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## Finance Committee

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### **Agenda**

Administration Conference Room  
Tuesday, February 16, 2016  
10:00 a.m.

1. Call to Order/Pledge of Allegiance
2. Roll Call/Notice of Quorum
3. Chairs Announcements
  - a. Introduction of Guests and Staff
  - b. Rules of Order
  - c. Chairs Report
4. Approval of Minutes
  - a. Regular Minutes of January 19, 2015 (pp.1-6)
5. Shareholder/Member Comments – Agenda Items Only  
*(Limited to 3 minutes per person)*
6. Correspondence
7. Financials
  - a. Month of January 2016
8. Unfinished Business
  - a. Review of Reserve Study
9. New Business
  - a. GRF Membership Fees from the Stock Transfer Office (pp. 7-10)
  - b. Transfer Globe Funds from Capital to Reserve Fund
10. Request from ITS Committee
  - a. Approve Capital Funding – Axserion software conversion project (pp. 11-13)
11. Request from Physical Property Committee
  - a. Approve Reserve Funding – Replacement of Parking Lot Light, Clubhouse Six (pp.14-16)
  - b. Approve Reserve Funding – Replacement of Two Heat Pumps, Clubhouse Six (pp.17-20)

- c. Approve Non Budgeted Operational Funding – Extend No Parking Red Cub to in front of Fire Hydrants on Trust Streets (pp.21-22)
  - d. Approve Reserve Funding – Accelerate Reserve Funds to replace the Floors in the Physical Property and Break Rooms (pp.23-25)
  - e. Approve Reserve Funding – Purchasing Floor Replacement (pp.26-28)
- 12. Request from Recreation Committee
  - a. Approve Non-Budgeted Operational Funding – Relocation of Video Producers Club (P.29)
  - b. Approve Capital Funds – Space Planning Building 5 (P.30)
- 13. Policies
  - a. Adopt (No Action)
  - b. Rescind (No Action)
- 14. Staff Reports
  - a. Purchasing Supervisor (pp.31-34)
  - b. Controller (pp. 35-44)
  - c. Executive Director
- 15. President's Comments
- 16. Shareholder Member Comments  
*(Limited to 3 minutes per person)*
- 17. Committee Member Comments
- 18. Next Meeting – March 8, 2016 at 10:00 a.m. in the Administration Conference Room.
- 19. Adjournment



## **FINANCE COMMITTEE MINUTES**

### **January 19, 2016**

The regular Finance Committee meeting held on Tuesday, January 19, 2016, was called to order by Vice Chair, Damoci at 10:02 a.m. in the Administration Conference Room, followed by the Pledge of Allegiance.

#### **ROLL CALL**

Present:	Ms. L. Stone, Chair	Mr. P. Hood
	Mrs. C. Damoci, Vice Chair	Ms. P. Snowden
	Mr. P. Friedman	Mr. R. Stone
Absent:	Mrs. M. Doderio	
	Ms. R. Winkler, Ex Officio	
Staff:	Mr. R. Ankeny, Executive Director	
	Ms. C. Miller, Controller	
	Ms. B. Shuler, Finance Supervisor	
	Mrs. J. Rodgers, Purchasing Manager	
	Mrs. D. Bennett, Recording Secretary	
	Mrs. L. Perrotti, GRF Representative, Mutual One	
	Four Foundation Members	

#### **APPROVAL OF MINUTES**

The Chair declared the Regular Meeting minutes of December 19, 2015, approved as written.

#### **SHAREHOLDER/MEMBER COMMENTS**

No shareholder/member comments were offered.

#### **INTRODUCTION OF STAFF AND GUESTS**

The Chair introduced and welcomed Foundation members, guests and staff.

By unanimous consent, the Vice Chair declared the reading of the quorum notification be dispensed with.

In accordance with California Civil Code Section 4090, please be advised that a quorum of the GRF Board of Directors is present at today's posted meeting. The business of the Finance Committee will be conducted in accordance with the agenda. As a quorum of the Board is present, this meeting will be conducted as a committee meeting *and* a Board meeting. The agenda actions of the committee will be limited only to the members of the committee and will only constitute such actions in

accordance with stated committee policy and/or provide recommendations to the GRF Board of Directors at its regular Board meeting on the 4<sup>th</sup> Tuesday of the month. GRF Board members who are not committee members will be allowed to comment when recognized by the Chair and only during the proscribed Foundation member comment period, not to exceed four minutes, as set forth in Policy 5610, Participation by Foundation Members. The minutes of today's Board meeting will be presented to the Board for approval following the approval of the committee meeting minutes in January.

The Chair introduced and welcomed Foundation members, Golden Rain Foundation (GRF) Board of Directors (BOD) and Staff.

### **COMMITTEE RULES**

The Chair reviewed the meeting rules and asked that courtesy and respectfulness be acknowledged at all times. Please remember to turn off your cell phones.

### **CHAIR'S REPORT**

The Chair did not offer a report.

### **APPROVAL OF MINUTES**

The Chair declared the Regular Meeting Minutes of December 19, 2015, approved as written.

### **CORRESPONDENCE**

The Finance Committee did not receive any correspondence.

### **ACCEPT DECEMBER 2015 FINANCIAL STATEMENTS**

The Controller reviewed the December 2015 financial reports.

*Mrs. Dodero MOVED, seconded by Mr. Hood and carried unanimously –*

***TO** recommend the GRF BOD accept the November 2015 Financial Statements for audit.*

### **UNFINISHED BUSINESS**

#### **Review of Reserve Study**

The Chair advised that the civil code requires annual updating of the Reserve Study; the Committee discussed the merits of an in-house computer program versus review by an outside company. The Executive Director will present examples of software programs for in-house use, for the Committee's evaluation, at the February Finance Committee meeting.



Approve Lease for Video Producers Club

The Committee members reviewed the proposed lease for use of Trust Property for the Computer Club.

After discussion of amendments to the lease, Mrs. Damoci MOVED, seconded by Mr. Stone and carried unanimously –

**TO** approve, with amendments, the lease for the Video Producers Club; the Executive Director will present the amended lease to the Video Producers Club.

Reserves – Main Gate Beautification

At the regular scheduled meeting of the ADRC, on December 21, 2015, the Committee reviewed and discussed plans drafted in 2014 for the beautification of the Main Gate Globe planter. The general consensus of the Committee was that remedial actions are required due to the age and condition of the fountain (currently non-operation), hardscape and landscape. The Committee is seeking a budget for the project to establish the general scope of the project. The project is currently scheduled for replacement in 2017, funds from Reserves.

Upon discussion, Mrs. Damoci MOVED, seconded by Mr. Friedman –

**TO** decline to accelerate the Main Gate Beautification project scheduled for 2017.

The motion was carried with two no votes (L. Stone, Hood).

Approve Funding – Clubhouse Six Heat Pump

The Executive Director requested this item be removed from the agenda; the Committee consented to the request for removal of the item.

Approve Funding – Security Restroom Upgrades

At the regular scheduled meeting of the Physical Properties Committee (PPC), the Committee reviewed four (4) bids from contractors to complete upgrades requested. The PPC recommended John Bergkvist General Contractors to complete the project for \$45,000.00. Reserves in the amount of \$12,850 have been allocated in the Reserve account and fully funded in 2015.

Upon discussion, Mrs. Damoci MOVED, seconded by Mr. Hood –

**TO** advise the GRF BOD that funds, in the amount of \$32,500, are available for the Security Building restroom upgrades.

The motion was carried with one no vote (R. Stone).

### **POLICIES**

There were no policies to be considered for adoption, amendment or rescission.

### **STAFF REPORTS**

#### **Purchasing Manager**

The Purchasing Manager's report is attached at the end of the minutes.

#### **Controller**

The Controller's report is attached at the end of the minutes.

#### **Executive Director**

The Executive Director reported that a presentation will be made to the CFO group announcing a check signing area in the office previously occupied by the IT Manager on the first floor of the Administration Building. He also advised that staff overtime is very limited.

### **PRESIDENT'S COMMENTS**

The President was not in attendance at the Committee meeting.

### **COMMITTEE MEMBER COMMENTS**

Six Committee members commented on the proceedings of the meeting.

### **ADJOURNMENT**

The next regular monthly meeting will be held on Tuesday, February 16, 2016 at 10:00 a.m. in the Administration Conference Room.

The Chair adjourned the meeting at 11:47 a.m.

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Linda Stone, Chair  
FINANCE COMMITTEE  
dfb 01.21.16

**RECAP OF MOTIONS AND ACTIONS TAKEN AT THE SPECIAL FINANCE  
COMMITTEE MEETING ON JANUARY 19, 2016.**

**MOTIONS**

- By unanimous consent, the Chair declared the reading of the quorum notification be dispensed with;
- The Chair declared the Regular Meeting Minutes of December 19, 2015, approved as written;
- **TO** recommend the GRF BOD accept the November 2015 Financial Statements for audit;
- **TO** approve, with amendments, the lease for the Video Producers Club; the Executive Director will present the amended lease to the Video Producers Club.
- **TO** recommend the GRF BOD approve the engagement of services of NSBN to perform the 2015 annual financial and 401(k) audits and to prepare and file tax returns for GRF and all Mutuals at the rate of \$116,000 and to extend NSBN's pricing originally intended for the audit periods of 2015, 2016 and 2017 to the audit periods of 2016, 2017 and 2018;
- **TO** rescind the following procedures:
  - Procedure 2242-31 – Mutual Finance Reports
  - Procedure 2251-31 – Assessed Valuation & Homeowner's Exemption
  - Procedure 2271-31 – Checks Drawn to the Order of GRF
  - Procedure 2272-31 – Petty Cash Procedures
  - Procedure 2284-31 – Property Run Procedure
  - Procedure 2285-31 – Collection Procedures
  - Procedure 2289-31 – Insurance Broker Service
  - Procedure 3321.8-31 – Purchase Requisition Approval
  - Procedure 3321-31 – Purchase Orders
  - Procedure 3321.5-31 – Purchase Requisition Procedure
  - Procedure 3321.6-31 – Purchase Order Procedure
  - Procedure 3321.7-31 – Invoice Approval for Payment
  - Procedure 3322-31 – Credit Memorandums
  - Procedure 2121-31 – Escrow Accounting Procedure

Procedure 2241-31 – GRF Financial Reports

- **TO** approve the disposal of the patio chair for \$25.00. The motion passed with Mrs. Damoci recusing herself;
- **TO** reinvest \$550,000 from proceeds of matured CDAR (Reserve Funds) in a 52-week CDAR.

**ACTIONS**

- The Executive Director will present examples of software programs for in-house use, for the Committee's evaluation, at the February Finance Committee meeting.

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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** COURTNEY KNAPP, STOCK TRANSFER SUPERVISOR  
**SUBJECT:** REQUEST FOR MEMBERSHIP FEE REFUND  
**DATE:** FEBRUARY 16, 2016

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The Stock Transfer Office has received a request for the refund of the Golden Rain Foundation (GRF) membership fee.

Danny Watson applied for co-occupant status with Betty Haskins, shareholder of 10-2591, on September 18, 2015. He paid the \$1,678 membership fee and \$50 co-occupant set-up fee, and turned in the co-occupant application. However, there was a delay with accepting his application by Mutual Ten and Danny Watson stayed in the unit as a visitor until his passing on December 21, 2015.

On January 28, 2016, the Stock Transfer Office received a written request from Shawn Watson, Danny Watson's only child, requesting the refund of the \$1,678 membership fee. Shawn Watson also provided a copy of his father's death certificate and an Affidavit for Collection of Personal Property Pursuant to California Probate Code §13100-13116. Per Carol Weller's instructions, these items were forwarded to the Foundation's counsel for review. In his letter of February 3, 2016, Attorney Jay Picking wrote that if the refund of the membership fee is approved, the check should be made out to Shawn Watson pursuant to Probate Code §13100 et seq.

Action Requested:

Motion to approve the refund of the \$1,678 membership fee to Shawn Watson.

Golden Rain Foundation  
Leisure World, Seal Beach, California

RE: Danny Watson – Mutual 10 – Apt. 259I – Co-occupant fee reimbursement

January 28, 2016

To whom it may concern,

Please accept this letter as a formal request to reimburse co-occupant fees in the amount of \$1678.00 paid by Danny Watson. Your records indicate the receipt number of 2510 was issued for his payment.

Mr. Watson is now deceased and was not able to use his benefits as paid for at the time he took residency at Leisure World.

As his son, I am his only successor as verified by the enclosed affidavit. The returned fees will help in his burial costs.

Your consideration is greatly appreciated.

Thank you,



Shawn Watson  
2335 W. Chesterfield Blvd. #C  
Springfield, MO 65807



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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** COURTNEY KNAPP, STOCK TRANSFER SUPERVISOR  
**SUBJECT:** REQUEST FOR HONORING 2015 MEMBERSHIP FEE  
**DATE:** FEBRUARY 16, 2016

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The Stock Transfer Office has received a request to honor the 2015 Golden Rain Foundation (GRF) membership fee.

Ted Malin, sole owner of unit 4C in Mutual Two, died January 17, 2006. The successor trustee and beneficiary of The Ted Malin Revocable Trust is Michael Camarena. Mr. Camarena did not qualify as an individual to go on title as shareholder member. He was instructed by the Mutual Two Board of Directors to list and sell the unit.

On February 1, 2016, Michael Camarena presented domestic partnership information for himself and his partner Joseph Vinton Ash. The Certificate of Registered Domestic Partnership is dated February 1, 2016. As domestic partners, Mr. Camarena and Mr. Ash qualify together. This file was reviewed by GRF counsel Jay Picking who approved the transfer.

Michael Camarena has requested the Finance Committee honor the 2015 GRF membership fee of \$1850 (sic). *The 2015 GRF membership fee was \$1,678 per person. The 2016 GRF membership fee is \$2,595 per person.*

**Action Requested:**

Motion to consider the request for Michael Camarena and Joseph Vinton Ash to pay the 2015 GRF membership rate of \$1,678 per person instead of the 2016 rate of \$2,595 per person.

February 8, 2015

Linda Stone  
Finance Committee Chair  
GOLDEN RAIN FOUNDATION  
Seal Beach, CA 90740

Dear Chair Stone,

My name is Michael Camanera. I am asking for your help to get a variance on the 2016 Membership Fees.

I inherited a unit in Mutual 2 (4C) through a trust. Last September, I started the process of having it put in my name. Stock transfer informed me that I did not qualify to live here. At that point Mutual Two informed me that I had to sell my share and kicked me and my partner out of the unit.

I have been trying to resolve this issue since September. I finally got my approval, today, February 8, 2016. At that time, I was informed that the Membership Fees had increased from \$1850 to \$2500.

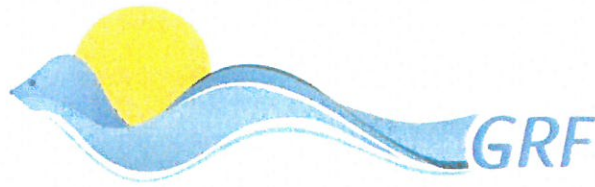
It would help us greatly if the Board would approve us paying the \$1850 fee instead of the \$2500.

Thank you for your consideration regarding this matter.

Sincerely,

Michael Camanera  
*Michael Camanera*





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## COMMITTEE ACTION REQUEST

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**TO:** FINANCE COMMITTEE  
**FROM:** INFORMATION TECHNOLOGY COMMITTEE  
**SUBJECT:** REQUEST FOR ADDITIONAL FUNDS FOR AXXERION CONVERSION  
**DATE:** FEBRUARY 16, 2016  
**CC:** FILE

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At the regular meeting of the Information Technology Committee on February 9, 2016, the Committee discussed the need for additional funds to bring the Axxerion project to implementation.

On July 28, 2015, the Golden Rain Foundation Board of Directors approved funds in the amount of \$42,000 to purchase a computerized maintenance management systems (CMMS) as part of the Jenark project migrating from the Great Plains and Adapt systems.

In August 2015, a contract was signed with Axxerion for the purchase of a CMMS software package that included 27 user licenses, 21 hours of training and 68 hours of implementation for a total contract value of \$27,850. The billing rate is \$150 per hour and covers both telephone meeting times and programming hours.

The software conversion project commenced in August 2015 immediately following the signing of the contract. The conversion team consisted of the ITS Manager (who was delegated to be the internal training manager), Controller, Accounting Supervisor and the Purchasing Manager. Shortly after the project began, the ITS Manager left the company resulting in no ITS representation or delegated training manager on the conversion team.

The remaining members of the project team continued to work with the vendor in planning and developing the robust system the software has to offer and have concluded that the amount of hours purchased in the initial contract were not sufficient to build a software package to its full functionality without in-house IT support. Due to the fact in-house IT support was crucial as the project leader as well as the training manager, significantly more time has been spent on the project than initially planned.

The following is a recap of total hours and dollars spent through December 31, 2015 on the conversion project:

	<b>Contract</b>	<b>Actual Expenditures</b>
Licenses	14,500.00	14,871.25
Training & Implementation	13,350.00	21,802.50
<b>Total</b>	<b>27,850.00</b>	<b>36,673.75</b>
<b>Approved Funding</b>		<b>42,000.00</b>
<b>Remaining funds available as of 12/31/2016</b>		<b>5,326.25</b>

Although the project is progressing favorably, additional hours are needed to bring the project to implementation. Before implementation, key tasks must be completed such as finalizing the draft process flows and coding scripts for work order, purchase order and inventory transaction processing, building queries and developing reports, training users of the system and making minor adjustments to the process flows prior to implementation. Training the staff will be performed in-house whereas the remaining tasks will require the vendor's time in the form of frequent telephone meetings with the conversion team and developing queries, reports, modifying scripts and adjusting the process flows.

Estimated additional funding to complete this initial project is:

<b>Estimated additional funds needed:</b>	<b>Hours</b>	
January planning and development	50.0	7,500.00
February planning and development	46.7	7,000.00
March planning and development	43.3	6,500.00
April planning and development	26.7	4,000.00
Contingency	33.3	5,000.00
Less remaining funds		(5,326.25)
<b>Total Estimated Add'l Funds needed</b>	<b>200.0</b>	<b>24,673.75</b>

Please note that the software has the potential of performing many more functions than will be utilized immediately following implementation. In order to further utilize the software, additional funding will be requested in the future to implement these further enhancements of the system. We believe that the Axxerion software will provide many years of utilization with enhanced efficient processes and will prove to be a very wise investment over the years.

The Committee approved an additional \$25,000 for the Axserion project pending Finance committee funding approval.

Action Requested:

Funding approval from the Capital Improvement fund for \$25,000 to cover estimated remaining costs of the Axserion software conversion project.





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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** MARK WEAVER FACILITIES DIRECTOR  
**SUBJECT:** DUAL PARLING LOT LIGHTS AND POLE DAMAGED  
**DATE:** FEBURARY 4, 2016  
**CC:** FILE

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In the Medical Center/Clubhouse 6 Parking Lot, light pole # 4 was destroyed during the storm on January 31, 2016. (See attached Incident Report). The base was rusted from the inside out at the flange and failed during the high winds. Cost to replace this unit is \$6,558.00. As there is an 8-week leadtime to order these materials; The Physical Properties Committee at its February 3, 2016 meeting unanimously concurred to directed staff to order the materials as soon as possible for an LED replacement and forward a request to the Finance Committee to fund this replacement

Note: The Reserve Study states 12 years remaining life, the Reserves do not account for acts of nature (See Attached Reserve Study) and can be accelerated. It is my opinion, the reserve study did not include the cost of pole replacement.

**Action Required:**

Due to the 8-week leadtime, the Physical Property Committee at its February 3, 2016 meeting directed staff to place an order as soon as possible for the replacement of light pole #4, Asset ID 0605, upgrading fixtures to LED at a cost of \$6,558.00 and forward request to the FC for funding.



**Golden Rain Foundation**13531 St. Andrews Drive, Seal Beach, CA 90740  
(562) 594-4754 FAX (562) 431-8206**INCIDENT REPORT****CONFIDENTIAL**

<b>DATE:</b> 1-31-16		<b>TIME:</b> 2:50 P.M.	
<b>ACTIVE</b> ( ) <b>INACTIVE</b> ( ) <b>PENDING</b> ( ) <b>REPORTED BY:</b> GRANT WINFORD, TRANSPORTATION			
<b>FIRST NAME:</b>		<b>LAST NAME:</b>	
<b>MUTUAL:</b>		<b>APT.:</b>	
<b>ADDRESS:</b> CLUBHOUSE SIX, 1661 E GOLDEN RAIN ROAD			
<b>LOCATION OF OCCURRENCE:</b> PARKING LOT			
<b>SBPD CALLED:</b> YES ( ) NO (X)		<b>REPORT NO.:</b> N/A	
<b>NAME OF OFFICER:</b> N/A		<b>BADGE NO.:</b> N/A	
<b>FORWARD TO:</b>			
<b>FIRE / SAFETY COORDINATOR</b> (X)		<b>PHYSICAL PROPERTY</b> (X)	
<b>SOCIAL SERVICES</b> ( )		<b>BIO HAZARD</b> (X)	

**SYNOPSIS:**

A LIGHT POLE WAS KNOCKED DOWN BY THE HIGH WINDS.

**NARRATIVE:**

LIGHT POLE NUMBER FOUR IN THE CLUBHOUSE SIX PARKING LIGHT WAS KNOCKED DOWN BY THE HIGH WINDS. THE BASE OF THE POLE WAS RUSTED.

<b>CAMERA #</b> 655	<b>DESCRIPTION OF PICTURES:</b>

<b>PATROL OFFICER:</b> J. JHU	<b>DATE:</b> 1-31-16	<b>TIME:</b> 2:50 P.M.
<b>WATCH COMMANDER:</b> B. THOMPSON	<b>DATE:</b> 1-31-16	<b>TIME:</b>
<b>APPROVED BY:</b> B. CANTY	<b>DATE:</b> 1-31-16	<b>TIME:</b>

COMPONENT INVENTORY  
GOLDEN RAIN FOUNDATION

threshold = 2.500

AS OF: 1/1/2015

AS OF: 1/1/2015											
CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
INFRASTRUCTURE											
ROOF/DECKS											
roof-healthcare	0101	tenant responsibility	n/a	n/a	0	0	0	0	0	0.00	0.00
STRUCTURE											
foundations/structural frame	0201	1 healthcare building	30+	30+	0	0	0	0	0	0.00	0.00
structural pest control	0202	tenant responsibility	n/a	n/a	0	0	0	0	0	0.00	0.00
PAINT											
exterior flatwork	0301	17,800 sq ft	10	5	14,250 <sup>1</sup>	1,425	4,460	7,125	(2,665)	104.61	105.66
wood trim	0302	6,200 sq ft	4	2	9,900 <sup>1</sup>	2,475	3,099	4,950	(1,851)	72.68	73.41
doors-paint	0303	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
parking stripes	0304	630 spaces	3	2	7,550 <sup>4</sup>	2,517	1,576	2,517	(941)	36.96	37.33
curbs	0305	18,000 lin ft	3	2	20,700 <sup>4</sup>	6,900	4,320	6,900	(2,580)	101.31	102.32
ironwork-exterior	0306	2,000 sq ft	4	2	2,700 <sup>1</sup>	675	845	1,350	(505)	19.82	20.02
MECHANICAL											
gate operator-swing arm	0401	1 operator	10	5	3,000 <sup>1</sup>	300	939	1,500	(561)	22.02	22.24
gate operators-barrier	0402	2 operators	10	5	6,000 <sup>1</sup>	600	1,878	3,000	(1,122)	44.05	44.49
electrical generators-overhaul	0403	2 generators	20	5	5,000 <sup>4</sup>	250	2,348	3,750	(1,402)	55.06	55.61
PLUMBING											
potable piping	0501	unknown	n/a	n/a	0	0	0	0	0	0.00	0.00
drainage/sewer piping	0502	unknown	n/a	n/a	0	0	0	0	0	0.00	0.00
gas piping	0503	lifetime	30+	30+	0	0	0	0	0	0.00	0.00
sewage ejection pumps	0504	2 pumps	10	5	7,000 <sup>4</sup>	700	2,191	3,500	(1,309)	51.39	51.90
ELECTRICAL											
cctv system-cameras	0601	36 cameras	10	5	61,200 <sup>4</sup>	6,120	19,156	30,600	(11,444)	449.29	453.78
cctv system-monitor	0602	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
cctv system-recorder	0603	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-exterior walkway	0604	70 fixtures	20	2	24,500 <sup>4</sup>	1,225	13,804	22,050	(8,246)	323.75	326.99
lighting-parking lot	0605	55 fixtures	25	12	52,250 <sup>4</sup>	2,090	17,009	27,170	(10,161)	398.93	402.82
lighting-shuffleboard courts (ch2)	0606	21 fixtures	25	12	18,900 <sup>4</sup>	756	6,153	9,828	(3,675)	144.30	145.74
below grade electrical lines	0607	unknown	n/a	n/a	0	0	0	0	0	0.00	0.00
marquee	0608	1 marquee	20	0	100,000 <sup>3</sup>	5,000	62,602	100,000	(37,398)	1,468.26	1,482.95
traffic lights	0609	4 traffic lights	30+	30+	0	0	0	0	0	0.00	0.00



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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** MARK WEAVER FACILITIES DIRECTOR  
**SUBJECT:** CLUBHOUSE SIX HEAT PUMP  
**DATE:** FEBRUARY 4, 2016  
**CC:** FILE

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Two of six heat pumps at Clubhouse 6 have required several service calls over the past year and are now considered beyond repair. The Physical Property Department sent out an RFP to Three (3) contractors to replace these units and the Physical Property Committee (PPC) reviewed the bids at their February 3, 2016 meeting. They are as follows:

Greenwood Heating and Air	\$ 10,650
Alpine Heating and Air	\$ 12,900
Associated Heating and Air	\$ 19,396

At its February 3, 2016 meeting The PPC unanimously recommend Greenwood Heating and Air to completed this project for a cost not to exceed \$10,650

Note: Funds are available in the Reserve Account, Asset ID 0404, however are not fully funded (See Exhibit A).

**Action Required:**

Approve to accelerate Reserve funds in the amount not to exceed \$10,650 to replace Two (2) Heat Pumps at Clubhouse 6, Asset ID 0404 units 3 and 6, and forward the request to the GRF Board to award the contract.

# GREENWOOD

## HEATING & AIR INC.

8940 Electric St. Cypress Ca 90630  
714-821-7070 fax 714-821-0338

### Estimate

Date	Estimate No.
11/24/15	1312

Customer Golden Rain Foundation P.O. Box 2069 Seal Beach, CA 90740		Job Address Club House 6 Unit #3 & Unit #6 Seal Beach, CA 90740	
E-mail Address Dennell		Estimator	Phone 562-431-6586 x352
Item	Description	Total	
Total	<p>Estimate to replace existing heat pump package unit to include the following:</p> <ul style="list-style-type: none"> <li>- Remove existing system and dispose of properly</li> <li>- Crane lift old unit down</li> <li>- Crane lift new unit up</li> <li>- Heat pump package unit York BHZ060AZS 5-ton single phase 208-230 electrical 3 phase R-410A freon</li> <li>- Blow open drain lines to ensure no cloggs or leaks.</li> <li>- Revisions to roof top duct work as needed</li> <li>- Reconnect to existing power source</li> <li>- Reconnect to existing thermostat</li> <li>- Labor and materials needed to install to manufacturers specifications</li> <li>- Permits and all testing required</li> </ul> <p>Labor and Materials</p>	4,650.00	
	<p>Estiamte to replace existing roof top heat pump and indoor air handler as follows:</p> <ul style="list-style-type: none"> <li>- Remove existing system and dispose of properly</li> <li>- Crane lift old unit down</li> <li>- Crane lift new unit up</li> <li>- Heat pump split system on roof York YHJD60S43S3 5-ton single phase 208-230 electrical 3 phase R-410A freon</li> <li>- Installation of biflow filter drier to catch and debri in line set.</li> <li>- Reconnect to existing power source</li> <li>- Reconnect to existing thermostat</li> <li>- Remove existing air handler</li> <li>- Rental of lift as needed</li> <li>- Reconnect to existing plenum and duct work.</li> <li>- Installation of secondary drain pan</li> <li>- Blow open drain lines to ensure no cloggs or leaks</li> <li>- Labor and materials needed to install to manufacturers specifications</li> <li>- Permits and all testing required</li> </ul>		
10% Deposit. Balance due upon completion.			Total



# GREENWOOD

HEATING & AIR INC.

8940 Electric St. Cypress Ca 90630  
714-821-7070 fax 714-821-0338

Estimate

Date	Estimate No.
11/24/15	1312

Customer		Job Address	
Golden Rain Foundation P.O. Box 2069 Seal Beach, CA 90740		Club House 6 Unit #3 & Unit #6 Seal Beach, CA 90740	
E-mail Address		Estimator	Phone
Dennell			562-431-6586 x352
Item	Description	Total	
Total	Labor and Materials	6,000.00	
10% Deposit. Balance due upon completion.		Total	\$10,650.00

## EXHIBIT A

COMPONENT INVENTORY  
GOLDEN RAIN FOUNDATION

threshold = 2.500

AS OF: 1/1/2015

AS OF: 1/1/2015											
CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
CLUBHOUSE #8											
ROOF/DECKS											
modified cap sheet roof	0101	10,000 sq ft	20	10	40,000 <sup>1</sup>	2,000	12,520	20,000	(7,480)	293.65	296.59
STRUCTURE											
foundations/structural frame	0201	1 building	30+	30+	0	0	0	0	0	0.00	0.00
structural pest control	0202	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
canopies	0203	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
PAINT											
exterior flatwork	0301	8,200 sq ft	10	1	10,000 <sup>2</sup>	1,000	5,634	9,000	(3,366)	132.14	133.47
doors-lacquer	0302	34 sides	12	8	3,400 <sup>1</sup>	283	709	1,133	(424)	16.64	16.80
interior flatwork	0303	11,400 sq ft	10	5	9,100 <sup>1</sup>	910	2,848	4,550	(1,702)	66.81	67.47
ironwork-exterior	0304	1,500 sq ft	4	1	3,750 <sup>1</sup>	938	1,761	2,813	(1,052)	41.30	41.72
t-bar ceiling panels	0305	4,000 sq ft	20	10	4,800 <sup>1</sup>	240	1,502	2,400	(898)	35.24	35.59
MECHANICAL											
elevator-mechanical	0401	1 elevator	25	10	2,500 <sup>1</sup>	100	939	1,500	(561)	22.02	22.24
elevator-cab remodel	0402	1 cab	20	14	4,000 <sup>1</sup>	200	751	1,200	(449)	17.62	17.80
pedestrian door openers	0403	4 doors	20	5	6,400 <sup>1</sup>	320	3,005	4,800	(1,795)	70.48	71.18
hvac: dual pack	0404	6 dual packs	18	8	50,100 <sup>4</sup>	2,783	17,424	27,833	(10,409)	408.66	412.75
PLUMBING											
distribution piping	0501	all	40	20	31,500 <sup>1</sup>	788	9,860	15,750	(5,890)	231.25	233.56
drainage/sewer piping	0502	operating budget	30+	30+	0	0	0	0	0	0.00	0.00
fire sprinklers	0503	lifetime	30+	30+	0	0	0	0	0	0.00	0.00
water heaters	0504	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
drinking fountain	0505	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
ELECTRICAL											
fire alarm system	0601	1 system	20	15	4,000 <sup>1</sup>	200	626	1,000	(374)	14.68	14.83
lighting-emergency/exit	0602	7 fixtures	20	15	2,650 <sup>4</sup>	133	415	663	(248)	9.73	9.83
lighting-exterior	0603	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
electrical system panels	0604	1 panel	30+	30+	0	0	0	0	0	0.00	0.00



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**MEMO**

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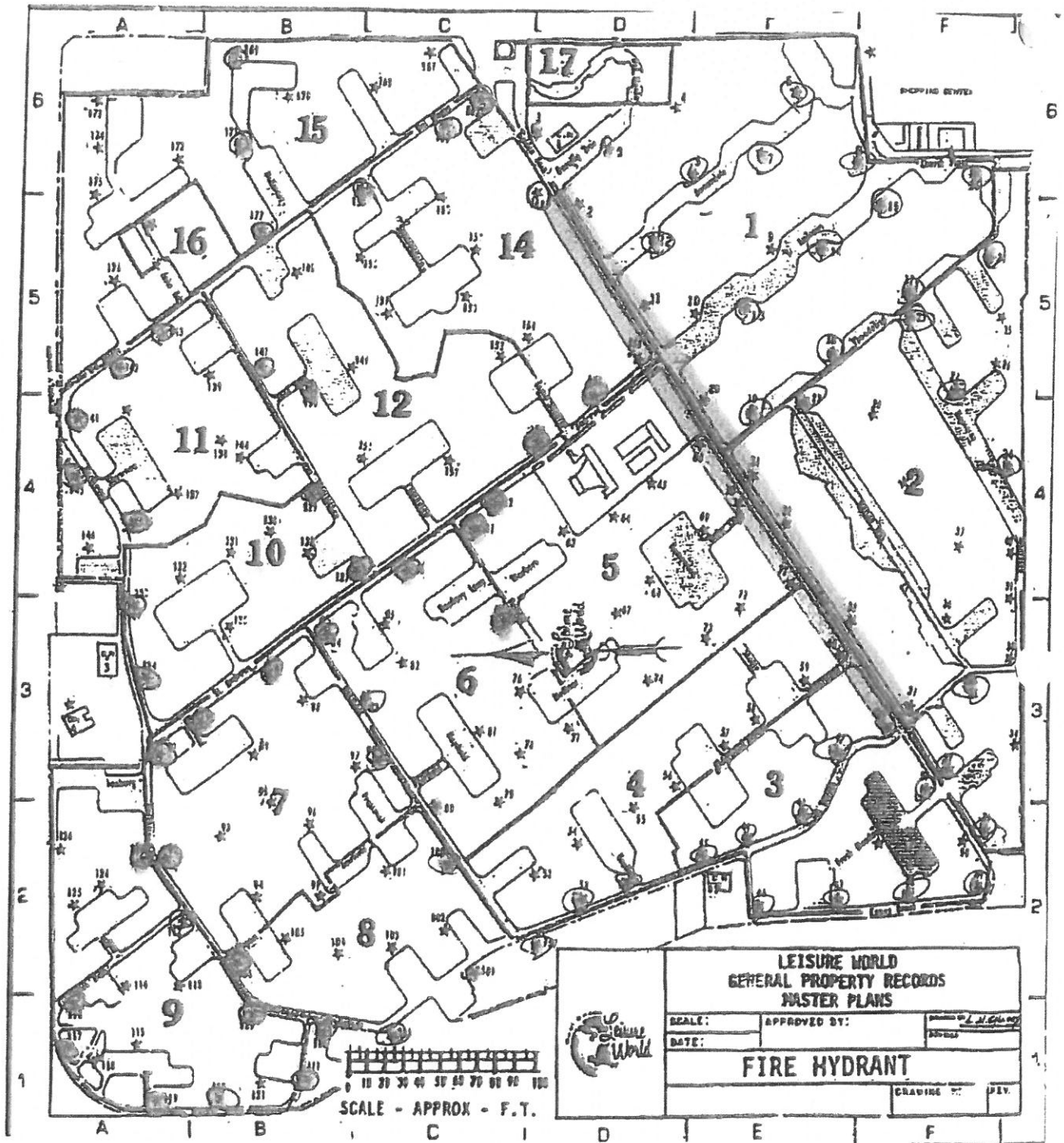
**TO:** FINANCE COMMITTEE  
**FROM:** PHYSICAL PROPERTY COMMITTEE  
**SUBJECT:** RED CURBS AT FIRE HYDRANTS  
**DATE:** FEBRUARY 5, 2016  
**CC:** FILE

---

A request to extend the amount of no parking red curb from 15' to 30', to comply with California Vehicle Code Section 22514, came from the Security Bus and Traffic Committee's December 9, 2015 meeting. Currently Hydrants are protected with 15 feet of red curbing throughout the community. At its February 3, 2016 meeting the Physical Property Committee reviewed the amount of red curb in front of Fire Hydrants adjacent to Trust Streets, the committee also reviewed locations and how much the cost would be to repaint the curbs next to the Fire Hydrants on Trust Streets. A total of 70 possible locations were called out off the Master Plans (See Exhibit A) with an estimated cost of \$2,000 to extend the red curbing in front of Fire Hydrants to 30'. The PPC unanimously agreed to comply with California Vehicle Code Section 22514 and requested the Finance Committee review funding for this project.

Action requested:

Approve the funding for the non budgeted project to extend the no parking red curb in front of all Fire Hydrants adjacent to Trust Streets at a cost estimate of \$2,000, work to be completed in-house.



Possible 70 locations effected = aprox. 2,100 ln ft

Estimated cost per last year's street painting contract. Estimated cost \$2,000





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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** MARK WEAVER FACILITIES DIRECTOR  
**SUBJECT:** PHYSICAL PROPERTY CONFERENCE AND BREAK ROOMS FLOORING  
**DATE:** FEBRUARY 4, 2016  
**CC:** FILE

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The flooring in the Physical Property Conference and Break Rooms have required ongoing repairs over the last two years and is in need again. Due to the amount of lifted tiles it is determined the flooring should be replaced. The Physical Property Department requested quotes from three (3) contractors and received two (2) quotes for this project and they are as follows:

Bixby Plaza Carpets & Flooring	\$7,987
Old Town Flooring	\$ 7,325.96
Golden State Surfaces	no bid

At its February 3, 2016 meeting the Physical Properties Committee reviewed bids and recommended to request the Board award at contract to Old Town Flooring (See Exhibit A for type flooring) for a cost of \$7325.96 and add a contingency for possible subfloor repair not to exceed \$8,100. Funds for this Asset in the Reserve Study are not fully funded (See Exhibit B)

**Action requested**

Approve to accelerate Reserve funds in the amount not to exceed \$8,100 to replace the floor Asset ID 0702 in the Physical Property Conference and Break Rooms and forward the request to the Board.

# EXHIBIT A

**D & G Flooring, Inc./Old Town Flooring**

760-241-3665      714-730-3567  
 160 E. Main Street  
 Tustin, CA 92780  
 Lic #753995

## Estimate

Date	Estimate #
1/29/2016	7295

Name / Address
Golden Rain Foundation P.O. Box 3519 Seal Beach, CA 90740 C/O George Hurtado

			Project
Description	Qty	Cost	Total
Project Site - 1661 Golden Rain Rd. S.B. 90740 Areas - Conference Room, Break Room ( Clubhouse 5 - Physical Property )			
Naviva LVT - Color Jet LVT - NT15007 - Style European Oak 727 Net SF x 7% overage = 50 ctns at 15.8 SF = 790	790	4.18	3,302.20T
Traditional Wall Base - 4" x 4' with toe. Color - To be selected	162	1.08	174.96T
Cove Base Adhesive.	3	5.75	17.25T
Web Crete - floor leveler	3	26.38	79.14T
Prep floor as required. Install new LVT. ( over existing floor ) Install new Cove Base Clean floor	727	4.25	3,089.75T
Shipping and Handling		120.00	120.00T
		<b>Subtotal</b>	\$6,783.30
		<b>Sales Tax (8.0%)</b>	\$542.66
		<b>Total</b>	\$7,325.96

Phone #
714-730-3567



# EXHIBIT B

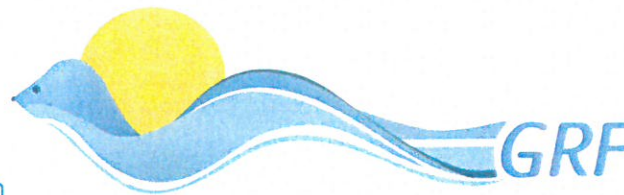
## COMPONENT INVENTORY GOLDEN RAIN FOUNDATION

threshold = 2,500

AS OF: 1/1/2015

AS OF: 1/1/2015

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
ELECTRICAL											
cctv system-cameras	0601	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
cctv system-monitors	0602	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
cctv system-recorders	0603	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
fire alarm system	0604	1 system	20	15	4,000 <sup>1</sup>	200	626	1,000	(374)	14.68	14.83
lighting-exit signs	0605	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-exterior	0606	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
electrical panels/transformers	0607	1 panel	30+	30+	0	0	0	0	0	0.00	0.00
FLOORING											
carpeting	0701	550 sq yd	10	3	17,600 <sup>4</sup>	1,760	7,713	12,320	(4,607)	180.89	182.70
vinyl-squares	0702	1,000 sq ft	30	10	6,000 <sup>2</sup>	200	2,504	4,000	(1,496)	58.73	59.32
RECREATION FACILITIES											
furnishings-offices	0801	10 offices	15	7	88,550 <sup>1</sup>	5,903	29,565	47,227	(17,662)	693.42	700.35
restrooms	0802	5 restrooms	20	10	9,800 <sup>4</sup>	490	3,068	4,900	(1,832)	71.94	72.66
kitchen-staff lunch room	0803	1 kitchen	20	10	6,950 <sup>4</sup>	348	2,175	3,475	(1,300)	51.02	51.53
café furnishings	0804	1 café	10	9	15,000 <sup>3</sup>	1,500	939	1,500	(561)	22.02	22.24
MISCELLANEOUS											
fire extinguishers	0901	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
vending machines	0902	leased	n/a	n/a	0	0	0	0	0	0.00	0.00



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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** PHYSICAL PROPERTIES COMMITTEE  
**SUBJECT:** PURCHASING FLOOR REPLACEMENT  
**DATE:** FEBRUARY 4, 2016  
**CC:** FILE

---

During the cleanup day at the Service Maintenance Yard, it was determined the flooring in the Purchasing Supervisors office and back room were in need of replacement. The Physical Property Committee (PPC), at its January 6, 2016 meeting, reviewed two (2) quotes from three (3) contractors asked to bid on this project and they are as follows:

Golden State Surfaces	\$4,545.00
Old Town Flooring	\$6,549.39
Bixby Plaza	No Bid

The PPC unanimously approved Golden State Surfaces to be awarded a contract and complete this task at a cost not to exceed \$4,545 (See Exhibit A). No funds for floor replacement are set aside in the Reserve Study and all flooring in this area is considered operation cost (See Exhibit B).

**Action Required:**

The Finance Committee is requested to review the non-budgeted expense and determine if adequate funds exist to complete this project.

# EXHIBIT "A"



Proposal

November 8, 2015

Golden Rain Foundation  
Attn: George Hurtado

Re: Purchasing – Office, Reception and Back Office

Provide and install the following floor finishes:

Areas Included: Three areas

Remove and dispose existing sheet vinyl and carpet (based on one layer, non-ACM)

Skim coat concrete substrate with Ardex Feather Finish as needed

Mannington sheet vinyl, style Realities, color Homestead Hickory 5644

Sheet vinyl seams to be heat welded

Provide and install Burke 4" rubber topset base.

Skim coat concrete substrate with Ardex Feather Finish as needed

Base Bid \$ 4,095.00

Skim Coat \$ 450.00

Total \$ 4,545.00

Included: Tax, freight. Monday – Saturday installation.

Excluded: Removing existing vinyl tile.  
Evening or Sunday Installation.  
Removing or replacing furniture or equipment  
Floor Floating, floor leveling, floor grinding or floor scraping except as noted above.  
Containment, Maintenance, Cleaning and Protection of floor finishes.

Sincerely,

*Steve Gaydos*

Steve Gaydos  
Account Manager



COMPONENT INVENTORY  
GOLDEN RAIN FOUNDATION

threshold = 2,500

AS OF: 1/1/2015

AS OF: 1/1/2015

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
ELECTRICAL											
cctv system-cameras	0601	6 cameras	10	5	10,200 <sup>4</sup>	1,020	3,193	5,100	(1,907)	74.88	75.63
cctv system-monitor	0602	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
cctv system-recorder	0603	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-emergency	0604	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-exit signs	0605	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-interior	0606	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
lighting-maintenance yard	0607	13 fixtures	20	10	5,850 <sup>4</sup>	293	1,831	2,925	(1,094)	42.95	43.38
FLOORING											
carpeting	0701	<del>operating budget</del>	n/a	n/a	0	0	0	0	0	0.00	0.00
RECREATION FACILITIES											
furnishings-maintenance shop	0801	allowance	10	9	12,000 <sup>2</sup>	1,200	751	1,200	(449)	17.62	17.80
purchasing warehouse	0802	allowance	10	9	10,000 <sup>2</sup>	1,000	626	1,000	(374)	14.68	14.83
furnishings-office	0803	1 multi office area	15	8	34,150 <sup>1</sup>	2,277	9,977	15,937	(5,960)	234.00	236.34
restrooms	0804	3 restrooms	20	10	13,250 <sup>4</sup>	663	4,147	6,625	(2,478)	97.27	98.25
kitchen	0805	1 kitchen	20	10	6,150 <sup>4</sup>	308	1,925	3,075	(1,150)	45.15	45.60
picnic tables	0806	6 picnic tables	20	10	4,500 <sup>4</sup>	225	1,409	2,250	(841)	33.04	33.37
benches	0807	6 benches	20	10	3,000 <sup>4</sup>	150	939	1,500	(561)	22.02	22.24
carpenter shop	0808	allowance	20	10	60,000 <sup>2</sup>	3,000	18,781	30,000	(11,219)	440.48	444.88
welding shop	0809	allowance	20	10	40,000 <sup>2</sup>	2,000	12,520	20,000	(7,480)	293.65	296.59
MISCELLANEOUS											
fire extinguishers	0901	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
firehoses	0902	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
washer & dryer	0903	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
ice machine	0904	1 ice machine	10	5	3,500 <sup>4</sup>	350	1,096	1,750	(654)	25.69	25.95
hydraulic lift	0905	1 hydraulic lift	10	5	10,000 <sup>2</sup>	1,000	3,130	5,000	(1,870)	73.41	74.15
roll-up doors	0906	7 doors	25	5	35,000 <sup>2</sup>	1,400	17,529	28,000	(10,471)	411.11	415.23



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## COMMITTEE ACTION REQUEST

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**TO:** FINANCE COMMITTEE  
**FROM:** TERRY DE LEON, RECREATION SUPERVISOR  
**SUBJECT:** RELOCATION OF THE VIDEO PRODUCERS CLUB  
**DATE:** JANUARY 11, 2016  
**CC:** FILE

---

At its January 11, 2016 Recreation Committee meeting the Facilities and Amenities Review (FAR) Ad Hoc Committee made the recommendation to relocate the Video Producers Club to Clubhouse Three Room A.

After further discussion the Recreation Committee requested that the Recreation Supervisor provide costs to the Committee related to prepping room A and all costs related to the move.

Below is the estimated cost break down to move the Video Producers Club from Clubhouse Five to Clubhouse Three Room A:

- |   |            |
|---|------------|
| • Electrical work (Green wall lighting) | \$2,500.00 |
| • Paint (Green Wall)                    | \$400.00   |
| • Move all items                        | \$1,755.00 |

Total estimated cost:	\$4,655.00
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### Action Requested:

At its meeting on February 8, 2016 the Recreation Committee is requesting that the Finance Committee review the budget for funds not to exceed \$5,000.00 to relocate the Video Producers from Clubhouse Five to Clubhouse Three room A is requested.





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**MEMO**

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**TO:** FINANCE COMMITTEE  
**FROM:** RECREATION COMMITTEE  
**SUBJECT:** CAPITAL FUNDING REQUEST, PLANNING SERVICES  
**DATE:** FEBRUARY 9, 2016  
**CC:** FILE

---

At the regular scheduled meeting of the Recreation Committee (RC) on February 8, 2016, the Executive Director presented actions as requested by FAR at their February 1, 2016, meeting, on the proposed space planning within Building 5 (previously known as Clubhouse 5).

It was with the approval of the RC that space within Building 5 be repurposed to accommodate the following:

- Security Satellite office
- Recreation Department Offices
- Distribution Center
- Conference Room (occupancy of least 60)
- Storage space (Recreation and Building Inspectors)

Due to the scope of the proposed project, professional design services are required to ensure compliance to Building, Safety and ADA standards and codes.

Action requested

Motion to approve \$1,300 from the 2016 Capital Fund for the purpose of contracting with a qualified firm to draft plans to meet with the proposed intended use of the first floor of building 5.

Golden Rain Foundation  
February 19, 2016 Meeting of the Finance Committee  
Purchasing Manager's Report

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
Expenses - Purchasing				
6100000 32	Salaries & Wages - Purchasing	14,907	14,887	(20)
6140000 32	Employment Taxes - Purchasing	1,629	1,676	49
6142000 32	Workers' Compensation - Purchasing	1,106	1,450	344
6143000 32	Group Insurance - Medical - Purchasing	2,843	2,519	(324)
6143300 32	Group Insurance - Dental - Purchasing	49	58	9
6143500 32	Group Insurance - Vision - Purchasing	28	37	9
6144000 32	401(k) Match - Purchasing	413	287	(126)
6145000 32	Group Insurance - Life - Purchasing	256	73	(183)
6146000 32	Long Term Disability Insurance - Purchas	204	86	(118)
6211000 32	Continuing Education - Purchasing	0	300	300
6214000 32	Meals & Special Events - Purchasing	139	0	(139)
6215000 32	Mileage - Purchasing	0	10	10
6217000 32	Uniforms & Laundry - Purchasing	138	150	12
6410000 32	Office Supplies - Purchasing	37	100	63
6410005 32	Building Supplies - Purchasing	4	85	81
6410010 32	Hospitality - Purchasing	39	45	6
6410015 32	Computer Supplies - Purchasing	0	0	0
6410020 32	Equipment Expense - Purchasing	57	112	55
6410030 32	Printer / Copier Supplies - Purchasing	0	66	66
6411000 32	Freight & Handling - Purchasing	2,476	825	(1,651)
6435100 32	Bank Service Fees - Purchasing	111	50	(61)
6444000 32	Equipment Rental - Purchasing	112	112	0
6471000 32	Building Repair & Maintenance - Purchasi	0	25	25
6472000 32	Equipment Repair & Maintenance - Purchas	99	50	(49)
6478000 32	Service Contracts - Purchasing	22	18	(4)
6482000 32	Dues, Memberships & Books - Purchasing	0	0	0
6483000 32	Propane - Purchasing	253	250	(3)
6911500 32	Inventory Over / Short-Purchasing - Purc	697	167	(530)
6911505 32	Obsolete Inventory Adjustment - Purchasi	337	335	(2)
	Total Expenses	25,957	23,775	(2,182)
Other Cost Recovery				
5380320 32	Shipping & Processing Recovery - Purchas	(491)	2,500	(2,991)
5385000 32	Other Income - Purchasing	25	0	25
5540000 32	Discounts Earned - Purchasing	234	0	234
	Total Other Cost Recovery	(232)	2,500	(2,732)
5330000 32	Income / Refund from Mutuals - Purchasin	20,820	20,821	(1)
Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Total Cost Recovery	20,588	23,321	(2,733)
Off Budget Items				
5990000 32	Materials Recovery - Purchasing	(6,391)	0	6,391
6415000 32	Materials Pass-Thru - Purchasing	6,391	0	(6,391)
	Total Off Budget Items	0	0	0
	Net Income / (Expense)	(5,369)	(454)	(4,915)

Golden Rain Foundation  
February 19, 2016 Meeting of the Finance Committee  
Purchasing Manager's Report

Budget Variance:

Cost center 32 is over budget a total of \$4,915. YTD. Notable variances are:

**Budget Variance Report - January 2016**  
**Purchasing - CC 32**

<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
6142000	Worker's Comp	344	Over budgeted
6143000	Group Insurance - Medical	(324)	Under budgeted
6411000	Freight & Handling	(1,651)	Freight Expense exceeded Freight Budgeted mainly due to large appliance back orders arriving
6911500	Inventory Over/Short	(530)	Found inventory
5380320	Shipping & Processing Recovery	(2,991)	Merchandise received below billed value, system did not adjust amount billed on SROs
Total Explained Variances		<u>(5,152)</u>	

Golden Rain Foundation  
February 19, 2016 Meeting of the Finance Committee  
Purchasing Manager's Report

Project Report:

- a. Axxerion launch planning and execution.
  - i. Training and launch preparation in progress.
- Surplus Equipment:
  - a. Reporting on the following income from items sold: No items sold for January.
  - b. Approval to process the following surplus equipment items:

Description	Price OBO
Blue Cloth Chairs (15)	\$ 5.00
Office Chairs (5)	\$ 10.00
Tall Bookcase (2)	\$ 20.00
Wooden Filing Cabinets (2)	\$ 20.00
Wooden Desks (3)	\$ 20.00

- 2014/2015 Capital Project Status:
  - a. Bar Code Printer Label: Pending.
  - b. Large Area storage racking remodel complete.

Golden Rain Foundation  
February 19, 2016 Meeting of the Finance Committee  
Purchasing Manager's Report

Purchasing Services Report, Month ending January 31, 2016:

2016 Total Purchasing Services Report

Month	Days	Purch Cash Sales	Mat'l Reqs Processed	Receipt Trans Processed	Walk-In Sales	CC Trans	Purchase Orders	Total Services
January	20	\$ 6,929.97	436	177	285	61	197	1156
February		\$ -	0	0	0	0	0	0
March		\$ -	0	0	0	0	0	0
April		\$ -	0	0	0	0	0	0
May		\$ -	0	0	0	0	0	0
June		\$ -	0	0	0	0	0	0
July		\$ -	0	0	0	0	0	0
August		\$ -	0	0	0	0	0	0
September		\$ -	0	0	0	0	0	0
October		\$ -	0	0	0	0	0	0
November		\$ -	0	0	0	0	0	0
December		\$ -	0	0	0	0	0	0
Total	20	\$ 6,929.97	436	177	285	61	197	1156
Daily Avg		\$ 346.50	22	9	14	3	10	58

Obsolete Inventory (GL 1163000-00)

Item Number	U Of M	Item Description	TRX QTY	Unit Cost	Extended Cost	Document Date	Reason for Write-off
03-4079	EA	DWO GALV, NIPPLE, 1-1/4 X4 1/2	-1	\$0.68	\$0.68	1/28/2016	Obsolete item no longer in use
04-2003	EA	DWO GLASS HEATER/NEW NUTONE	-1	\$21.15	\$21.15	1/27/2016	Obsolete item no longer in use
05-3935	EA	DWO WB3K5045 KNOB GE	-1	\$5.45	\$5.45	1/28/2016	Obsolete item no longer in use
09-7002	EA	DWO SAW BLADE 10	-1	\$37.18	\$37.18	1/21/2016	Obsolete item no longer in use
21-6007	EA	DWO RIBBON BR106N S211212	-5	\$2.22	\$11.10	1/28/2016	Obsolete item no longer in use
21-6039	EA	DWO CARTRIDGE H.P. 78 COLOR # C6578DN NO SUB	-1	\$23.74	\$23.74	1/28/2016	Obsolete item no longer in use
21-7455	PKG	DWO FILM SPECTRA COLOR 2/PKG	-3	\$26.99	\$80.97	1/27/2016	Obsolete item no longer in use
		Total for January			\$180.27		



Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
Expenses - Finance				
6100000 31	Salaries & Wages - Finance	45,506	44,667	(839)
6140000 31	Employment Taxes - Finance	4,807	5,023	216
6142000 31	Workers' Compensation - Finance	1,222	1,602	380
6143000 31	Group Insurance - Medical - Finance	3,777	4,057	280
6143300 31	Group Insurance - Dental - Finance	123	97	(26)
6143500 31	Group Insurance - Vision - Finance	66	67	1
6144000 31	401(k) Match - Finance	936	1,050	114
6145000 31	Group Insurance - Life - Finance	200	207	7
6146000 31	Long Term Disability Insurance - Finance	163	241	78
6210005 31	Payroll Processing Fees - Finance	4,056	4,124	68
6211000 31	Continuing Education - Finance	0	0	0
6215000 31	Mileage - Finance	0	0	0
6410000 31	Office Supplies - Finance	134	416	282
6410010 31	Hospitality - Finance	93	66	(27)
6410015 31	Computer Supplies - Finance	0	0	0
6410025 31	Lunch Room Supplies - Finance	0	6	6
6410030 31	Printer / Copier Supplies - Finance	458	460	2
6432100 31	Audit Fees - Finance	9,667	11,208	1,541
6435100 31	Bank Service Fees - Finance	145	255	110
6444000 31	Equipment Rental - Finance	248	248	0
6478000 31	Service Contracts - Finance	149	420	271
6482000 31	Dues, Memberships & Books - Finance	0	0	0
6483201 31	Mailouts - Periodic - Finance	0	0	0
6483202 31	Mailouts - Pymt Coupons - Finance	5,642	5,986	344
6491000 31	Miscellaneous Writeoffs - Finance	3	0	(3)
6721000 31	State & Federal Taxes - Finance	2,200	2,200	0
6951000 31	Non-Budgeted Exp for Committee - Finance	0	0	0
Total Expenses		79,595	82,400	2,805

**Budget Variance Report - January 2016**  
**Dept Name - CC 31**

GL Code	Account Description	Variance	Explanation
6432100	Audit Fees	1,541	Annual audit fees < bid quotes; Annual variance projected to be \$18,496

Total Explained Variances 1,541

**Capital Funds Transferred to Reserve Funds**

- December 16, 2014 Finance Committee discussed the need to carry over funds from the 2014 capital budget to finance various projects still in progress at year-end and for projects that were approved by the Board of Directors in 2014 that have not yet been started.
- Although not documented in the minutes, it was the Committee's intention to move all unused funds for these projects to the Reserve fund.
- See attached spreadsheet recommending \$967,032 be transferred from the Capital fund to the Reserve fund.

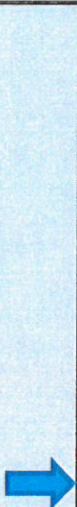
Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

**Approved Unbudgeted Operating Expenses** – see attached spreadsheet

**Contingency Operating Fund** – Policy 5528-31

Balance prior to interest income allocation	697,674
Funding per Policy 5528-31	10,864
Adjusted balance of fund	<u>708,538</u>
 Funding Amount	 10,864
Less interest income allocation	(8,968)
Additional funding allowed per Policy 5528-31	<u>1,896</u>

**Audit Timeline**

<b>2015 Financial Statement Audit Timeline</b>		
Dec 15 - 18		Interim fieldwork begins - auditors onsite Walk-throughs, assess controls, review legal bills, develop the audit plan.
Dec 30		Physical inventory - auditors onsite to observe
Early Jan		Send out audit confirmations: Attorneys & financial institutions
Jan 25 - Feb 6		Year-end fieldwork - auditors onsite
February		Finalize financial statements & prepare tax filings - Auditors offsite
Feb / Mar		Present audited financial statements to GRF & Mutual boards. Once board approves, make copies for newspaper distribution
Mar 15		Due date for tax filing (Finalize by Mar 7 - 11)
Apr 4 - 7		Provide News with financial statements for distribution
Apr 14		Distribute financial statements via Golden Rain News



Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

**Investments**

- Purchased in January
  - \$500,000 from proceeds of matured CDAR (reserve funds) plus an additional \$250,000 from US Bank money market (reserve funds) in a \$750,000 52-week CDAR per Finance Committee resolution dated November 5, 2015.
  - \$125,000 from proceeds of matured bond allocated to the budget contingency fund. To be invested in 52-week CDAR per Finance Committee resolution dated November 5, 2015.
- To Be Purchase in February
  - \$125,000 from proceeds of matured bond allocated to the budget contingency fund. To be invested in 52-week CDAR per Finance Committee resolution dated November 5, 2015.
  - \$230,000 from FFB liquid reserve account to be invested in 52-week CDAR to continue the investment ladder.
- Pending Action Item: Invite financial advisors to speak with the Finance Committee members
  - BNY Mellon – Erez Kabaker
  - First Foundation Bank – Anita Young
  - Merrill Lynch – need to find a financial advisor – no relationship established yet.
  - Morgan Stanley – need to find a financial advisor – no relationship established yet.

**Superwire**

1. Monthly payments of \$1,600 are received each month on past due amounts for 2009 – 2012 until arrears have been paid in full. See schedule below.
2. Monthly estimated payments of 850.35 for current extra service revenue through May.
3. Per Mike Heil, effective September, GRF is to collect \$1,100 for estimated current extra service revenue.
4. Fourth quarter 2015 true-up amount will be deducted from the March 2016 settlement payment to Superwire.

Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

<b>Superwire</b>	
<b>Due From</b>	<b>Amount</b>
2009	2,248.24
2010	10,100.97
Jan - Apr 2011	\$3,693.30
Subtotal	16,042.51
May - Dec 2011	\$1,197.20
2012	\$1,795.80
2013	- Paid in full Mar '15
2014	- Paid in full Mar '15
1st Qtr 2015	- Paid in full Jul '15
2nd Qtr 2015	- Paid in full Sep '15
3rd Qtr 2015	- Paid in full Dec '15
4th Qtr 2015	109.97 To be paid in Feb
Subtotal	\$3,102.97
<b>Total</b>	<b>19,145.48</b>
Payments: (\$17,600.00) 4/1/2015 - 2/1/2016	
<b>Bal Due:</b>	<b>1,545.48</b>

**Aged Receivables** (GRF - Quarterly Review)

**Contract Renewal Report** (Quarterly Review)

**Mutual Seventeen Lease Income**

1. Collected YTD: 10 memberships totaling \$3,460.00

Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

**Membership Fees Collected in January 2016**

				Month	YTD
	1,678	2,595		Total	Total
	38	2		40	40

					YTD
	1,678	2,595		Total	Total
<b>Total Membership Fees Collected January 2016</b>				<b>68,954</b>	<b>68,954</b>

Policy 5061-31 Distribution:			Month	YTD
Capital Improvement Fund	50%		34,477	34,477
Reserve Fund	50%		34,477	34,477
Total Membership Fees			<u>68,954</u>	<u>68,954</u>



Golden Rain Foundation  
February 16, 2016 Meeting of the Finance Committee  
Controller's Report

**SRO Aging Recap:**

Month	Dec 2015	Jan 2016
Jun-15	1	
Jul-15	3	1
Aug-15	5	3
Sep-15	12	4
Oct-15	19	4
Nov-15	57	11
Dec-15	815	252
Jan-16		1,069
Total	912	1,344

**Pending Action Items:**

- Pending Action Item: Invite financial advisors to speak with the Finance Committee members

**Funds to be Transferred from Capital to Reserves**

Center	Description	Total Approved	TTD Expenditures	Remaining Funds	Comments
30	Admin. Building Remodel 2014 (Lighting) (ARB2014)	1,000	0	1,000	Unused funds transferred to Reserves
32	Barcode label printer	1,000	0	1,000	Unused funds transferred to Reserves
34	Surveillance Camera Expansion	1,000	1,380	(380)	Deficit transferred to Reserves
37	Automated Pedestrian Gate (719-14) (Completed)	15,000	8,943	6,057	Unused funds transferred to Reserves
37	4 Visitor Admissions Printers	4,000	0	4,000	Unused funds transferred to Reserves
37	Portable security cameras for outdoor use	558	409	149	Unused funds transferred to Reserves
79	Globe - Replacement of Continents (743-15)	180,000	0	180,000	
79	Perimeter wall sections R (591-01B-R) (Completed)	10,156	9,910	246	Project transferred from Capital to Reserves
79	Perimeter wall sections A (591-01B-A)	439,700	386,614	53,086	Project transferred from Capital to Reserves
79	Perimeter wall sections J & K (591-01B-JK)	702,900	69,076	633,824	Project transferred from Capital to Reserves
79	Westminster Wall Section L & M/ Engineering (668-11B)	23,475	2,500	20,975	Project transferred from Capital to Reserves
79	Landscape Improve.- Canoe Brook/El Dorado (713-14) (Completed)	26,777	26,777	1	Unused funds transferred to Reserves
79	In-Rd Light Plan-St.Andrews-Lighted Crosswalk(702-14) (Completed)	80,750	80,750	0	Unused funds transferred to Reserves
79	St. Andrews Improvement @ Tam O'Shanter (721-14) (Completed)	59,463	49,400	10,063	Unused funds transferred to Reserves
79	Street Painting (708-14-PS) (Completed)	56,494	58,494	(2,000)	Unused funds transferred to Reserves
79	St. Andrews Gate Improvements (723-14)	50,000	9,190	40,810	Project transferred from Capital to Reserves
79	Del Monte Drive Removal & Replacement (722-14) (Completed)	154,234	145,733	8,501	Unused funds transferred to Reserves
79	Bridge Repairs @ Burning Tree & Del Monte (3361-14P) (Completed)	4,380	4,380	0	Unused funds transferred to Reserves
79	Re-Roofing Community Facilities Buildings - CH1 (711-14) (Completed)	90,000	90,000	0	Unused funds transferred to Reserves
79	Paint Front Gate Security Building (716-14) (Completed)	15,000	6,850	8,150	Unused funds transferred to Reserves
79	Paint Exterior Resales Building (718-14) (Completed)	5,000	3,450	1,550	Unused funds transferred to Reserves
<b>Total Planned Capital Acquisitions</b>		<b>1,920,887</b>	<b>953,855</b>	<b>967,032</b>	

## P42

[illegible]

Non Restricted Operating Reserve Contribution  
Policy 5528 - Contingency Operating Fund

Limitation: Can not exceed 5% of the average operating costs for the previous five years

Year	Operating Costs From Year-end BCR	5 year Average	Non Restricted Fund Limit (5%)	Level	Allowable Growth
2002	11,649,998				
2003	12,155,518				
2004	12,224,168				
2005	12,598,120			523,121	
2006	12,677,152	12,260,991	613,050	548,867	64,183
2007	13,694,276	12,669,847	633,492	591,306	42,186
2008	13,544,759	12,947,695	647,385	95,890	551,495
2009	12,985,507	13,099,963	654,998	173,709	481,289
2010	13,695,298	13,319,398	665,970	250,000	415,970
2011	13,682,471	13,520,462	676,023	550,001	126,022
2012	13,877,435	13,557,094	677,855	550,001	127,854
2013	14,264,007	13,700,944	685,047	562,987	122,060
2014	14,248,200	13,953,482	697,674	685,047	12,627
2015	14,781,650	14,170,753	708,538	697,674	10,864

## **GOLDEN RAIN FOUNDATION OPERATIONS**

### **Board Internal Operations**

#### **Refund of Excess Income**

Beginning with the close of fiscal year 2014, the Golden Rain Foundation (GRF) shall eliminate its excess income by the following methods or a combination thereof:

1. Retain an amount for future unbudgeted expenses.
  - 1.1 Should GRF elect to retain an amount for future unbudgeted expenditures, the total accumulated amount so retained shall not exceed five (5%) percent of the average of the operating costs for the previous five-year period.
2. Retain an amount for the funding of the Liability Insurance Deductable Fund (policy 5517-33).
3. Retain an amount for Reserve funding.
4. Refund an amount to the Mutual Corporations.

#### **Policy**

Adopted: 01 Sep 76  
 Amended: 09 Feb 82  
 Revised: 13 Aug 85  
 Effective: 31 Dec 85  
 Amended: 23 Feb 88  
 Amended: 19 May 98  
 Amended: 16 Mar 99  
 Rewritten: 20 Aug 02  
 Amended: 28 Oct 14

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**