



Finance Committee

Agenda

Administration Conference Room

Tuesday, May 17, 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 April 19, 2015 - handout
5. Shareholder/Member Comments -Agenda Items Only
(Limited to 3 minutes per person)
6. Correspondence
 - a. (none)
7. Financials
 - a. To Accept Month of April 2016 Financial Statements for Audit
8. Unfinished Business
 - a. Reserve Study Update
9. New Business
 - a. Request Non-Budgeted Operational Funds – Golf Hitting Cages (p.1)
 - b. Request acceleration of Reserve Funds – Oven Replacement (CH2) (pp. 2-3)
 - c. Request Non-Budgeted Operational Funds – New Staff Position / Recreation (pp. 4-6)
 - d. Request Capital Funds – Conference Room, Building B (pp. 7-8)

10. Policies
 - a. Adopt (No Action)
 - b. Rescind (No Action)
11. Staff Reports
 - a. Purchasing Manager (pp. 9-12)
 - b. Director of Finance (pp. 13-17)
 - c. Executive Director
12. President's Comments
13. Shareholder Member Comments
(Limited to 3 minutes per person)
14. Committee Member Comments
15. Next Regular Meeting — To Be Determined
16. Adjournment



MEMO

TO: FINANCE COMMITTEE
FROM: PHYSICAL PROPERTY COMMITTEE
SUBJECT: RELOCATE GOLF HITTING CAGE
DATE: MAY 4, 2016
CC: FILE

At its May 4, 2016 meeting the Physical Property Committee resolved to send a request to the Finance Committee to seek funding to relocate the Golf Ball Hitting Cage located between the Library and Clubhouse 3 to the Clubhouse 2 horse shoe pit area for a cost not to exceed \$5,000.

Action request:

Seek funding to relocate the Golf Ball Hitting Cage located between the Library and Clubhouse 3 to the Clubhouse 2 horse shoe pit area for a cost not to exceed \$5,000.



COMMITTEE ACTION REQUEST

TO: FINANCE COMMITTEE
FROM: RECREATION COMMITTEE
SUBJECT: CLUBHOUSE TWO OVEN REPLACEMENT
DATE: MAY 12, 2016
CC: FILE

The stove top and oven combination unit in the kitchen in Clubhouse Two (Component of Asset ID 0808) is in need of major repairs and has out lasted its useful life and is in need of replacement.

Quotes have been solicited from three companies to replace the existing Hobart Electric Range with a new Vulcan Electric Range with all of the same features:

1. Burkett Restaurant Equipment & Supplies	\$7,882.20
2. Restaurant Equipment Club	\$7,867.20
3. Hotel Restaurant Supply	\$7,862.42

The above quotes include sales tax and shipping charges with the lowest quote coming from Hotel Restaurant Supply in the amount of \$7,862.42.

At its meeting on May 9, 2016, the Recreation Committee approved the purchase of a new Vulcan oven unit for Clubhouse Two from vendor, Hotel Restaurant Supply in the amount of \$7,862.42 and is requesting the Finance Committee review the availability of non-scheduled Reserve funds in the amount not to exceed \$8,000 for the replacement of the component, of Asset 0808.

COMPONENT INVENTORY
GOLDEN RAIN FOUNDATION

threshold = 2,500

AS OF: 1/1/2015

AS OF: 1/7/2010

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	REQUIRED	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
RECREATION FACILITIES											
furnishings-lobbies	0801	1 lobby	15	8	32,000 ¹	2,133	10,328	14,933	(4,605)	242.22	242.22
furnishings-ballroom	0802	1 ballroom	15	8	28,000 ¹	1,867	9,037	13,067	(4,030)	211.95	211.95
stage & theater	0803	1 theater	15	8	25,000 ¹	1,667	8,069	11,667	(3,598)	189.25	189.25
theater equipment	0804	allowance	10	4	8,500 ²	850	3,527	5,100	(1,573)	82.72	82.72
restrooms-common area	0805	2 restrooms	20	10	15,000 ⁴	750	5,187	7,500	(2,313)	121.65	121.65
restrooms-dressing room	0806	2 restrooms	20	10	29,400 ⁴	1,470	10,166	14,700	(4,534)	238.44	238.44
wood shop equipment	0807	15 items	20	5	35,000 ²	1,750	18,164	26,250	(8,086)	425.79	425.79
kitchen	0808	1 kitchen	20	10	135,850 ⁴	6,793	46,977	67,925	(20,948)	1,101.78	1,101.78
billiard room	0809	1 room	15	8	5,500 ¹	367	1,775	2,567	(792)	41.64	41.64
billiard equipment	0810	6 items	10	4	15,000 ²	1,500	6,224	9,000	(2,776)	145.99	145.99
shuffleboard-paint/coating	0811	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
shuffleboard-equipment	0812	allowance	8	3	2,500 ²	313	1,081	1,563	(482)	25.35	25.35
shuffleboard-cover	0813	3,500 sq ft	10	5	2,650 ⁴	265	916	1,325	(409)	21.49	21.49
shuffleboard-outside	0814	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
horse shoes	0815	operating budget	n/a	n/a	0	0	0	0	0	0.00	0.00
bike racks	0816	operating budget	30+	30+	0	0	0	0	0	0.00	0.00
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
equipment shed	0903	1 shed	20	14	2,000 ⁴	100	415	600	(185)	9.73	9.73
pianos	0904	2 pianos	30	15	55,000 ¹	1,833	19,019	27,500	(8,481)	446.07	446.07
directory boards	0905	3 directory boards	20	15	5,250 ⁴	263	908	1,313	(405)	21.30	21.30

Action Requested,

Motion to recommend to the Board, GRF Reserves are funded are sufficient for the expenditure as requested.



MEMO

TO: GRF FINANCE COMMITTEE
FROM: GRF EXECUTIVE COMMITTEE
SUBJECT: FUNDING NEW RECREATION POSITION
DATE: MAY 17, 2016
CC: RANDY ANKENY, EXECUTIVE DIRECTOR

At the Executive Committee meeting on May 13, 2016, the Executive Committee approved the addition of a new position in the Recreation Department – Trust Properties, Building and Services Inspector.

The Executive Committee is forwarding a resolution to the Finance Committee to approve the funding for filling this position. Estimated expense for the remainder of 2016 is \$20,000 to \$30,000. Depending upon actual date of hire, benefits will start after 60 to 90 days of employment.

STAFF OPERATIONS

XXXX DRAFT

POSITION DESCRIPTION

Position Title: Trust Properties, Building and Services Inspector

Department: Community Facilities/Recreation

Reports To: Recreation Manager/Recreation Supervisor

OVERALL FUNCTION

In conjunction with the Recreation Supervisor, provides comprehensive inspections of all Trust facilities including but not limited to: clubhouses, aquatic facility, fitness center, golf course and amphitheater. Responsibilities encompass oversight of the janitorial and custodial services, disbursement of janitorial supplies, general review and inspection of all Trust buildings and amenities, to ensure that all set-ups are properly executed and the facilities are properly maintained.

JOB RESPONSIBILITIES Include the following. Other duties be assigned.

Essential Functions

- Inspects all Trust buildings and amenities, to ensure contracted janitorial and custodial services are properly executed.
- Inspects all Clubhouse equipment and interiors for damage and/or excess wear and reports to the Recreation Supervisor.
- Meets with the Recreation Supervisor and Janitorial and Custodial Services contractor supervision, weekly to address and discuss discrepancies in the execution of the contract.
- Assists the Recreation Supervisor with planning and set-up of all events to ensure that all staffing and equipment needs are met.
- Ensures that all necessary supplies and equipment is available for Janitorial and Custodial Services staff.
- Relieves or fills in for the exercise and swimming pool attendants as needed.

QUALIFICATIONS REQUIRED

Knowledge, Skills and Abilities

- Five (5) years' experience in janitorial services as supervision.
- Ability to understand the requirements for all special and catered events.
- Ability to set-up and adjust sound and video equipment.

- Ability to gather information, evaluate facts, prepare and present verbal and written reports.
- Self-starter with good organizational skills and ability to prioritize.
- Ability to multi-task and excellent time management skills.
- Ability to work flexible work schedule, including nights and weekends.

Physical Abilities

- Frequent standing and walking.
- Occasional climbing, stooping, kneeling, crouching and crawling.
- Ability to push and pull up to 100 pounds.
- Ability to carry up to 50 pounds.
- Close vision, distance vision and depth perception necessary.

Mental Abilities

- Ability to read, write and speak English.
- Ability to deal effectively with co-workers, Board Directors, shareholders/members and contractors.
- Ability to use diplomacy and sound judgement.

Education

- High school diploma or equivalent, or 3-5 years of related experience.

PERSONAL PROTECTIVE EQUIPMENT

- None.

WORK ENVIRONMENT

- Normal indoor environment, however some outdoor work with exposure to weather conditions.

TOOLS AND EQUIPMENT USED

- Computer, telephone, fax, calculator, flash light, and sound equipment.

The above statements are intended to describe the general nature and level of work being performed by individuals assigned to this job. They are not intended to be an exhaustive list of all responsibilities, duties and skills of personal so classified.

Approved: xxxxxxxx



Golden Rain Foundation

Leisure World, Seal Beach

COMMITTEE ACTION REQUEST

TO: FINANCE COMMITTEE
FROM: PHYSICAL PROPERTIES COMMITTEE
SUBJECT: BUILDING 5, CONFERENCE ROOM B PROPOSAL
DATE: MAY 5, 2016
CC: FILE

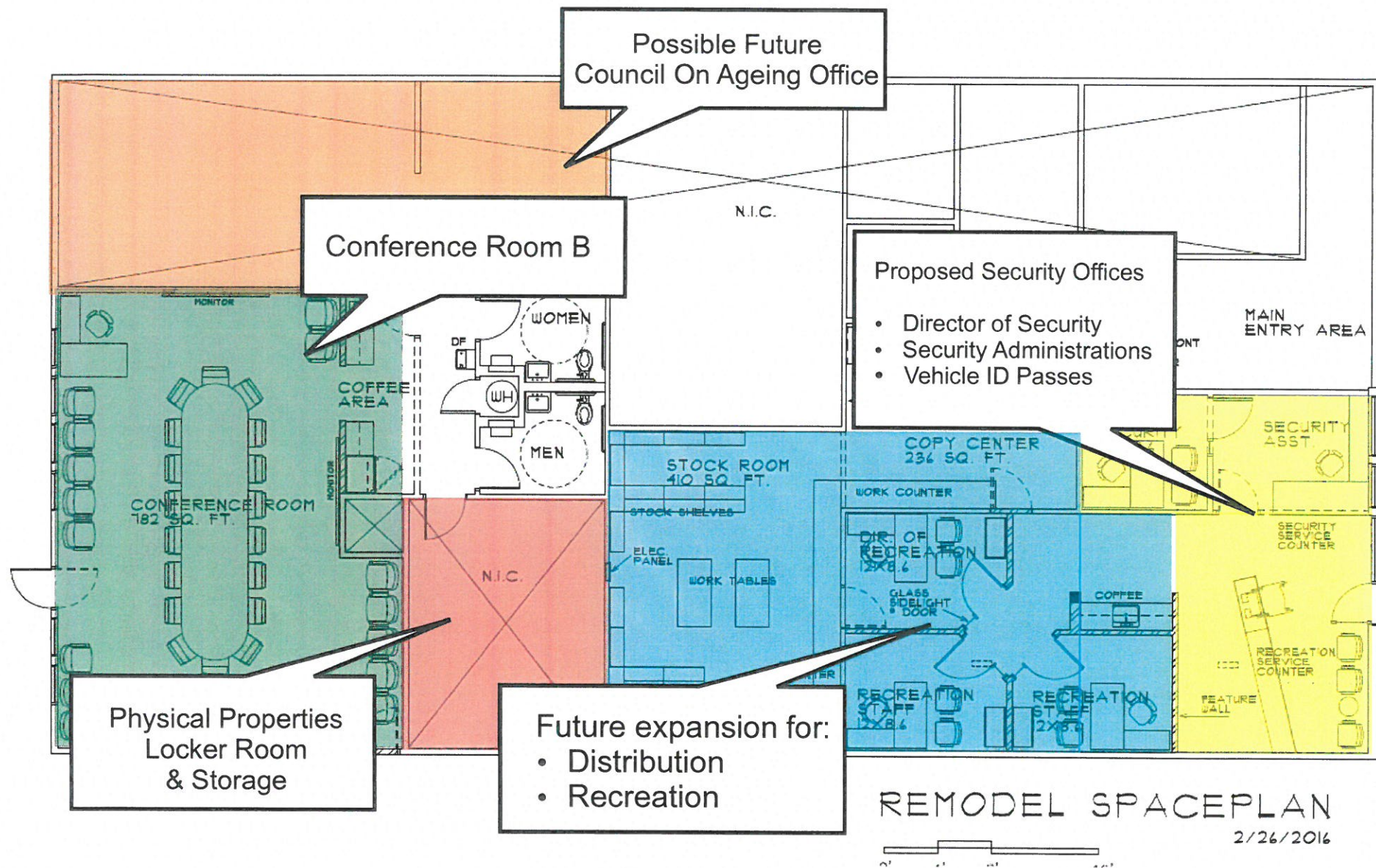
At the May 4, 2016 meeting of the Physical Properties Committee, the Committee duly moved and approved to recommend to the Board the renovation of Building 5 and necessary equipment and furnishings to add a second conference room in the space previous occupied by the Video Producers Club. This action is in response to the recommendation of the Facilities and Amenities Review Ad Hoc Committee on April 4, 2016:

Phase 2 – Retrofit the area vacated by the Video Producers Club into a meeting and conference room similar to the Administration Conference Room. Cost estimates are pending and would be subject to final Committee and GRF Board approval.

Attached is a conceptual layout and associated cost estimates to renovate the space within Building 5 into Conference Room B.

Action Requested

Availability of Capital Funds, in the amount of \$37,000, for equipment and building improvements for the renovation of the room within Building 5 previously occupied by the Video Producers Club, into a second conference room.



Building 5

Golden Rain Foundation
May 17, 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	61,106	60,965	(141)
6140000 32	Employment Taxes - Purchasing	5,319	5,436	118
6142000 32	Workers' Compensation - Purchasing	3,562	5,800	2,238
6143000 32	Group Insurance - Medical - Purchasing	9,566	10,076	510
6143300 32	Group Insurance - Dental - Purchasing	211	232	21
6143500 32	Group Insurance - Vision - Purchasing	147	148	1
6144000 32	401(k) Match - Purchasing	1,797	1,175	(622)
6145000 32	Group Insurance - Life - Purchasing	307	292	(15)
6146000 32	Long Term Disability Insurance - Purchas	245	344	99
6211000 32	Continuing Education - Purchasing	86	600	514
6214000 32	Meals & Special Events - Purchasing	139	0	(139)
6215000 32	Mileage - Purchasing	0	40	40
6217000 32	Uniforms & Laundry - Purchasing	584	600	16
6410000 32	Office Supplies - Purchasing	102	400	298
6410005 32	Building Supplies - Purchasing	98	340	242
6410010 32	Hospitality - Purchasing	184	180	(4)
6410015 32	Computer Supplies - Purchasing	0	0	0
6410020 32	Equipment Expense - Purchasing	516	448	(68)
6410030 32	Printer / Copier Supplies - Purchasing	157	264	107
6411000 32	Freight & Handling - Purchasing	4,533	3,300	(1,233)
6435100 32	Bank Service Fees - Purchasing	447	200	(247)
6444000 32	Equipment Rental - Purchasing	447	448	1
6471000 32	Building Repair & Maintenance - Purchas	1,224	100	(1,124)
6472000 32	Equipment Repair & Maintenance - Purchas	189	200	11
6478000 32	Service Contracts - Purchasing	70	72	2
6482000 32	Dues, Memberships & Books - Purchasing	323	30	(293)
6483000 32	Propane - Purchasing	765	750	(15)
6911500 32	Inventory Over / Short - Purchasing - Purc	746	668	(78)
6911505 32	Obsolete Inventory Adjustment - Purchasi	1,340	1,336	(4)
	Total Expenses	94,210	94,444	234
Other Cost Recovery				
5380320 32	Shipping & Processing Recovery - Purchas	4,242	10,000	(5,758)
5395000 32	Other Income - Purchasing	65	0	65
5540000 32	Discounts Earned - Purchasing	932	0	932
	Total Other Cost Recovery	5,239	10,000	(4,761)
5330000 32	Income / Refund from Mutuals - Purchasin	83,280	83,281	(1)

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Purchasing Manager's Report

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Total Cost Recovery	88,519	93,291	(4,762)
	Off Budget Items			
5990000 32	Materials Recovery - Purchasing	(24,645)	0	24,645
6415000 32	Materials Pass-Thru - Purchasing	24,645	0	(24,645)
	Total Off Budget Items	0	0	0
	Net Income / (Expense)	(5,691)	(1,163)	(4,528)

Budget Variance Report:

Cost center 32 is over budget a total of \$5,877. YTD. Notable variances are:

Budget Variance Report - April 2016
Purchasing - CC 32

<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
		2,238	Favorable - Expenses less than budgeted, plus refund from 2015
6140000	Worker's Comp		
6411000	Freight & Handling	(1,233)	Unfavorable - Freight Expense was under budget for the month, with previous months still exceeding freight budgeted as previously reviewed. (Reducing total over-budget amount from \$1669 to \$1233)
6471000	Bldg Repair & Maintenance	(1,124)	Unfavorable - Painting in the Purchasing Department
5380320	Shipping & Processing Recovery	(5,758)	Unfavorable - Shipping and recovery for the month of April was short of budget by \$98, YTD income shortfall is \$5,758
	Total Explained Variances	<u>(5,877)</u>	

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Purchasing Manager's Report

Project Report:

- a. Axserion launch planning and execution.
 - i. Training and launch preparation in progress.

- Surplus Equipment:

- a. Requesting approval to move forward with processing the following:

Description	Price	Disposition
Display Cases (3)	TBD	

(Terry DeLeon indicated there is currently no use for these cases.)

Description	Price OBO
Filing Cabinets (6)	\$ 10.00
Office Chairs (6)	\$ 10.00
Banquet Tables	\$ 5.00
White Board	\$ 20.00
1 Desk	\$ 10.00

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

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Purchasing Manager's Report

Purchasing Services Report, Month ending April, 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	20	\$ 4,035.59	614	125	162	50	150	1101
March	23	\$ 4,699.50	533	109	126	58	156	982
April	21	\$ 5,360.98	784	175	202	43	253	1457
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	84	\$ 21,026.04	2367	586	775	212	756	4696
Daily Avg		\$ 250.31	28	7	9	3	9	56

Obsolete Inventory (GL 1163000-00)

Item Number	U Of M	Item Description	QTY	Unit Cost	Extended Cost	Document Date	Reason
21-4105	PKG	DWO LABEL BROTHER TOUCH 2200	-1	\$16.55	\$16.55	4/19/2016	Obsolete Item
21-5631	BX	DISC 3.5" X 1.44MB IBM 1MN12881	-2	\$4.40	\$8.80	4/19/2016	Obsolete Item
21-5911	EA	STAMP PAD BLACK EAGLE ZEPHER	-6	\$2.02	\$12.12	4/19/2016	Obsolete Item
					\$37.47		

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Director of Finance Report

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
Expenses - Finance				
6100000 31	Salaries & Wages - Finance	186,632	182,922	(3,710)
6140000 31	Employment Taxes - Finance	15,835	15,974	139
6142000 31	Workers' Compensation - Finance	3,936	6,408	2,472
6143000 31	Group Insurance - Medical - Finance	15,466	16,228	762
6143300 31	Group Insurance - Dental - Finance	400	388	(12)
6143500 31	Group Insurance - Vision - Finance	251	268	17
6144000 31	401(k) Match - Finance	4,534	4,300	(234)
6145000 31	Group Insurance - Life - Finance	781	828	47
6146000 31	Long Term Disability Insurance - Finance	650	964	314
6210005 31	Payroll Processing Fees - Finance	12,940	12,488	(452)
6211000 31	Continuing Education - Finance	199	0	(199)
6215000 31	Mileage - Finance	0	0	0
6410000 31	Office Supplies - Finance	1,184	1,791	607
6410010 31	Hospitality - Finance	274	264	(10)
6410015 31	Computer Supplies - Finance	1,250	150	(1,100)
6410025 31	Lunch Room Supplies - Finance	31	25	(6)
6410030 31	Printer / Copier Supplies - Finance	1,249	1,840	591
6432100 31	Audit Fees - Finance	47,868	44,832	(3,036)
6435100 31	Bank Service Fees - Finance	571	1,020	449
6444000 31	Equipment Rental - Finance	990	992	2
6478000 31	Service Contracts - Finance	492	904	412
6481000 31	Computer Maintenance & Software - Finance	50	0	(50)
6482000 31	Dues, Memberships & Books - Finance	0	0	0
6483201 31	Mailouts - Periodic - Finance	7,981	8,450	469
6483202 31	Mailouts - Pymt Coupons - Finance	6,174	7,084	910
6491000 31	Miscellaneous Writeoffs - Finance	8	0	(8)
6721000 31	State & Federal Taxes - Finance	(41,832)	8,800	50,632
6951000 31	Non-Budgeted Exp for Committee - Finance	0	250	250
Total Expenses		267,915	317,170	49,255

Budget Variance Report - April 2016
Finance Department - CC 31

GL Code	Account Description	Variance	Explanation
6721000	State & Federal Taxes	50,632	Favorable - 2015 Fed & State Refunds \$48,404; amendments reduced tax liability
Total Explained Variances		50,632	

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Director of Finance Report

Budget Timeline

2017 Budget Approval Timeline

In accordance with California Civil Code Section 5300 (a), a copy of the operating budget must be distributed no less than **30 or more than 90 days before the end of the association's fiscal year.**



May	Executive Director and Director of Finance provide timelines and general instructions to staff. Finalize reserve study changes to be submitted to RSI
June	Initial staff budgetary planning (Staff plans, prepares and compiles cost center budget information Director of Finance to supply 5 months of actual to budget information Initial staff budgets to be ready to move forward to committees in July
July	Initial staff working budget drafts to be provided to committee Committees to begin consideration of 2017 Capital
August	1st presentations of draft budgets to committees Committee discussions, revisions to finalize Committee recommendations to approve and recommend respective cost centers to the Finance Committee
September	Deadline - Committee recommendations to approve and recommend respective cost centers to the Finance Committee Finance Committee review of draft budget (second monthly meeting may be required). Annual disclosure statements to be sent to corporate legal counsel for review and possible amendment to be fully compliant with civil code. Possible joint study session with Finance Committee and Board to solidify budget.
October	Final Finance Committee review and recommendation to the Board. Additional study session to finalize budget prior to October Board Meeting. Receipt of disclosure documents from legal counsel. Board Approval (Deadline) 2016 budget and disclosure statements to printer (Special B section of the Golden Rain News).
November	November 10th distribution of 2017 budget and disclosure statements in the Golden Rain News.

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Director of Finance Report

Income Tax Returns & Amendments

Current & Amended Tax Returns

	<u>Federal</u>	<u>State</u>	<u>Total</u>
2011		9,204	9,204
2012	8,528	4,136	12,664
2013	7,402	8,196	15,598
2014	33,776	14,619	48,395
2015	35,567	12,837	48,404
Total	85,273	48,992	134,265

Investments

- Purchased in April
 - \$500,000 from FFB liquid reserve account invested in a 52-week CDAR @ .45% to continue the investment ladder.
- Recommended for May
 - \$688K liquid funds in First Foundation Bank
 - \$2.3M liquid funds in US Bank
 - Total commitments @ 4/30/2016: \$840,439
 - Invest \$500,000 for 52 weeks @ .45% to continue the investment ladder.

Aged Receivables (GRF - Quarterly Review)

Contract Renewal Report (Quarterly Review)

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Director of Finance Report

Mutual Seventeen Lease Income

1. Collected YTD: 13 memberships totaling \$3,921.00

M17 Lease Fees Collected in April 2016

			Month	YTD
	346		Total	Total
	0		-	
			-	
	-		-	13

			Month	YTD
	346		Total	Total
	0		-	
			-	
Total M17 Lease Fees Collected April 2016			-	3,921

Policy 5061-31 Distribution:

		Month	YTD
Capital Improvement Fund	50%	-	1,961
Reserve Fund	50%	-	1,961
Total Membership Fees		-	3,921

Golden Rain Foundation
May 17, 2016 Meeting of the Finance Committee
Director of Finance Report

SRO Aging Recap:

Month	Mar 2016	April 2016
Aug-15	-	-
Sep-15	-	-
Oct-15	-	-
Nov-15	-	-
Dec-15	121	2
Jan-16	139	18
Feb-16	161	40
Mar-16	1,373	271
Apr-16	-	1,426
Total	1,794	1,757

Pending Action Items:

- None