

EXECUTIVE COMMITTEE MINUTES
August 12, 2014

The regular meeting of the Executive Committee, held on Tuesday, August 12, 2014 was called to order at 1:00 p.m. by Chair Damoci in the Administration Conference Room, followed by the Pledge of Allegiance.

ROLL CALL

Present:	Mrs. Damoci, Chair	Ms. L. Stone
	Mr. B. Lukoff	Ms. R. Winkler
	Mr. P. Moore	Mrs. M. Wood
	Ms. K. Rapp	

Staff and Guests:	Mr. R. Ankeny, Executive Director
	Ms. R. Smith, Human Resources (HR) Director
	Mrs. C. Weller, Mutual Administration Director
	Ms. C. Miller, Controller
	Mrs. M. McAuley, Recording Secretary
	Mr. J. DeMarco, GRF Representative, Mutual Two
	Ms. P. Snowden, GRF Representative, Mutual Two
	Mrs. J. Reed, GRF Representative, Mutual Four Twelve Foundation Members

CHAIR'S ANNOUNCEMENTS

The Chair welcomed the guests, committee members and staff, and reviewed meeting protocol. The Chair stated that 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 Executive 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 4th 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 September.

MINUTES

The regular meeting minutes of July 8, 2014 were approved by MOTION of Mr. Moore, seconded by Mrs. Wood and carried with one abstention (Lukoff).

REPORTS

President

The President reported the Chairs of the committees are working diligently on the 2015 budget.

Mutual Administration Director

The Mutual Administration Director presented her report as attached.

Human Resources Director

The Human Resources Director presented her report as attached.

FOUNDATION MEMBER COMMENTS

Foundation members spoke on preserving the globe, citizenship awards, going out to bid with other insurance brokers, and amending policy 5536.1, Guest Passes.

UNFINISHED BUSINESS

Review 2015 Budget for Cost Centers 20, Human Resources and 30, Administration

The Human Resources Director presented the proposed 2015 budget for cost center 20, Human Resources. She discussed the operating budget and reported that she is still working on salaries and wages.

The Controller and Executive Director reviewed the proposed 2015 budget for cost center 30, Administration.

After discussion Mr. Moore MOVED, seconded by Ms. Rapp –

TO increase legal expenses to \$111,000.

The main motion passed with two no votes (Stone and Wood).

The Mutual Administration Manager and Controller discussed the proposed 2015 budget for cost center 33, Mutual Administration.

Amend Policy 5020, Organization of the Board

Policy 5020, Organization of the Board, sets forth the makeup of the Board, consisting of the officers and committees of the Golden Rain Foundation Board of Directors.

Executive Committee Meeting, August 12, 2014

Currently, the officers of the Board include the President, Vice President, Corporate Secretary, Treasurer and Deputy Secretary. It is recommended that the office of Deputy Secretary be omitted.

It is recommended that the functions and responsibilities of the Library Committee be incorporated into the Recreation Committee. It is further recommended that two new standing committees be established: Architectural and Design Committee and Mutual Administration Committee.

Currently, the Executive Committee consists of the elected officers of the Board and the chairpersons of the Recreation and Physical Property committees. With the suggested deletion of the Deputy Secretary office, it is recommended that the Chair of the Mutual Administration Committee be seated as a member of the Executive Committee.

It is recommended that these changes take effect at the beginning of the 2015/2016 term.

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

TO recommend the Board approve the amendment of Policy 5020, Organization of the Board, to delete the office of Deputy Secretary, to disband the Library Committee and incorporate its functions and responsibilities into the Recreation Committee, to establish the Architectural and Design Committee and Mutual Administration Committee as standing GRF Committees, and to set forth that the Chair of the Mutual Administration Committee be seated on the Executive Committee, with these changes to take effect at the beginning of the 2015/2016 term.

Amend Policy 5511, Legal Services – Discussion Only

Policy 5511, Legal Services, sets forth the Foundation's guidelines for obtaining legal counsel.

In an effort to follow the broad oversight as set forth in the Davis-Stirling CID Act, the Executive Committee reviewed the Policy. After discussion, the Committee concurred to place on the September agenda for further review and to authorize the Executive Director to contact the Foundation's Attorney for input.

Amend Policy 5536.1, Guest Passes

The Executive Committee is recommending the GRF Board of Directors consider a change to an operating rule. The text of the proposed operating rule change and the description of the purpose and effect of the proposed change are attached or set forth below. The Board will make a decision on this proposed operating rule change on October 28, 2014, after consideration of comments made by members. This process is recommended in accordance with Section §4360 of the Davis-Stirling Common Interest Development Act.

Policy 5536.1, Guest Passes, outlines the process used by the Foundation to distribute guest passes to Foundation members. In order to clarify how passes are used and to consolidate governance concerning passes used by vendors and caregivers, it is recommended Policy 5536.1 be amended.

The purpose of these changes is to consolidate guest, service and caregiver pass information in one policy.

- Change the Policy title from “Guest Passes” to “Gate Passes;”
- Change “Manager” to “Director;”
- Eliminate “located on first floor of the Administration Building;”
- Add valid driver’s license for all contractors and vendors;”
- Include definitions and information on the use, distribution, and management of annual guest passes, quarterly service passes and semiannual caregiver passes;
- Clarify that the Executive Director and Mutual Administration Director are authorized to make passes available;
- Change the Health Care Center name to Health Care Center on Golden Rain Road;
- Identify when and to whom the Stock Transfer, Physical Property and Recreation departments shall issue quarterly service passes;
- Service passes may be issued in quarterly or six-month increments at the discretion of the Department head;
- A \$5 fee may be charged for each service pass issued and additional guest passes;
- Caregiver passes will be made available in compliance with Mutual Policy 7557, Caregivers;
- Caregivers must wear their caregiver passes and badge holder at all times while in the community; and
- Change Resident to Members.

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

TO recommend the Board to tentatively approve the amendment of Policy 5536.1, Guest Passes, pending a minimum 30-day notification to the membership and a final decision on October 28, 2014, to reflect the changes as stated above.

Recording Secretaries Note: In February 2014, the Executive Committee voted to recommend the rescission of Regulation 5536.2, Service Passes. If Policy 5536.1, Guest Passes, is tentatively approved for amendment on August 26, 2014, Regulation 5536.2 will be placed on the October 28, 2014 Board agenda.

Policy 5061.1, Initiation Fee Regulation

Regulation 5061.1, Initiation Fee, relates to the application of fees administered by the Mutual Administration Department. After discussion, the Committee concurred to recommend the Finance Committee amend the policy as it deals with initiation fees.

Policy 1801, Qualified Permanent Resident and Co-Occupant Agreements

Policy 1801, Qualified Permanent Residents and Co-Occupant Agreements, was established in 1995 to comply with Section 51.3 of the California Civil Code, which sets forth the manner in which senior communities operate with respect to age qualifications and permitted residency by persons under 55 years of age who reside with a shareholder/member. It is recommended that the Policy be updated to be in compliance with changes to Section 51.3 and the Foundation's operating practices. After discussion, the Committee concurred to recommend the Finance Committee review and amend the policy.

Resales Sub-Committee

One of the functions of the Finance Committee, as shown in Policy 5115, is to review the agreements or contracts that the Foundation has with the various vendors in the community, such as the cable company and the Health Care Center provider. One of the functions of the Resales Committee, as shown in Policy 5140, is to review the agreements between the Foundation and the Onsite Sales Office. The Chair requested the Resales Sub-Committee be disbanded and the Finance Committee establish the Sub-Committee.

NEW BUSINESS

General Labor Budget Review

The Human Resources Director reviewed the first draft of the Wage and Benefit budget at the Foundation level for 2015.

Amend Policy 4156, Hiring Practices

Policy 4156, Hiring Practice, sets forth that the Executive Director, with the advice and consent of the Executive Committee and the approval of the Board of Directors, shall hire and/or terminate specific Foundation managers and supervisors.

It is recommended that the policy be updated to include updated and current position titles and to change the policy number to 4156-30. Ms. Stone MOVED, seconded by Ms. Rapp and carried unanimously –

TO recommend the Board amend Policy 4156, Hiring Practice, to include updated and current position titles and change the policy number to 4156-30.

Trust Mailing

After the extension of the Trust passed, the Trust amendments were officially recorded at the Orange County Recorder's Office on February 26, 2014. The Executive Director reported that the Trust amendment will be an insert in the *Golden Rain News* on August 21, 2014.

Amend Policy 4250, Provision of Uniforms

Policy 4250, Provision to Uniforms set forth the guidelines of uniforms provided by the Foundation for employees who serve as inspectors or maintenance, purchasing, security, or transportation personnel. After discussion, the committee concurred to place the policy for amendment on the September agenda.

Election Services

The Mutual Administration Manager reported that she and the Stock Transfer Agent are compiling a bid packet to begin the solicitation of bids from Election companies.

Citizenship Awards

The Executive Director requested the establishment of a Sub-Committee that would review random acts of kindness that go over and beyond, volunteers who have gone over and above, and recognition where a Shareholder took action which represents the definition of a good citizen. The Sub-Committee would make recommendations to the Executive Committee which would be ratified and forwarded to the Board awarding a good citizenship award to the person and presented at the monthly meeting of the Board. At the annual meeting, a very special recognition could be made to outstanding examples of good citizenship. After discussion, Ms. Stone MOVED, seconded by Ms. Winkler and carried unanimously –

TO approve the Citizenship Award Program and establish a new GL code in Cost Center 30, Administration, and provide \$1,200 in funding.

Recommendation from Architectural and Design Sub-Committee – Globe

At the first meeting of the Architectural Design Sub-Committee on July 24, 2014, general review and discussion was held proposing improvements to the main entrance landscape. Discussion focused on the required steps to move this project forward noting that a key concern exists with the globe. The globe now 50 plus years old shows the wear, aging, and deterioration associated in a coastal region. It was of the consensus of the Sub-Committee that costs are required to restore or remove the globe.

After discussion, Ms. Rapp MOVED, seconded by Ms. Winkler and carried unanimously –

TO send the concept to the Board and then to the Physical Properties Committee for the drafting of quotes on each option.

Employee Handbook

The Human Resources Director reported that the Employee Handbook Sub-Committee is continuing their review and recommendations. The Human Resources Director will work with the Executive Committee on final review of the handbook once the review is completed by the Sub-Committee

The Chair announced the need for the Committee to go into Executive Session to discuss personnel matters.

ADJOURNMENT

The Chair adjourned the meeting 4:30 p.m.



Carole Damoci, Chair
EXECUTIVE COMMITTEE
MM 8.25.14

Golden Rain Foundation Executive Committee Human Resources Report – August 12, 2014

Human Resources Department Wage and Benefits Variance Report – *June 2014*

Description	Actual	Budget	Variance	Reason for Variance
Salaries & Wages	\$67,368	\$70,240	\$4,071	Reduction in salaries due to new hire at lower rate
Group Insurance Medical	\$2,632	\$4,006	\$1,337	New hire did not have benefits for 3 months of year
Retirement Fund	\$993	\$2,809	\$2,271	New hire not eligible for retirement fund
Emp. Recruitment/Temp	\$827	\$0	(\$926)	Recruitment Fees for HR position posting in Sept 2013/Background Review Fees
Dues & Memberships	\$124	\$1,155	\$1,261	No dues or memberships purchased so far this year
Total Explained Variances			\$8,014	

➤ The Human Resources department has a year-to-date favorable variance of \$7,569

		<i>YTD</i>		
<i>G/L Number</i>	<i>Description</i>	<i>Actual</i>	<i>Budget</i>	<i>Budget Variance</i>
<i>Expenses</i>				
61000	Salaries & Wages	\$80,218	\$84,289	\$4,071
61400	Payroll Taxes	6,575	6,790	215
61420	Workers Compensation	1,442	1,477	35
61430	Group Insurance Medical	3,470	4,807	1,337
61433	Group Insurance - Dental	135	111	(24)
61435	Group Insurance - Vision	77	93	16
61440	Retirement Fund	1,100	3,371	2,271
61450	Group Insurance - Life	237	270	33
61460	Long Term Disability Insurance	268	507	239
64750	Empl. Recruitment / Temp. Fees	926		(926)
64810	Continuing Education	445		(445)
64830	Dues & Memberships	124	1,385	1,261
66255	Employee X-Rays & Exams	513		(513)
Total Expenses		95,531	103,100	7,569

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.
- e. Review with the Executive Committee/Board.

2. 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 3-4-2014.
- e. Associate from Rutan has completed recommendations/revisions. Mr. Payne will review revisions on week of May 5, 2014.
- f. **Work with Executive Committee on review of handbook.**

3. 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. **Go-live pending for employee self-service. Roll-out with new employee handbook.**

4. Performance Management System

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

5. 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.

6. Management Development

- a. Management staff participated in a behavioral assessment in February 2014.
- b. Assessment reviewed at Management meeting in April 2014.
- c. **Team building and Leadership exercises will continue over next year at bi-weekly management meetings.**
- d. **Work on Customer Service Program to roll out to all staff.**

7. Retirement Plan

- a. One-on-one financial planning sessions have been scheduled for June 9th and 10th. Free service for our employees.
- b. Sessions were sparsely attended. This may be due to summer vacations, board meeting on one of the days, and lack of knowledge on how these sessions can help.
- c. We will offer these sessions again in the fall with a focus on promoting the education aspect of these sessions.

8. 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/Summer 2014.
- c. Plan will be reviewed with Executive Committee and Board of Directors for possible 1-1-2015 implementation.

9. Recruitment – Openings in July – 12 Positions

- a. Building Inspector – Full-time (Accepting applications/Interviewing)
- b. Mutual Administration Assistant Manager – Full-time (Accepting applications)
- c. Executive Coordinator – Full-time (Pending Hire)
- d. Purchasing Coordinator – Full-time (Position Filled)
- e. Purchasing Assistant – Full-time (Accepting applications/Interviewing)
- f. Plumber – Full-time (Accepting applications)
- g. Library Operations Assistant – Full-time (Position Filled)
- h. Security Officer – 2 Part-time (Accepting applications/Interviewing)
- i. Bus Driver – 2 Part-time (Interviewing)
- j. Library Clerk – Part-time (Accepting applications)

10. Anti-Fraud Hotline

- a. Hotline has been established for anti-fraud policy.
- b. Hotline will be rolled out to staff during May.
- c. Hotline is operational – no reports as of July 31, 2014

11. Safety

- a. We had one new claim report in January for an incident that occurred in June 2013. This claim has been denied but employee is appealing.
- b. We had two (2) claims in the month of May. Both involved strains.
- c. We had one (1) claim in the month of June. Claim is under review.
- d. No claims in July

Workers Compensation - Job Accident Information by Month

Month	Current Year 2014	2013	2012	2011	2010
January	0	2	0	1	1
February	0	1	1	0	1
March	0	1	4	1	1
April	0	3	2	0	1
May	2	1	0	0	2
June	1	0	2	0	2
July	0	1	2	2	1
August		4	2	4	0
September		2	3	2	1
October		3	2	0	1
November		3	0	0	0
December		1	0	4	0
Total	3	22	18	14	11

Golden Rain Foundation
 Presidents' Council Report
 August 12, 2014

7. Stock Transfer – Escrow Sales & Recap

MUTUAL →	1	2	3	4	5	6	7	8
Jan	1	2	0	1	2	3	1	1
Feb	2	4	2	3	1	1	3	1
Mar	3	6	2	3	4	2	4	3
Apr	4	4	4	0	4	1	2	0
May	9	7	7	0	2	1	1	5
June	5	4	3	0	5	1	2	4
July	6	5	2	2	4	6	1	1
Year-to-Date	30	32	20	9	22	15	14	15
MUTUAL →	9	10	11	12	14	15	16	17
Jan	1	0	2	1	1	0	0	1
Feb	2	0	1	2	1	0	0	0
Mar	3	1	0	2	5	3	0	2
Apr	0	2	3	2	0	4	0	0
May	4	1	2	2	1	3	0	2
June	3	0	3	1	2	1	0	0
July	4	1	4	2	1	2	0	2
Year-to-Date	17	5	15	12	11	13	0	7
Total Sales Through July 2014								237

July					
2014	Total Sales	237	(-40%) over 2013	Total Money Sales →	\$8,455,500.00
2013	Total Sales	395	(-10%) over 2012	Total Money Sales →	\$8,876,800.00
2012	Total Sales	265		Total Money Sales →	\$4,867,400.00

Mutual Survey

August 12, 2014

To: Presidents' Council
 From: Carol Weller, Mutual Administration Director

Washer/Dryer Charges			Patios Allowed Yes or No		
Mut	Charge per Wash	Charge per Dry	Mut	Patios Yes	Patios No
1	.75	-0-	1		x
2	.75	-0-	2		x
3	.50	.50	3	x	
4	.75	.10	4		x
5	.25	.10	5	x	
6	.50	.25	6	x	
7	.50	-0-	7	Not	Sure
8	.25	-0-	8	x	New Policy
9	.25	-0-	9		x
10	.25	.10	10		x
11	.75	-0-	11		x
12	-0-	-0-	12		x
14	.75	-0-	14	x	
15	.25	-0-	15	x	
16	.25	.25	16		x
17	-0-	-0-	17	N/A	N/A