors (BOD) of the Golden Rain Foundation (GRF) to order at 10:00 a.m., on Tuesday, February 26, 2019, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Aaron Hensley, Service Maintenance Assistant Supervisor, led the Pledge of Allegiance.

ROLL CALL

Following the roll call, the Corporate Secretary reported that Directors Perrotti, R. Stone, Snowden, L. Stone, Gerber, Gould, Hopewell, Fekjar, Dodero, Winkler, Heinrichs, Findlay, Lukoff, Friedman, and Moore were present. The Executive Director and the Director of Finance were also present. Directors Friedman and Pratt were absent.

Fifteen Directors were present, with a quorum of the voting majority.

PRESIDENTS COMMENTS

Welcome members and thank you for coming today! I am pleased to see so many residents attend on such a beautiful morning.

Today I want to talk about rumors – one in particular.

The rumor is that we, GRF, are going to start charging for amenities and clubhouse reservations. If you remember, in my President's comments last month, I asked you to please not be alarmed or listen to rumors about this subject.

The February 22nd Facilities and Amenities Review Ad hoc (FAR) Committee meeting was cancelled because of a predicted large attendance due to the rumor. The room that was scheduled for use, Conference Room B, cannot accommodate large numbers. Therefore, there will be a Town Hall meeting on March 20th, at 1:00 p.m., here in Clubhouse 4. Your comments, concerns, ideas and solutions will be sought. This journey will take place in full view at all committee meetings, which are open to all shareholders. That means you have 20+ days to do your research.

Why not sooner? Because there wasn't a room available until then. Of note, last month, the Recreation Department made 859 reservations for clubhouse use. As you can see, our clubhouses are very popular.

I cannot deny that GRF is investigating ways to increase revenue for the remainder of this year and for the 2020 Budget. By increasing revenue, we can hopefully offset your monthly assessments next year.

GRF is in the early stages of our due diligence and are exploring a variety of options. Community feedback is very important in discovering possibilities. So, there will be plenty of opportunities to voice your comments, concerns and hopefully suggestions for solutions!

If you are here today, you're concerned. Help us find the right answers. But be aware that sometimes the best solution for the majority is not the most popular solution for the minority.

And, remember, all Committee recommendations or policy changes must be brought to the BOD for final approval before they are put into effect.

Ms. Stone MOVED, seconded by Mr. Lukoff and carried unanimously by the Directors present-

TO remove agenda item 10.c. ii. from today's agenda.

ANNOUNCEMENTS

The GRF Board of Directors met in Executive Session on February 1 and February 19, 2019, to discuss legal and contractual matters.

SERVICE ANNIVERSARIES

Five employees were recognized with a service award.

Aaron Hensley	Service Maintenance Department	5 years
Fatima Angeles	Finance Department	5 years
Tommy Fileto	Recreation Department	10 years
Nancy Hilaman	Fleet Department	20 years
William Marquardt	Security Department	25 years

SEAL BEACH COUNCIL MEMBER'S REPORT

Seal Beach Council Member Sandra Massa Lavitt provided an update on the Seal Beach City Council meeting.

SHAREHOLDER/MEMBER COMMENTS

In accordance with Policy 5610, Participation by Foundation Members, members may enter into a comment period prior to the beginning of business. **NOTE:** Foundation members are permitted to make comments before the business of the Board begins. Requests must be registered in

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advance of the meeting. The Open Meeting Act allows boards of directors to establish reasonable time limits for the open forum and for speakers to address the board. ([Civ. Code §4925\(b\)](#).) Time limits, per speaker, are limited to:

- 4 minute limit per speaker, when there are no more than 15 speakers
- 3 minute limit per speaker, 16 - 25 speakers
- 2 minute limit per speaker, over 26 speakers

Five members offered comments.

CONSENT CALENDAR – APPROVAL OF BOARD COMMITTEE MEETING MINUTES

In accordance with Civil Code 4090, the Foundation will make available a summary of the meetings where a quorum of the Board was present. A quorum of the Board was present at the following Committee meetings:

- Minutes of the Recreation Committee Board Meeting of January 7, 2019
- Minutes of the Security, Bus & Traffic Committee Board Meeting of January 9, 2019
- Minutes of the Executive Committee Board Meeting of January 11, 2019
- Minutes of the Facilities and Amenities Review Ad hoc Committee Board meeting of January 25, 2019

APPROVAL OF BOARD MEETING MINUTES

The minutes of the January 29, 2019 meeting and the February 12, 2019 Special meeting were approved, as presented.

REPORTS

The Chair of the Facilities and Amenities Review (FAR) Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

The Chair of the Management Services Review Ad hoc Committee was not available to present a report on the progress of the Ad hoc Committee.

The Chair of the Strategic Planning Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

The Health Care Center Advisory Board presented a report on the progress of the Board.

NEW BUSINESS

General

Adopt Policy 5177-31, Health Care Center Advisory Board

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At its meeting on February 12, 2019, the Health Care Center Advisory Board recommended that Policy 5177-31, Health Care Center Advisory Board, be adopted by the GRF Board of Directors.

Ms. Stone MOVED, seconded by Ms. Hopewell and carried unanimously by the Board members present-

TO adopt Policy 5177-31, Health Care Center Advisory Board, to oversee all matters pertaining to lease compliance, community feedback of the Health Care Center and programs of mutual benefit and the exchange of pertinent information.

CAMUTCD, Authorization to Allow Seal Beach Police Department onto Property for Traffic Enforcement

The Physical Property Committee (PPC) has been working on improving street marking and signage in the Community since 2015. The GRF Board approved funding in the amount of \$272,800 to bring our Trust streets into compliance with State and City Codes under The California Manual for Uniform Traffic Control Devices (CAMUTCD) from recommendations of the PPC.

Ms. Rapp MOVED, seconded by Ms. Snowden and carried unanimously by the Board members present-

TO move to approve sending notification to the City of Seal Beach that the Golden Rain Foundation Trust Streets within Leisure World Seal Beach comply with CAMUTCD and submit Certification with a request to the City of Seal Beach to adopt, by ordinance or resolution, regulating vehicular traffic on Golden Rain Foundation privately owned roads, per California Vehicle Code (CVC), Section 21107 (Attachment A), with City of Seal Beach Police traffic enforcement. Required signage shall be posted by Golden Rain Foundation on the affected roads, per Attachment B.

Ms. Rapp MOVED, seconded by Mr. Dodero-

I further move to authorize the Executive Director to place the required signage, in accordance with the CAMUTCD, that the

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provisions of the Vehicle Code and Seal Beach Municipal Code are applicable to all Trust property streets within this Community C.V.C 21107.5.

Two Directors spoke on the motion.

The motion was carried unanimously by the Board members present.

Approve February GRF Board Report

At the regularly scheduled meeting of the Executive Committee on February 9, 2019, the Committee moved to recommend the GRF Board establish a standard monthly report for distribution to all Mutual Boards; the monthly GRF Board report shall contain the GRF BOD meeting recap, GRF Committee and Ad hoc Committee monthly summaries of action and a general report on all major projects (projects generally over \$10,000).

Ms. Hopewell MOVED, seconded by Ms. Rapp-

TO approve to establish a monthly GRF Board Report for distribution.

Three Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Ms. Hopewell MOVED, seconded by Ms. Fekjar-

TO approve the February GRF Board Report, as presented.

Seven Directors spoke on the motion.

The motion was carried with three no votes (Gould, Snowden, Winkler).

Architectural Design and Review Committee

Reserve Funding Request – St. Andrews Median Landscape

The Physical Property Department was tasked with providing cost for landscaping and boulder installation on all medians on St. Andrews, except for medians #2 and #3 which were completed as samples. Our current landscape contractor provided a cost, not to exceed \$184,282, to complete the remaining medians, not including median #2 and #3 (already completed) and use the #2 median as the model. Cost was provided for boulder installation, based on cost from two suppliers, from the sample medians, not to exceed \$52,000.

At a Special meeting of the ADR Committee on February 21, 2019, the Committee recommended the Board of Directors award a contract to Anguiano Lawn Care to install plants and irrigation to all medians on St Andrews, excluding medians #2 and #3 (already completed), for a cost not to exceed \$184,282, and to approve funding in an amount, not to exceed \$52,000, for boulder

installation, upon finalization of firm cost estimates and including contingency funding of \$24,000.

At the February 15, 2019 meeting of the Finance Committee, the Committee determined sufficient Reserve funds exist in the amount of \$260,282.

Ms. Heinrichs MOVED, seconded by Ms. Fekjar-

TO approve the replacement of landscaping on St. Andrews medians 1, 4 to 16, in an amount not to exceed \$260,282, Reserve funding and authorize the GRF President to sign a contract with Anguiano Lawn Care (plants and irrigation), in the amount of \$184,282, and further approve the GRF President to sign a contract, in an amount not to exceed \$52,000, for rock boulder installation with the best qualified contractor; funds include a contingent in the amount of \$24,000; the ADRC Chair is authorized to review and approve all contingencies.

Six Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board Directors present.

Operating Funding Request – Community Facilities Tree Trimming

It was determined to send the Community Facilities Tree Trimming project back to the Architectural Design and Review Committee to re-evaluate the cost of this project. The Committee asked staff to have the remaining bidding contractors (see below) sample their work and trim similar trees. The Committee, at its January meeting, reviewed cost and workmanship and determined to forward a request to the Board of Directors to award a contract to Anguiano Lawn Care, to maintain the Community Facilities tree inventory, for a two (2) year term, 2019-2020, in an amount not to exceed \$87,640, Operating funding.

Ms. Findlay MOVED, seconded Mr. Lukoff -

TO award a contract to Anguiano Lawn Care to maintain the Community Facilities tree inventory, for a two (2) year term, 2019-2020, in an amount not to exceed \$87,640, Operating funding, and authorize the President sign the contract.

Two Board Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Executive Committee

Confirm 2019 Election Provider

Policy 5025-30, Election Procedures, states that the Executive Committee (EC) “will recommend that the Board appoint the election services company as its Inspector(s) of Election.”

At its meeting on September 26, 2017, the Golden Rain Foundation (GRF) Board unanimously awarded a contract to Accurate Voting Services to perform the general election services for the GRF and Mutual corporations for years 2018, 2019 and 2020.

At its meeting on February 8, 2019, the Executive Committee unanimously moved to recommend the GRF Board of Directors confirm the appointment of Accurate Vote Services, as the Inspectors of Election for the 2019 election.

Ms. Fekjar MOVED, seconded by Ms. Snowden and carried unanimously by the Board members present-

TO confirm Accurate Voting Services, as the Inspectors of Election, for the elections, as set forth in Policy 5025-30.

Approve GRF Directors Serving on the GAF Board

By motion approved under “President’s Comments”, agenda item 10.c. ii. was removed from today’s agenda.

Adopt DMS Software Numbering Format

A cataloging system for procedures, rules, forms, etc. assists users in the navigation of documents and both provides logical organization and ensures that a user can find information easily. At its meeting on February 8, 2018, the Executive Committee moved to recommend organizing the GRF policies in a format, as presented in the agenda packet.

Ms. Rapp MOVED, seconded by Ms. Hopewell -

TO adopt the numbering format, for use in the Power DMS tracking system software, as presented.

Ms. Snowden MOVED, seconded by Ms. Hopewell -

TO include “area” IT (20) with the “area” category of Other (90)

departments.

One Director spoke on the amendment.

The amendment was carried unanimously by the Board Directors present.

The amended main motion was carried with two no votes (Gerber, R. Stone) and one abstention (Findlay).

Director Findlay left the meeting at 11:12 a.m. and returned at 11:17 a.m.

Finance Committee

Accept January Financial Statements

At the regularly scheduled meeting of the Finance Committee on February 15, 2019, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the January 2019 financial statements for audit.

Ms. Winkler MOVED, seconded by Mr. Lukoff -

TO accept the January 2019 financial statements for audit.

One Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Approve Funds Transfer Request – Reserve Funds

At the regularly scheduled meeting of the Finance Committee on February 15, 2019, the members discussed the liquid funds held in various financial institutions and noted the total balances in one of the financial institutions exceed the FDIC insurance limit and, therefore, are not in compliance with Policy 5520-31 – Reserves.

The Committee passed a motion to recommend the GRF Board authorize the transfer of \$500,000 of reserve funds from First Foundation Bank to US Bank, following the maturity of a \$500,000 CDAR on March 7, 2019, for the purposes of maximizing insured funds and to invest in higher yielding CDs with US Bancorp.

Mr. Lukoff MOVED, seconded by Mr. Dodero-

TO approve a transfer of \$500,000 of reserve funds from First Foundation Bank to US Bank, following the maturity of a \$500,000 CDAR on March 7, 2019, for the purposes of maximizing insured funds and to invest in higher yielding CDs with US Bancorp.

One Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Approve CD Purchase Request – Reserve Funds

At the regularly scheduled meeting of the Finance Committee on February 15, 2019, the members discussed terms and interest rates on CDs offered through US Bancorp. Additionally, the Committee discussed the current investment ladder and reserve funds available for investing to fill in the gaps in the investment ladder.

Following this discussion, the Committee passed a motion to recommend the GRF Board authorize the purchase of brokered CDs, totaling \$300,000 of reserve funds, all with a 12-month term, at the prevailing interest rates at the time of purchase.

Mr. Lukoff, MOVED, seconded by Ms. Snowden carried unanimously by the Board members present -

TO approve the purchase of brokered CDs, from US Bancorp, totaling \$300,000 of reserve funds, using funds from the US Bank money market account, all with a 12-month term, at the prevailing interest rates at the time of purchase.

Approve Funds Transfer Request – Capital Improvement Funds

On February 15, 2019, the Committee passed a motion to recommend the GRF Board authorize the Finance Department to close the non-restricted money market account at First Foundation Bank, as the majority of funds are allocated to the Capital Improvement Fund, transferring all funds from this account to the US Bank non-restricted money market account for the purposes of maximizing insured funds and to invest Capital Improvement funds with US Bancorp.

Mr. Lukoff MOVED, seconded by Ms. Hopewell-

TO authorize the Finance Department to close the non-restricted money market account at First Foundation Bank, as most of these funds are allocated to the Capital Improvement Fund, transferring all funds from this account to the US Bank non-restricted money market account for the purposes of maximizing insured funds and to invest Capital Improvement funds with US Bancorp.

One Director spoke on the motion.

The motion was carried unanimously by the Board members present.

Approve CD Purchase – Capital Improvement Funds

At the regularly scheduled meeting of the Finance Committee on February 15, 2019, the members discussed investing some of the Capital Improvement funds in higher yielding investments by establishing an investment ladder with varying maturity dates, as not all funds will be needed within the short-term.

Following this discussion, the Committee passed a motion to recommend the GRF Board authorize the purchase of two (2) brokered CDs, totaling \$500,000 of Capital Improvement funds, with a 6-month and a 12-month term, at the prevailing interest rates at the time of purchase.

Mr. Lukoff MOVED, seconded by Mr. Gould and carried unanimously by the Board members present-

TO approve the purchase of two (2) brokered CDs, totaling \$500,000 of Capital Improvement funds from the US Bank Money Market account, with a 6-month and a 12-month term, at the prevailing interest rates at the time of purchase and to hold these CDs in a newly established investment account at US Bancorp specifically for holding investments in Capital Improvement Funds.

Director Perrotti left meeting 11:28 a.m.

Amend Policy 5340-31, Capital Improvement Funds

At its meeting on December 17, 2018, the Finance Committee requested Policy 5340-31 – Capital Improvement Fund be amended to include guidelines for investing Capital funds to maximize the yield on these funds. The amended policy incorporates guidelines on appropriate uses, investing, withdrawing and transferring Capital funds.

Ms. Winkler MOVED, seconded by Mr. Stone-

TO amend Policy 5340-31, Capital Improvement Fund, incorporating guidelines on appropriate uses, investing, withdrawing and transferring Capital funds.

One Director spoke on the motion.

The motion carried unanimously by the Board members present.

Amend Policy 5115-31, Finance Committee

At its meeting on December 17, 2018, the Finance Committee recommended Policy 5115-31, Finance Committee be amended to include the duty of reviewing, on a monthly basis, all financial information as required under applicable sections of the Civil Code.

Ms. Hopewell MOVED, seconded by Ms. Heinrich -

TO amend Policy 5115-31, Finance Committee, to include the duty of reviewing, on a monthly basis, all financial information, as required under applicable sections of the Civil Code.

Three Directors spoke on the motion.

The motion was carried unanimously by the Board members present.

Physical Property Committee

Capital Funding Request – Administration and Amphitheater Roofs

The Physical Property department was tasked with obtaining specifications to re-roof the Administration and Amphitheater Buildings. AWS Consultants provided these specifications and the Project is ready to be sent out to bid. Staff recommends AWS provide services for pre-bidders conference, review of bids received, the interview of bidders, assistance with the selection process, and provide the Construction Contract for the project. The cost for these services is \$3,500.

At its regular scheduled meeting on February 6, 2019, the Physical Property Committee requested the Finance Committee review Capital funding for this request and forward to the Board of Directors for approval.

At its regular meeting on February 15, 2019, the Finance Committee reviewed available funding for this Capital project, and unanimously resolved funding is available.

Ms. Gerber MOVED, seconded by Ms. Snowden and was carried unanimously by the Directors present-

TO approve AWS Consultants to provide services for pre-bidders conference, review of bids received, interview bidders, assist with the selection process, and provide the Construction Contract for the roofing of the Administration and Amphitheater buildings, Capital

funding, at a cost not to exceed \$3,500, and approve the Executive

Director to initiate the action.

Recreation Committee

Capital and Reserve Funding Request – Patio Sets Purchase, Café Patio

At the February 4, 2019 meeting of the Recreation Committee, the Committee provided unanimous consensus to support a Capital Funding request to the Finance Committee for the replacement of the four (4) patio sets, located at the Café patio, due to age and condition (two are damaged, two are at end of their serviceable life).

At the February 15, 2019 meeting of the Finance Committee, the Committee determined sufficient Capital Funds are available.

Ms. Snowden MOVED, seconded by Ms. Fekjar and carried unanimously by the Directors present-

TO approve the purchase of four (4) standard patio furniture sets, in an amount not to exceed \$8,487.71, Capital Funding, and authorize the Executive Director to initiate the purchase.

Amend Policy 1403-50, Commercial Use

At its regular meeting on February 4, 2019 the Recreation Committee moved to amend Policy 1403-50, Commercial Use, clarifying the conditions pertaining to the sale of alcoholic beverages in GRF community facilities.

Mr. Doderer MOVED, seconded by Mr. Moore -

TO amend Policy 1403-50, Commercial Use, advising that Recreation events, approved by the Recreation Committee, may sell alcoholic beverages in all GRF facilities.

Six Directors and the Executive Director spoke on the motion.

Mr. Lukoff MOVED, seconded by Ms. Hopewell-

TO refer Policy 1403-50, Commercial Use, back to the Recreation Committee for further review.

The motion was carried with one no vote (Dodero).

Security, Bus & Traffic Committee

Rescind Policies 5535-37, Pedestrian Gate Security and 5536-37, Gate Security

At its Special meeting on January 31, 2019, the Security, Bus & Traffic Committee reviewed and determined that Policy 5535-37, Pedestrian Gate Security, is a procedure rather than a policy. At its meeting on February 13, 2018, the Committee reviewed and determined that Policy 5536-37, Gate Security, is also a procedure rather than a policy. The Committee recommends the GRF Board of Directors rescind both policies.

Mr. Gould MOVED, seconded by Ms. Rapp and carried unanimously by the Directors present-

TO rescind Policies 5535-37, Pedestrian Gate Security and 5536-37,
Gate Security, as they are procedures, rather than policies.

CONTROLLER'S REPORT

The Finance Director provided a financial report earlier in the meeting.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director provided a written report for the Board.

BOARD MEMBER COMMENTS

Twelve Board members spoke on the meeting proceedings.

ADJOURNMENT

The meeting was adjourned was at 11:58 a.m.

Suzanne Fekjar
GRF Corporate Secretary
dfb