

EXECUTIVE COMMITTEE MINUTES
March 3, 2014

The regular meeting of the Executive Committee, held on Monday, March 3, 2014, was called to order at 1:00 p.m. by Chair Supple in the Administration Conference Room, followed by the Pledge of Allegiance.

ROLL CALL

Present: Mr. M. Supple, Chair Ms. L. Stone
 Mr. L. Blake Ms. R. Winkler
 Mr. M. Michaelides Mrs. M. Wood
 Ms. A. Seifert

Staff and Mr. R. Ankeny, Executive Director
Guests: Ms. R. Smith, Human Resources (HR) Manager
 Mrs. C. Weller, Mutual Administration Manager
 Mr. J. Guerrero, Security Chief
 Mr. M. Weaver, Community Facilities Manager
 Mrs. M. McAuley, Recording Secretary
 Mr. R. Kravitz, Chair of Security, Bus & Traffic Committee
 Mrs. B. Osborne, GRF Representative, Mutual Four
 Ms. B. Coven, GRF Representative, Mutual Five
 Ms. P. Wilson, GRF Representative, Mutual Eight
 Mr. D. Craig, GRF Representative, Mutual Eleven
 Mrs. C. Damoci, GRF Representative, Mutual Twelve
 Mr. P. Moore, GRF Representative, Mutual Seventeen
 Seven Foundation Members

CHAIR'S ANNOUNCEMENTS

The Chair welcomed the guests, committee members and staff, and reviewed meeting protocol. He announced that this meeting is being recorded by staff for GRF purposes; recording of this meeting by shareholders or committee members is not permitted.

MINUTES

The regular meeting minutes of February 3, 2014, were approved by MOTION of Mrs. Wood, seconded by Ms. Winkler and carried unanimously.

REPORTS

Human Resources Manager

The HR Manager presented her report as attached.

Mutual Administration Manager

The Mutual Administration Manager presented her report as attached.

Executive Director

The Executive Director reported that that the Employee handbook is being reviewed by the Foundation's Labor attorney. Upon completion, the handbook will be reviewed by the Executive Committee and then the GRF Board of Directors. He reported that he and the HR Manager are reviewing all job descriptions. Staff is working on cross-training and succession planning.

UNFINISHED BUSINESS

Review and Adopt Policy – Terms of Contracts

The Executive Director asked the Committee to review the drafted policy and bring any comments or suggestions to the next regular meeting of the Executive Committee.

NEW BUSINESS

Security Department Manual

The Chair spoke on the need for a comprehensive Security Department Manual as requested in 2011. The Security Chief will prepare a complete draft for the Executive Committee's review prior to its next meeting.

Review Escrow Disclosures and Pre-Listing Inspections

The Mutual Administration Manager, with the help of the Community Facilities Manager, drafted Escrow Disclosures and Pre-Listing Inspections for the Committees review. Staff will continue to work on the drafts and will report back to the Committee once completed. The Executive Director was instructed to seek current disclosures as used by agent and to provide copies.

Amend Policy 4311 – Vacation Procedures

Policy 4311, Vacation Procedure, sets forth the parameters about when vacation can be earned and taken and the reporting of the hours for payment purposes.

In order to facilitate staff scheduling and provide consistency with the sick policy, the policy was reviewed for improvement and manageability. It was also reviewed based on the change from paper timecards to the on-line time and labor system, Paychex.

Management recommends the following changes to Policy 4311, Vacation Procedure:

- Change the usage start date from one year of employment to after 90 days of employment to match our probationary period and our sick policy. This will not cost the Foundation any additional funds since the liability is already realized. Per California law, we must pay earned vacation out in the first year if an employee terminates since it is designated as an earned benefit so it does become a liability at day one. This change will also take care of the potential problem of an employee calling out sick after 90 days because they can use their sick time but they may be using it for personal time off. We would rather the employee notify us in advance of time off and reduce their vacation balance liability versus using sick in the first year;
- Add wording about the timing of vacations and that vacation usage is at the discretion of the Golden Rain Foundation based on business needs;
- Delete wording regarding the use of paper request forms; and
- Replace the statement that all employees must take at least one vacation of five (5) or more consecutive days each calendar year with a statement that the Foundation reserves the right to require an employee to take time off each year.

Ms. Stone MOVED, seconded by Ms. Seifert and carried unanimously -

TO recommend the Board amend Policy 4310, Vacation Procedure.

Rescind Regulation 4322 – Sick Leave Program

Regulation 4322, Sick Leave Program sets forth the parameters surrounding sick leave usage and a sick incentive program for employee's that did not utilize their sick leave within a year.

Regulation 4322, Sick Leave Program is in direct conflict with Policy 4320, Sick Leave, which was last amended in May 2013. Based on information from the payroll department, the incentive program was ended at the end of 2012 based on a phase out program over four years. Documentation has not been found that this Regulation was ever rescinded.

Mr. Blake MOVED, seconded by Ms. Winkler and carried unanimously –

TO recommend the Board rescind Regulation 4322, Sick Leave Program.

Amend Policy 4420 – Group Life Insurance

Policy 4420, Group Life Insurance, sets forth the parameters regarding the Group Life Insurance provided to employees by the Golden Rain Foundation.

It is the recommendation that this policy be amended based on changes to Policy 4410, Group Health Insurance, and to remove the specifics of the plan which can be modified each year based the Carrier changes and/or Board approval. The following changes are requested:

- Change the effective date of eligibility to the first of the month following 30 days of employment. This will align this policy with Policy 4410, Group Health Insurance, which sets the Life Insurance eligibility to the first of the month following 30 days of employment.
- Delete all the plan specific information since the terms of the plan can change from year to year.

Mr. Blake MOVED, seconded by Ms. Winkler and carried unanimously –

TO recommend the Board amend Policy 4420, Group Life Insurance.

Amend Policy 4441 – Long-Term Disability

Policy 4441, Long-Term Disability Insurance, sets forth the parameters surrounding the Long-Term Disability Insurance provided to employees by the Golden Rain Foundation.

It is the recommendation that this policy be amended based on changes to Policy 4410, Group Health Insurance and to remove the specifics of the plan which can be modified each year based on Insurance Carrier changes and/or Board approval. The following changes are requested:

- Change the effective date of eligibility to the first of the month following 30 days of employment. This will align this policy with Policy 4410, Group Health Insurance, which sets the Long-Term Disability Insurance eligibility to the first of the month following 30 days of employment.
- Delete all the plan specific information since the terms of the plan can change from year to year.

Mrs. Wood MOVED, seconded by Mr. Blake and carried unanimously –

TO recommend the Board amend Policy 4441, Long-Term Disability Insurance.

Amend Policy 4610-Performance Evaluation and Rescind Regulation 4611-Performance Evaluation Procedure

Policy 4610, Performance Evaluation, and Regulation 4611 Performance Evaluation Procedure, set forth the parameters about when a performance review is to be conducted and the procedure for completing the performance evaluation.

In order to clarify and give more meaning to the performance evaluation process, these policies were reviewed for improvement. It is recommended that Regulation 4611, Performance Evaluation Procedure, be merged with Policy 4610, Performance Evaluation,

to provide one streamlined process. It is further recommended that we add the following information to Policy 4610:

- Outcomes and roles of the performance evaluation procedure.
- Information about the key foundational elements of a performance evaluation process.
- Evaluation process for Department Managers to include evaluation from a Board Member of the Golden Rain Foundation who has been appointed as the Chairperson of the appropriate Committee in which has oversight of the area of responsibility of the Department Manager.
- Clarify the evaluation process for the Executive Director.

Ms. Seifert MOVED, seconded by Ms. Stone and carried unanimously -

TO recommend the Board amend Policy 4610, Performance Evaluation, and rescind Regulation 4611, Performance Evaluation Procedure.

Establish Architectural and Landscape Committee

The Executive Director recommends the President, with Board ratification, establish an Architectural and Landscape Committee to oversee the architectural improvements, repairs and improvements in the community. The Committee will also oversee the Golf Course and landscaping projects in common and Trust areas.

Ms. Winkler MOVED, seconded by Mrs. Wood and carried unanimously –

TO recommend the President, with Board ratification, establish an Architectural and Landscape Committee.

Amend Policy 5021 – GRF Organization Chart

Organization Charts set forth the departmental and staffing structure in the Golden Rain Foundation. The Executive Director recommends the establishment of one Master Organization Chart for ease of manageability.

Ms. Stone MOVED, seconded by Ms. Winkler and carried unanimously –

TO recommend the Board amend Policy 5021 – GRF Organization Chart.

Rescind Policies 2003, 2003.1, 2003.2, 2102, 2202, 2302, 2303, 2402, 2502, 2602 & 2802

Due to the amendment of Policy 5021 – GRF Organization Chart, the following are no longer needed:

Executive Committee Meeting, March 3, 2014

- Policy 2003, Administrative Organization Chart
- Policy 2003.1, Administrative Organization Chart – Titles Only
- Policy 2003.2, Administrative Organization Chart – Titles and Names
- Policy 2102, Community Administration Organization Chart
- Policy 2202, Accounting Dept Organization Chart
- Policy 2302, Physical Property Organization Chart
- Policy 2303, Service Maintenance Organization Chart
- Policy 2402, Security & Transportation Organization Chart
- Policy 2502, Leisure World Library Organization Chart
- Policy 2602, Recreation Department Organization Chart
- Policy 2802, News Department Organization Chart

Ms. Stone MOVED, seconded by Mr. Blake and carried unanimously –

TO recommend the Board rescind the eleven policies listed above.

(Recording Secretary's Note: After consideration, it was determined that the changes and additions to Policy 5021, Organization Chart, were too great for an amendment and that it should be rescinded for the adoption of Policy 5023, Foundation Department Organization Charts.)

FOUNDATION MEMBER COMMENTS

Foundation members spoke on Board members being elected for 3 year terms, precise count on residents living in their units, the upcoming Real Estate Conference and shareholders being able to attend, escrow sales, and the establishment of an Architectural and Landscape Committee.


COMMITTEE MEMBER COMMENTS

The Chair thanked guests for their attendance and participation. He announced the need for the Committee to go into Executive Session. The guests and Recording Secretary McAuley were excused at 3:27 p.m.

During Executive Session, the members discussed legal and personnel matters.

ADJOURNMENT

The meeting was adjourned at 4:00 p.m.


Mike Supple, Chair
EXECUTIVE COMMITTEE

MM 3.7.14

Golden Rain Foundation Executive Committee Report
Human Resources Report
March 3, 2014

1. Compensation Study Report

- a. Reviewed Compensation Study Report with Executive Committee 1-6-2014.
- b. Reported to Executive Committee ideas for vacation time, maximum balances, and Paid Time Off.
- c. Reviewed with Board of Directors in February 2014.
- d. Develop plan around Study for review with Executive Committee and Board of Directors prior to 2015 budgeting period.

2. Health Benefits Renewal

- a. Met with Insurance Broker for initial review of renewal information on 1-20-2014.
- b. Reviewed renewal information with Executive Committee on 2-3-2014.
- c. Reviewed renewal information with Board of Directors on 2-14-2014. Modification of Benefits Policy 4410 was also reviewed.
- d. Request approval for benefits renewal and policy change from Board of Directors on 2-25-2014 (Approved)
- e. Notified employees of change on 2-26-2014
- f. Conduct Open Enrollment meetings for all eligible staff in early March

3. Employee Handbook

- a. Reviewed handbook for inclusion of all GRF policies.
- b. Gained approval from Board of Directors for payment to Mr. Payne (Esq.) to review on 1-28-2014.
- c. Employee handbook sent to Mr. Payne for review in February 2014.
- d. Discussion with Associate from Rutan to review handbook recommendations on March 4, 2014.
- e. Once final draft is received from Mr. Payne, handbook will be review with Executive Committee and then full Board.

4. Paychex Human Resources System

- a. Training was started on configuring HR system.
- b. We are working with IT to extract information out of the old system to populate new system.
- c. Within system, we will track basic employee related information needed to pay an employee plus we will also track performance evaluations, disciplines, salary increases, termination reasons, and employee specific training.
- d. Estimated date for go-live for Manager/Employee self-service is April 2014.

5. Performance Management System

- a. Developing initial designs for performance management system.
- b. Next action will be to present to Executive Committee in April 2014.

6. Succession Planning

- a. Initial plan was reviewed by Executive Committee in February 2014.
- b. Successors will be identified for key positions and the development needed to move them to next level.
- c. Plan will be reviewed with Executive Committee in April 2014.

7. Management Development

- a. Management staff participated in a behavioral assessment in February 2014.
- b. Assessment will be reviewed at Management meeting in March 2014.
- c. Team building and Leadership exercises will continue over next year.

8. Retirement Plan

- a. Reviewed quarterly and annual plan documents in February 2014 with Retirement Committee.
- b. Gained approval from Retirement Committee for fund and platform changes to go into effect in April.
- c. Working with Great West on transition during February and March 2014. Go-live will be late April/Early May.

9. PTO Plan

- a. Discussed the concept of changing Vacation and Sick into Paid Time Off plan with Executive Committee in January 2014.
- b. Development of the plan and costs will be completed in Spring 2014.
- c. Plan will be reviewed with Executive Committee and Board of Directors prior to 2015 Budget period for possible January 1, 2015 implementation.

10. Other Policy Updates

- a. Policy 4611 – Performance Evaluations - Revision to include wording that for Department Managers, an evaluation will also be completed by a Board Member of the Golden Rain Foundation who has been appointed as the Chairperson of the appropriate Committee in which has oversight of the area of responsibility of the Department Manager. This will be reviewed by Executive Committee in March 2014.
- b. Policy 4311 – Vacation - Revision to state that vacation can be used after 90 days of employment versus one year. This will be reviewed by Executive Committee in March 2014.
- c. Regulation 4322 – Sick Leave Program – Rescind. This is an outdated regulation.
- d. Policy 4420 – Group Life Insurance – Revision to effective coverage date and delete all plan design specifics.
- e. Policy 4441 – Disability Insurance – Revision to effective coverage date and delete all plan design specifics.

11. Recruitment

- a. Library Clerk – Part-time
- b. Office Clerk/Classified Sales Person – Part-time
- c. Project Coordinator-Building Inspector – Full-time
- d. Building Inspector – Full-time
- e. Security Officer – 2 Part-time

12. Audits

- a. Completed Workers' Compensation Audit – February 2014. Initial review looks like we may be entitled to small refund.
- b. 401(k) audit scheduled for March 2014

13. Safety

- a. We had one new claim report in January for an incident that occurred June 2013. This claim is under review.
- b. No new injuries since November 25, 2013 (The November 25th injury was report on December 5, 2013).
- c. **2014 has been injury free!**

Mutual Administration Report

Executive Committee – February, 2014

March 3, 2014

1. PROJECTS UPDATE

Legal Seminar for Golden Rain Board and Mutual Boards

- Contacts have been made to Attorney Roseman & Associates
- Date set for Tuesday, March 11, 2014 – Agenda Finalized – 27 RSVP's received

Annual Realtor's Conference for Golden Rain Board & Mutual Boards

- Date is April 4, 2014
- Meeting will be in Clubhouse 4.

Directors Legal Seminar for Newly Elected Officers & Directors in July

- Contact to Mutual Attorneys to participate in a post-election legal seminar/ 2-day event
- Pending

Policies

- New Policy 7590 – Feeding Wild Animals – Passed Presidents' Counsel
- New Policy 7551 – Unsanitary Conditions and Fire Loaded Conditions –Passed Presidents' Counsel
- Begin globalization of Mutual policies and rescind out-of-date policies

Escrow Disclosures

- Revision of escrow disclosures
- Revision of Pre-Listing Inspection packet – Conversion to computer format complete

2. Presidents Council

- New Policy 7590 – Feeding Wild Animals – Passed Presidents' Counsel
- New Policy 7551 – Unsanitary Conditions and Fire Loaded Conditions –Passed Presidents' Counsel
- Begin globalization of Mutual policies and rescind out-of-date policies

3. Aging Receivables

● Beginning January, 2014/carry over 2013:	\$92,784.32
● Current Delinquent	\$81,141.04
● Amount collected through January 2014:	\$11,643.28
● Amount collected through February 2014:	\$40,489.57

4. Current Litigations & Insurance Cases

● Beginning January, 2014:	Litigations	11
● Beginning January, 2014:	Insurance Claims	9 (1) closed in Feb.

Mutual Administration Manager's Report
 March 3, 2014

5. **Rule Compliance/Shareholder issues**

● Rules Compliance letters sent in January	65
● Compliance Letters sent in February	<u>378</u>
● Compliance Letters sent Year-to-date	<u>443</u>

6. **Stock Transfer Office**

● Escrow Sales Year-to-Date for January	42	
● Total Sales Prices	<u>\$4,726,200.00</u>	
● Number of in-House Transfers	<u>16</u>	
● Number of Registered Pets	6	<u>904</u>
● Number of Currently Registered Caregivers	<u>195</u>	

Food distribution 151 Boxes

7.	Budget Variance		
	●Variance for Jan		

8. **Social Services**

Mut	Cases- February
1	<u>16</u>
2	<u>18</u>
3	<u>6</u>
4	<u>4</u>
5	<u>7</u>
6	<u>4</u>
7	<u>7</u>
8	<u>5</u>
9	<u>5</u>
10	<u>7</u>
11	<u>3</u>
12	<u>9</u>
14	<u>5</u>
15	<u>8</u>
16	<u>1</u>
17	<u>2</u>
	<u>Total 107</u>

Golden Rain Foundation
Budget Comparison Report
Mutual Administration - CC 33
For the Month Ending January 31, 2014

INTERNALLY PREPARED
 FOR MANAGEMENT USE ONLY

Actual	Budget	Budget Variance	GL Number	Description	YTD				Annual	
					Actual	Budget	Budget Variance	Annual Budget	Unused Budget	
\$47,596	\$45,735	(\$1,861)	61000	Salaries & Wages	\$47,596	\$45,735	(\$1,861)	\$548,842	\$501,246	
4,662	3,823	(839)	61400	Payroll Taxes	4,662	3,823	(839)	45,832	41,170	
2,233	2,683	450	61420	Workers Compensation	2,233	2,683	450	25,186	22,953	
6,328	6,865	537	61430	Group Insurance - Medical	6,328	6,865	537	82,435	76,107	
253	168	(85)	61433	Group Insurance - Dental	253	168	(85)	1,972	1,719	
154	121	(33)	61435	Group Insurance - Vision	154	121	(33)	1,419	1,265	
1,126	1,532	406	61440	Retirement Fund	1,126	1,532	406	18,384	17,258	
138	145	7	61450	Group Insurance - Life	138	145	7	1,773	1,635	
213	270	57	61460	Long Term Disability Insurance	213	270	57	3,284	3,071	
1,563	2,663	1,100	64100	Materials & Supplies	1,563	2,663	1,100	32,000	30,437	
750	1,000	250	64400	Equipment Rental	750	1,000	250	12,000	11,250	
	50	50	64700	Equipment Repair & Maintenance		50	50	600	600	
	87	87	64810	Continuing Education		87	87	1,000	1,000	
	10	10	64820	Mileage		10	10	120	120	
	100	100	64830	Dues & Memberships		100	100	1,200	1,200	
	12	12	64840	Permits & Licenses		12	12	100	100	
243	3,413	3,413	64860	Postage	243	3,413	3,413	41,000	41,000	
	1,000	757	64940	Service Contracts		1,000	757	12,000	11,757	
			64995	Election Expense				59,000	59,000	
65,258	69,677	4,419		Total Expenses	65,258	69,677	4,419	888,147	822,889	
				Other Cost Recovery						
2,550	7,333	(4,783)	53600	Stock Transfer Fees	2,550	7,333	(4,783)	87,996	(85,446)	
7,506	1,667	5,839	5385...	Other Income	7,506	1,667	5,839	20,004	(12,498)	
10,056	9,000	1,056		Total Other Cost Recovery	10,056	9,000	1,056	108,000	(97,944)	
65,012	65,015	(3)	53300	Trust Admin. Cost Recovery	65,012	65,015	(3)	780,147	(715,135)	
75,068	74,015	1,053		Total Cost Recovery	75,068	74,015	1,053	888,147	(813,079)	
				Off Budget Items						
9,810	4,338	5,471		Net Income / (Expenses)	9,810	4,338	5,471		9,810	

Budget Variance Report - January, 2014

Dept Name - CC

<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
53600	Stock Transfer Fees	-4,783	Drop in apartment sales... (17) sales in January, 2014 The trend appears to be continuing in February thus far

Total Explained Variances (4,783)