Agenda
Finance Committee

Administration Conference Room/Marisa McAuley/Deanna Bennett
Tuesday, January 20, 2015 • 10 AM

** Agenda is Subject to Change**

1. Call to Order / Pledge of Allegiance
2. Roll Call
3. Introduction of Guests and Staff
4. Committee Rules
5. Consent Calendar – Approval of Finance Committee Minutes:
    a. Approval of the Regular Meeting Minutes of December 16, 2014
    b. Approval of the Special Meeting Minutes of January 14, 2015
6. Chair's Announcements
7. Foundation Member Comment Period (*for Agenda items only*)
8. Review Correspondence (pg.1)
9. Review and Acceptance of the December 2014 Financial Statements (pg.2-17)
10. Unfinished Business
    a. Reserve Study – Update Only
        - General Review of Policy 5520 (pg.18-22)
    b. Superwire – Discussion Only
11. New Business
    a. Disband Resales Sub-Committee
    b. Amazon Smile
    c. Capital Projects Review (pg.23)
    d. Policies
        - Rescind Policy 2281, Computer Program Changes (pg.24)
        - Rescind Policy 2282, New Computer Programs (pg.25)
        - Rescind Policy 2910, Budget Calendar (pg.26)
    e. Physical Property Committee Request
        - Perimeter Wall B (pg.27-30)
12. Staff Reports
    a. Purchasing Supervisor (pg.31-38)
    b. Controller (pg.39-42)
    c. Executive Director
13. Investment Update
14. Foundation Member Comment Period
15. Committee Member Comments
16. Next Meeting – February 17, 2015 @ 10 AM
    a. January 22nd – January Minutes distributed and on website
    b. February 10th – February Agenda items due to Marisa
    c. February 13th – February Agenda packets distributed and on website

To: President, GRF Board of Directors

From: William Phillips, Shareholder

I have questions about "SUPERWIRE".

What is the Leisure World business relationship with this company and how much money is it costing Shareholders?

Is "SUPERWIRE" paying rent and utilities for their office space/building or is it net/net/net lease?

Perhaps a beneficial /cost analysis should be conducted to evaluate the value of having this entity to continue conducting business in Leisure World.

My experience has been that to resolve any cable problems it is necessary to directly interface with Time Warner Cable.

In addition, there is the monthly charge of $25.43 for cable as shown on the 2015 GRF carrying charge statement. This amounts to over TWO million dollars per year for all of Leisure World and I think Shareholders should be provided with a full accounting and explanation of these charges.

I think my questioning is mindful of many Shareholders and is deserving of reasonable and accurate answers being published in the Golden Rain Newspaper.

I am optimistically and hopeful for a rewarding new year in 2015.

Sincerely,

William Phillips, Mutual 10

December 31, 2014

Controller's Financial Recap – December 2014

As of the twelve-month period ended December 2014, the financial reports indicate that GRF is in favorable financial position with a surplus of $808,379.

Major variances are:

Salaries, Wages & Benefits	682,969	YTD FTEs are below budget by 4.55; $42K workers comp 2013 refund plus YE of $58.8 favorable variance; New Group Ins contract < budget.
Temp EEs / Recruitment	(63,466)	Temps used to fill key positions.
Net positive variance	619,503	
Depreciation	165,291	Deferred completion of major capital projects.
Other Income	83,525	YTD donations of $53K; Building permits $32K.
Onsite Sales Office Rental Inc.	69,613	Actual sales exceeded budget
State & Federal Taxes	51,200	Although $51,200 was budgeted for the year, the current tax liability is sufficient for the year. YTD accrual was reversed.
Materials & Supplies	49,570	Prudent spending
Janitorial Services	(51,682)	Increase in monthly charges due to State min. wage increase effective 7/1/2014.
Stock Transfer Fees	(55,546)	Less stock transfers than planned.
Record Retention	(70,798)	Document scanning – unbudgeted board approved item.

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Controller's Financial Recap – December 2014

Capital Budget expenditures for the year are $305,306 with a budget of 3M.

Funds totaling $2.9M were carried over from the 2013 capital budget. Projects totaling $2.1M have been completed and capitalized from these funds. The remaining $848K is assigned to specific projects that have not yet been completed and the remaining funds will be transferred to reserve funds.

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2014 CAPITAL ACQUISITION BUDGET

Center	Description	Budget Amount	EXPENDITURES			Remeaining Balance	Labor	Variance
			Jan- Nov	Dec	Total			
30	45 Chairs for Admin Conference Room	9,680	9,680.00		9,680.00	0.00		0.00
30	Lobby Area Chairs outside Conference Room	0	1,594.32		1,594.32	(1,594.32)		(1,594.32)
30	Admin. Lunch Room- Conference Table and Mid Back chairs	0	3,178.15		3,178.15	(3,178.15)		(3,178.15)
30	Admin. Building Remodel 2014	71,000	-	40,109.61	40,109.61	30,890.39	12,564.00	18,326.39
32	Cantilever Rack for Wood Storage	3,000	1,709.99		1,709.99	1,290.01		1,290.01
32	Barcode label printer	1,000	-		0.00	1,000.00		1,000.00
32	Showroom remodel (from 2013 but not carried forward)	0	1,584.92		1,584.92	(1,584.92)		(1,584.92)
34	IP Phones (8@500, plus conference phone $1k)	5,000	863.98		863.98	4,136.02		4,136.02
34	Tablet Devices for Physical Properties (8@ $700)	5,600	3,846.28		3,846.28	1,753.72		1,753.72
34	Tablet Devices for Managers (5@ $700)	3,500	5,311.20		5,311.20	(1,811.20)		(1,811.20)
34	Tablet Devices for Service Maintenance (30 @ $700) (21K)	0	-		0.00	0.00		0.00
34	Library Patron/Print Management System	10,000	6,400.00		6,400.00	3,600.00		3,600.00
34	Workstation Replacements, Peripherals, Misc Hardware	15,000	9,409.03	2,417.93	11,826.96	3,173.04		3,173.04
34	Dell R710 Server Memory Upgrade	10,000	-	7,504.64	7,504.64	2,495.36		2,495.36
34	Windows 7 Licenses	2,000	-	1,871.74	1,871.74	128.26		128.26
34	Time and Attendance Hardware	6,395	2,354.34		2,354.34	4,040.66		4,040.66
34	Surveillance Camera Expansion	30,000	25,225.54		25,225.54	4,774.46	3,738.00	1,036.46
34	Campus Wifi for GRF staff & directors (40K)	0	-		0.00	0.00		0.00
34	Jenark One time Fee	145,000	-		0.00	145,000.00		145,000.00
34	iPads for Directors and IT (from 2013 but not carried forward)	0	3,243.47		3,243.47	(3,243.47)		(3,243.47)
35	Jamex 6557 Multi Copy,bill and coin unit- Delivery Charge	0	29.00		29.00	(29.00)		(29.00)
35	8 Computers Patron use	6,500	6,145.89		6,145.89	354.11		354.11
35	Security & Catalog Software	0	14,110.66		14,110.66	(14,110.66)		(14,110.66)
35	Installed Gas electric package A/C unit	0	5,800.00		5,800.00	(5,800.00)		(5,800.00)
36	6 Mini Mac Computers @ $600 each	3,600	1,090.80		1,090.80	2,509.20		2,509.20
36	6 Computer monitors @ $300 each	1,800	612.78		612.78	1,187.22		1,187.22
36	Filemaker Pro 12 Advanced	500	-		0.00	500.00		500.00
36	4 Filemaker Pro Licenses @ $300 each	1,200	-		0.00	1,200.00		1,200.00
36	Ipad Mini Wi-Fi Cell 16GB (Phase 1 Credit Card Solution)	0	913.20		913.20	(913.20)		(913.20)
37	Case Management Software (10K)	0	-		0.00	0.00		0.00
37	4 Visitor Admissions Printers	4,000	-		0.00	4,000.00		4,000.00
37	4 Replacement Security Patrol Vehicles	120,000	106,549.98		106,549.98	13,450.02		13,450.02
37	Overhead lights, spotlight, and siren for new patrol vehicles	5,000	3,988.98		3,988.98	1,011.02		1,011.02
37	Portable security cameras for outdoor use	3,000	1,565.44	876.79	2,442.23	557.77		557.77
37	License plate recognition system (one at each gate)	20,000	19,587.72		19,587.72	412.28	4,443.00	(4,030.72)
37	Replace work station- Security Office Assistant	0	1,532.49		1,532.49	(1,532.49)		(1,532.49)
40	Clubhouse Air conditioner Replacements	20,000	-		0.00	20,000.00		20,000.00
40	Miscellanous Sound Equipment	5,000	-		0.00	5,000.00		5,000.00
40	Professional services for master planning	50,000	-		0.00	50,000.00		50,000.00
45	Amphitheater- Replace console	0	1,409.50		1,409.50	(1,409.50)		(1,409.50)
48	Hot pool shade	4,000	-		0.00	4,000.00		4,000.00
48	Raypack Pool Pump	0	1,309.08		1,309.08	(1,309.08)		(1,309.08)
48	Installed Gas Pool Heater at the Pool/Spa	0	3,280.00		3,280.00	(3,280.00)		(3,280.00)
51	Clubhouse 1- Blue Chairs	5,000	4,975.34		4,975.34	24.66		24.66
52	Clubhouse 2- Blue Chairs	5,000	4,975.34		4,975.34	24.66		24.66
52	Clubhouse 2- Replaced Auto Transfer Switch	0	3,517.00		3,517.00	(3,517.00)		(3,517.00)
53	Clubhouse 3- Blue Chairs	5,000	4,975.34		4,975.34	24.66	162.00	(137.34)
53	Clubhouse 3- Microphones- Audio Technica Pro	0	323.94		323.94	(323.94)		(323.94)

2014 CAPITAL ACQUISITION BUDGET

Center	Description	Budget Amount	EXPENDITURES Jan- Nov	Dec	Total	Remeaining Balance	Labor	Variance
53	Clubhouse 3- Recover Sound Panels in Room 1-9	0	7,550.00		7,550.00	(7,550.00)		(7,550.00)
53	Clubhouse 3- Replaced Vertical Blinds in Room 1-9	0	4,078.60		4,078.60	(4,078.60)		(4,078.60)
53	Clubhouse 3- Restroom Auto Doors	0	4,453.00		4,453.00	(4,453.00)		(4,453.00)
54	Clubhouse 4- Blue Chairs	5,000	4,975.34		4,975.34	24.66	162.00	(137.34)
54	Clubhouse 4- Entry Way concrete replacement	9,000	-		0.00	9,000.00		9,000.00
54	Clubhouse 4- Art Room Heat Pump	0	4,600.00		4,600.00	(4,600.00)		(4,600.00)
54	Clubhouse 4- Remove Concrete and Construct Wheel Chair R	0	10,788.00		10,788.00	(10,788.00)		(10,788.00)
56	Excerise Equipment (Use Tax) (from 2013 but not carried forw	0	303.60		303.60	(303.60)		(303.60)
56	Stiga Surround- Table tennis barriers	0	862.56		862.56	(862.56)		(862.56)
74	2 Portable Air Compressor	0	645.84		645.84	(645.84)		(645.84)
74	Compactor WP- 1150AW Asphalt	0	2,279.88		2,279.88	(2,279.88)		(2,279.88)
79	Lanscaping at Trailer Park	0	3,675.00		3,675.00	(3,675.00)		(3,675.00)
79	Perimeter wall sections M & L	1,200,000	-		0.00	1,200,000.00		1,200,000.00
79	Perimeter wall Engineering	30,000	-		0.00	30,000.00		30,000.00
79	Landscape Improvement	40,000	-		0.00	40,000.00		40,000.00
79	Trust Street Paving Project	1,000,000	-	15,544.00	15,544.00	984,456.00		984,456.00
79	Trust Street Landscape Improvements	52,000	-		0.00	52,000.00		52,000.00
79	Re-roof community facilities buildings- Clubhouse One	90,000	-		0.00	90,000.00		90,000.00
79	Paint Main Gate Areas	20,000	-		0.00	20,000.00		20,000.00
	Total Planned Capital Acquisitions	**3,022,775.00**	**305,305.52**	**68,324.71**	**373,630.23**	**2,649,144.77**	**21,069.00**	**2,628,075.77**

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Center	Donated Capital Description	EXPENDITURES Jan- Nov	Dec	Total	Labor
38	Access Bus- 2014 ARBOC Spirit Freedom (donated by GAF)	117,166.12		117,166.12	
51	Clubhouse 1 - Ice Machine (donated by GAF)	191.52		191.52	681.00
54	Clubhouse 4 - Ice Machine (donated by GAF)	191.52		191.52	723.00
56	Excerise Equipment (donated by GAF)	4,196.60		4,196.60	
79	Polara Navigator Audible Pedestrian Pushbutton System (donated by GAF)	11,895.00		11,895.00	
	Total Donated Capital	**133,640.76**	**0.00**	**133,640.76**	**1,404.00**

Total Capital Acquisitions	**3,022,775.00**	**438,946.28**	**68,324.71**	**507,270.99**	**2,649,144.77**	**22,473.00**	**2,628,075.77**

Earmarked for a different project

2013 CAPITAL ACQUISITION BUDGET CARRYOVER TO 2014

Center	Description	Carryover Balance	EXPENDITURES			Remaining Balance	Labor	Variance
			Jan- Nov	Dec	Total			
30	Sound and Projection System - Admin. Conference Room	33,031.00	37,115.11		37,115.11	(4,084.11)	20,448.30	(24,532.41)
32	Relocate Warehouse heating unit (Proj. 3338-13P)	2,000.00	2,132.00		2,132.00	(132.00)		(132.00)
33	Stock Transfer Mail Folder Inserter Machine	19,029.44	19,029.44		19,029.44	0.00	180.00	(180.00)
33	Stock Transfer 10 lb Scale Postage Machine	13,961.72	13,961.72		13,961.72	0.00		0.00
34	31 Computers & laptops	27,185.00	23,833.08		23,833.08	3,351.92		3,351.92
34	Server Rack and Network Infrastructure Improvements (sales tax)	56.40	56.40		56.40	0.00		0.00
34	Jenark / MicroMain	115,000.00	0.00		0.00	115,000.00		115,000.00
37	Radio repeaters for Security & Service Maintenance	5,872.10	6,233.44		6,233.44	(361.34)		(361.34)
37	St. Andrews Gate carpet replacement	2,500.00	1,698.20		1,698.20	801.80		801.80
37	Automated Pedestrian Gate	5,000.00	0.00		0.00	5,000.00		5,000.00
51	Clubhouse 1 - Lobby Furniture	15,000.00	9,861.50		9,861.50	5,138.50	942.00	4,196.50
52	Clubhouse 2 - 52 Long Tables (sales tax)	549.87	549.87		549.87	0.00		0.00
53	Clubhouse 3 - Heat pump	4,500.00	5,000.00		5,000.00	(500.00)		(500.00)
54	Clubhouse 4 - Heat pump	3,690.00	4,100.00		4,100.00	(410.00)		(410.00)
54	Clubhouse 4 - Replace All Tiles	40,000.00	0.00		0.00	40,000.00		40,000.00
55	Video Producers Equipment (sales tax)	62.32	62.32		62.32	0.00		0.00
55	Café Project	11,040.00	10,128.32		10,128.32	911.68	6,597.00	(5,685.32)
56	Various Exercise Equipment	7,042.53	7,042.53		7,042.53	0.00	72.00	(72.00)
70	Carpeting - downstairs	10,000.00	20,200.00		20,200.00	(10,200.00)		(10,200.00)
70	Interior Painting (1st $ 2nd Floors)	16,000.00	16,000.00		16,000.00	0.00		0.00
70	Exterior Painting	10,000.00	3,985.00		3,985.00	6,015.00		6,015.00
74	Gas Welding Machine with Torch	9,000.00	8,066.48		8,066.48	933.52		933.52
74	2 Portable generators (sales tax)	127.84	127.84		127.84	0.00		0.00
74	Chairs for Lunch Room (sales tax)	78.72	78.72		78.72	0.00		0.00
79	Perimeter Wall Replace - A & B (Chgd to R) (Proj. 591-01B)	500,000.00	0.00		0.00	500,000.00		500,000.00
79	Main Gate Beautification (Proj. 683-12A)	200,000.00	0.00	37,155.34	37,155.34	162,844.66		162,844.66
79	Landscape Improvement	24,136.10	0.00		0.00	24,136.10		24,136.10
79	Trust Street Paving Projects	1,898,896.00	1,898,895.85		1,898,895.85	0.15		0.15
	Total Planned Capital Acquisitions Carryover from 2013	**2,973,759.04**	**2,088,157.82**	**37,155.34**	**2,125,313.16**	**848,445.88**	**28,239.30**	**820,206.58**

2,961,919.00	Per Capital Budget Variance Report - December 31, 2013
4,788.00	Add back Ice Machines deducted from 2013 budget (donated by GAF)
5,000.00	Add overall unsued funds to CC 34 for Jenark / MicroMain
2,106.03	Misc variance with paving project & added sales tax for 2013 purchases
(53.99)	Adjustment to CH3 - Microphones
2,973,759.04	
0.00	

Golden Rain Foundation
Cash Flow Activity - All Reserves
For the Month of December 2014

	Contingency Operating Fund	Trust Improvement Fund	Capital Improvement Fund	Liability Insurance Fund	Mutuals' Self-Insurance Fund	Other Restricted	Nonrestricted Funds	Total
Balance 11/30/2014	**685,047**	**14,647**	**6,125,174**	**1,020,052**	**20,894**	**552,374**	**851,107**	**9,269,296**
Funded: Trust Asset Dep'n								-
Funded: Non-Trust Asset Dep'n		72,809	1,188					73,998
Funded: Membership Fees collected (57)			62,187					62,187
Progress Payments on CIP		(102,817)						(102,817)
New Capital Purchases		(28,865)						(28,865)
Replenish funds for Donated Assets								-
Net Monthly Claims								-
Disbursement to Mutuals					(20,894)			(20,894)
Replenish fund for Item Donations								-
Transfers between funds		45,000	(45,000)					-
Interest Income Allocation		145	53,764	9,072			(62,982)	(0)
Net Monthly Activity						(87,329)	(671,114)	(758,443)
Balance 12/31/2014	**685,047**	**920**	**6,197,314**	**1,029,125**	**-**	**465,045**	**117,011**	**8,494,461**
Net Activity	-	(13,727)	72,140	9,072	(20,894)	(87,329)	(734,096)	(774,835)

Project No.	Description	Approved Outlay	Date Approved	
591-01B	Perimeter Wall Sections R	499,565.00		
	Contingencies			
Vendor :	John Dantuma Masonry	423,630.00	12/3/2013	contract date
	John's Landscape	2,460.00	12/3/2013	contract date
	Ted Stamen	450.00	2/19/2014	contingency fund
	Pinnacle Landscape	6,000.00	4/4/2014	contract date
	MJ Jurado	41,760.00	6/4/2014	contract date
	Spectrum Care Landscape	9,800.00	8/21/2014	contract date
	John's Landscape	3,840.00	8/19/2014	No Contract
	Spectrum Care Landscape	2,315.00	8/8/2014	PP Committee Minutes
	Spectrum Care Landscape	9,310.00	11/17/2014	contract date

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
12/10/13	John Dantuma Masonry	332	52,342.50	52,342.50	52,342.50
2/12/2014	John Dantuma Masonry	3321	84,335.00		
2/7/2014	John's Landscape	CF-0035-90	2,214.00	86,549.00	138,891.50
3/11/2014	John Dantuma Masonry	3322	84,335.00		
3/17/2014	Ted Stamen	022414-Revi	450.00	84,785.00	223,676.50
4/9/2014	John Dantuma Masonry	3323	84,335.00	84,335.00	308,011.50
5/6/2014	John Dantuma Masonry	3324	84,335.00		
5/19/2014	Pinnacle Landscape Co.	71762	5,400.00	89,735.00	397,746.50
6/30/2014	City of Seal Beach- reimburs. Sidewalk		(7,000.00)	(7,000.00)	390,746.50
7/24/2014	John Dantuma Masonry	3325	33,947.50	33,947.50	424,694.00
9/3/2014	MJ Jurado	362	43,884.00		
9/5/2014	MJ Jurado	372	4,876.00		
9/15/2014	Johns Landscape Services	Ex0814CF	3,840.00		
9/30/2014	Spectrum Care Landscape	PP Minutes	2,315.00	54,915.00	479,609.00
10/2/2014	Spectrum Care Landscape	0054972-IN	9,800.00	9,800.00	489,409.00

Project No.	Description	Approved Outlay	Date Approved		
591-01B	Perimeter Wall Sections A	404,660.00	10/6/2014		
	Contingencies				
Vendor :	John Dantuma Masonry	378,000.00	10/6/2014	contract date	
	Peterson's Tree Works	16,500.00	11/7/2014	contract date	
	John Dantuma Masonry	10,160.00	12/16/2014	contract date	

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
10/29/2014	Dantuma Masonry	430	37,800.00	37,800.00	37,800.00
12/4/2014	Peterson's Tree Works	657	16,500.00	16,500.00	54,300.00

Project No.	Description	Approved Outlay	Date Approved		
591-01B	Perimeter Wall Sections J&K	3,100.00			
	Contingencies				
Vendor :	Anacal Engineering Co. Inc	3,100.00	10/14/2014	contract date	
				contract date	

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
12/4/2014	Anacal Engineering Company	14-197	3,100.00	3,100.00	3,100.00

Project No.	Description	Approved Outlay	Date Approved		
668-11B	Westminster Development Contingencies	6,525.00			
Vendor :	Craig Weber & Associates	675.00	7/3/2014	No Contract	
	Black Rock Geosciences	5,850.00	6/30/2014	Contract	

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
8/13/2014	Craig Weber & Associates	7/3/2014	675.00		
8/22/2014	Black Rock Geosciences	7/25/14	5,850.00	6,525.00	6,525.00

Project No.	Description	Approved Outlay	Date Approved
Jenark	Jenark and Micromain Project	235,282.50	
Vendor :	CoreLogic Jenark	165,509.20	2/24/2014
	MicroMain Corporation	61,265.00	2/24/2014
	Amazon	8,508.30	12/22/2014

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
2/20/2014	Jenark 50% down payment	Ck req. 2/14/	79,145.00		
3/11/2014	Micromain setup expenses	54166	52,197.50		
6/3/2014	Jenark 50% down payment sales tax	112875	6,331.59	137,674.09	137,674.09
8/22/2014	Jenark- Technical Services	113934	19,786.00	19,786.00	157,460.09
9/5/2014	Jenark- License Fee & Technical Services	113606	40,460.59	40,460.59	197,920.68
12/30/2014	Amazon- Desktop Scanners	PO022861	8,508.30	8,508.30	206,428.98

Jenark and MicroMain Software Purchase

MicroMain:		
Software Licenses	20,900.00	
Annual Maintenance	12,600.00	
One-Time Setup	1,890.00	
Project Implementaion Customization	2,340.00	
Training & Implementation	7,740.00	
Application Integration/Customization	15,795.00	
Travel expenses (variable)		
		61,265.00
Corelogic Jenark:		
License Fees (Taxable)	90,240.00	
Tech Charges (Non-taxable)	68,050.00	
Total Contract Amount (not incl tax)	158,290.00	
Taxes on License Fees	7,219.20	165,509.20
Total Conversion Costs		226,774.20

Budgeted Funds	
2013 Capital Acquisition Budget Carryover to 2014	115,000
2014 Capital Acquisition Budget	145,000
Total	260,000

Jenark: Progress Payments	License	Tech	Tax	Total	Inv #	Inv Date	Check #	Ck Date
Down Pymt with Agreement	79,145.00		6,331.60	85,476.60	112875	2/14/2014	94278	2/21/2014
						3/5/2014	94904	6/3/2014
Pymt Upon Installation of Software	11,095.00	28,478.00	887.60	40,460.60	113606	7/1/2014	95418	9/11/2014
Pymt 30 days after installation of software		19,786.00		19,786.00	113924	7/31/2014	95368	8/29/2014
Pymt 60 days after installation of software		19,786.00		19,786.00	Not yet billed			
Total	**90,240.00**	**48,264.00**	**7,219.20**	**145,723.20**				

MicroMain: Progress Payments	License	Tech	Tax	Total	Inv #	Inv Date	Check #	Ck Date
Software Licenses	20,900.00			20,900.00	54166	2/24/2014	94441	3/14/2014
One-Time Setup	1,890.00			1,890.00	54166	2/24/2014	94441	3/14/2014
Annual Maintenance	12,600.00			12,600.00	54166	2/24/2014	94441	3/14/2014
Training & Implementation	7,740.00			7,740.00	54166	2/24/2014	94441	3/14/2014
Project Implementaion Customization (50%)	1,170.00			1,170.00	54166	2/24/2014	94441	3/14/2014
Application Integration/Customization (50%)	7,897.50			7,897.50	54166	2/24/2014	94441	3/14/2014
Project Implementaion Customization (50%)	1,170.00			1,170.00	Not yet billed			
Application Integration/Customization (50%)	7,897.50			7,897.50	Not yet billed			
	52,197.50	**-**	**-**	**52,197.50**				
Total Progress Payments	**142,437.50**	**48,264.00**	**7,219.20**	**197,920.70**				
Amount due on contracts				**28,853.50**				

Project No.	Description	Approved Outlay	Date Approved	
708-14- PS	2014 Trust Street Paving- Street Painting	126,402.60		
Vendor :	PCI Striping and Sealcoat	126,402.60	10/7/2014	Contract Date

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
12/11/2014	PCI Striping and Sealcoat	11/24/2014	69,908.60	69,908.60	69,908.60

Project No.	Description	Approved Outlay	Date Approved	
702-13	In Road Lighting Plan- St. Andrews Drive	82,750.00		
Vendor :	JLS Engineering	2,000.00	7/1/2014	Contract Date
	Dynaelectric	80,750.00	10/30/2014	Contract Date

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
9/5/2014	In Road Lighting Plan	08072014-01GRF	2,000.00	2,000.00	2,000.00

Project No.	Description	Approved Outlay	Date Approved	
721-14	St. Andrews Improvement @ Tam O'Shanter	63,595.00		
Vendor :	Anderson Penna	8,420.00	5/9/2014	Contract Date
	Underground Service Company Inc.	5,775.00	8/27/2014	Contract Date
	MJ Jurado, Inc.	49,400.00	12/19/2014	Contract Date

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
8/6/2014	Anderson Penna	2790	3,182.00		
8/6/2014	Anderson Penna	2846	950.00	4,132.00	4,132.00
12/11/2014	Underground Service Company	53040	4,800.00	4,800.00	8,932.00

Project No.	Description	Approved Outlay	Date Approved
710-14	Pedestrian Circulation Evaluation and Design/Ramp Design	2,500.00	
Vendor :	ADA Inspection Plus	2,500.00	

Date	Vendor / Job Details	Invoice Number	Amount	Monthly Total	Project Total
10/31/2014	ADA Inspection Plus	A2014077	2,500.00	2,500.00	2,500.00

GOLDEN RAIN OPERATIONS

BOARD INTERNAL OPERATIONS

Reserves

1. **Reserve Funds**
   i. Reserve funds are monies that the Golden Rain Foundation (Foundation) has collected to defray future maintenance and replacement of major components/assets the Foundation is required to maintain in accordance with California Civil Codes.

2. **Assets**
   i. For the purpose of preparation and maintaining the Foundation's reserve study, an asset of the Foundation shall be defined as: an item or items that have a value or an aggregate value of $2,500 and a minimum life expectancy of three (3) years.

3. **Component**
   i. For the purpose of preparation and maintaining the Foundations reserve study, a component shall be defined as: a major component and/or asset with an estimated service life of thirty (30) or more years. Such identified components may be included in the reserve study as a capital asset and disregarded in the reserve calculations.

4. **Reserve Study**
   i. The Foundation is required to prepare a reserve study at least once every three years based upon a diligent visual inspection of the accessible areas of the components/assets.

   ii. The board is required to review the reserve study annually as part of the annual budgeting process and determine whether intervening events over the past year warrant adjustment of the reserve funding.

5. **Use of Reserve Funds**
   i. For Reserve Expense – Reserve funds cannot be spent for any purpose other than the maintenance and replacement of Foundation components and assets for which the funds have been set aside except in limited situations as allotted by the Civil Code.

GOLDEN RAIN OPERATIONS

BOARD INTERNAL OPERATIONS

Reserves

ii. Reserve funds set aside for a particular line item in the study need not be restricted to expenditures on that line item alone, but rather the aggregate of all reserve funds may be used for the aggregate of all reserve expenses at a particular time.

iii. Reserve funds should not be used for expenses not included in the list of components and assets included in the reserve study. If a major component and/or asset meeting the description of an assets as noted in section 2 are in need of repair and/or replacement, by a majority vote of the Board at a duly noticed meeting of the Board open to all Shareholders/Members, include the component and/or asset into the study with an adjustment to the funding plan.

iv. Reserve funds may be transferred to the operating account to meet short-term cash flow requirement or to cover other expense by a majority vote of the board. However the board must fulfill the following procedural requirement before transferring any funds. The Board must provide no less than four (4) days written notice to the Shareholders/Members, of the intent to consider a transfer, the options for repayment in accordance with the civil code, and if a special assessment may be required. Upon approval, the minutes of the meeting must reflect the amount, reason for the transfer, and describe when and how the funds will be repaid to the reserve account.

v. Repayment of transferred funds contingent upon section 5 (iv): Funds transferred from the reserve account must be restored to the reserve account within one (1) year of the date of the initial transfer.

vi. Reserves Funds may be transferred for litigation purposes provided that:
   a. Such transfer is in full compliance with the civil code, and
   b. The Foundation must notify the Shareholders/Members of the decision to make the transfer and the availability of an accounting of expenses in the next mailing to the Shareholders/Members. The Foundation is required to make an accounting of expenses related to litigation to all Shareholders/Members on at least a quarterly basis. The accounting

need not to be sent to all Shareholders/Members, but must be available upon request at the Foundations Administrative offices.

6. **Banking of Reserve Funds**
   i. Reserve funds shall not be comingled with any other Foundation funds and be maintained in suitable FDIC insured bank accounts.

7. **Withdrawals/Transfers from Reserve Funds**
   i. Require the signature of two Foundation Corporate Officers.

8. **Investment of Reserve Funds**
   i. The Board shall exercise prudent fiscal management in maintaining the integrity of the reserve account.

   ii. The Board's primary goal in investment of the Foundations reserve funds shall be the preservation of the funds.

   iii. Liquidity of the reserve fund shall be preserved to ensure that funds are available for:
      I. Scheduled replacements/repairs
      II. Emergency replacements/repairs
      III. Repair and/or replacement of components and assets that have reached the end of their useful life earlier than expected.
      IV. Litigation as allotted by the civil code
      V. Short term operational needs, provided that terms as set forth in 5 (iv) are in compliance.

9. **Reserve Fund Expenditures**
   i. Scheduled Replacements/Repairs
      I. All Foundation policies referencing standards of purchasing shall be applicable unless the replacement or repair is an emergency (see definition of emergency in section 10).
      II. Scheduled replacements/repairs less than $50,000 may be approved by two Board members (one must be an officer of the Board)

GOLDEN RAIN OPERATIONS

BOARD INTERNAL OPERATIONS

Reserves

III. Scheduled replacements/repairs over $50,000 require a majority vote of the Board.

ii. Non Scheduled Replacements/Repairs

I. All Foundation policies referencing standards of purchasing shall be applicable unless the replacement or repair is an emergency (see definition of emergency in section 10).

II. Must be approved at a duly posted Board meeting and approved by majority vote of the Board.

III. If the replacement/repair constitutes an emergency requirement, the Executive Director and no less than two (2) Board officers may take appropriate actions to protect the Foundation's Components/Assets to a limit of $50,000 with immediate notification of all Board members clearly noting the need and emergency. Such emergency action shall be reviewed at the next regularly scheduled meeting of the Board. Emergency actions that result in an expenditure greater than $50,000 require an emergency meeting of the Board, with the minutes of the meeting clearly stating the emergency and the actions taken.

10. Emergencies

i. Emergency reserve fund expenditures for the replacement/repair of components and assets shall be defined as:

I. The need to repair and/or replace a component and/or asset involving the imminent danger to life or property, or immediately necessary for the preservation and safety of the property.

II. For the safety of the Shareholder/Members.

III. Required to avoid the suspension of any necessary service to the Foundation and property under the oversight of the Foundation.

ii. The Board and/or Executive Director is to use prudent determination in cases of a emergencies and take steps as required as noted in section 10 (i).

(Apr 14)

GOLDEN RAIN OPERATIONS

BOARD INTERNAL OPERATIONS

Reserves

iii. The Board and/or Executive Director shall within a reasonable time of the emergency but no less than six (6) hours, notify the Board of the event and actions to protect and secure the Foundations components and assets.

iv. At the next regularly scheduled meeting of the Board, a full account of the emergency shall be presented including but not limited to:
   I. Nature/cause of the emergency
   II. Actions taken.
   III. Full accounting of all expenses.

v. All applicable sections of this policy shall remain in effect.

Sources

- 2014 Condominium Blue Book, by B. Bickle
- Advising California Common Interest Communities, second edition, by C. Sproul, M. Howell and K. Rosenbury (2014 edition)
- The Revised Davis-Stirling Common Interest Development Act, by Fiore Racobs & Powers
- Community Associations Institute (www.caionline.org)
- Adams Kessler (www.davis-stirling.com)

Policy
Adopted: 22 Apr 14

GOLDEN RAIN FOUNDATION
Seal Beach, California

(Apr 14)

Capital Projects Carryover from Prior Year

Department	Dept CC	Description		Total	
Administration	30	Admin Building Remodel 2014 (Lighting) (ARB2014)	$ 1,000	$1,000	
Purchasing	32	Barcode Label Printer	$ 1,000	$1,000	
ITS	34	Jenark System*	$ 62,080		*$28,854 due on contract; 33,226 remaining
	34	Surveillance Camera Extension	$ 1,000	$63,080	
Security	37	Automated Pedestrian Gate	$ 5,000		
		Unused funds from 2013 Capital Carryover for CH4 - Tile Replacement	$ 10,000		
		Total Allocated to Automated Pedestrian Gate		$15,000	
	37	4 Visitor Admissions Printers	$ 4,000	$4,000	
	37	Portable Security Cameras for Outdoor Use	$ 1,435	$1,435	
Community Facilities	79	Resales Office Remodel			
		Unused funds from 2014 Capital Carryover for Admin Bldg Remodel	$ 16,000		
		Unused funds from 2014 Capital Carryover for Master Planning	$ 50,000		
		Unused funds from 2014 Capital Carryover for Hot Pool Shade	$ 4,000		
		Total Allocated to Resales Office Remodel		$70,000	
	79	Remaining committment on Wall Section R (591-01B-R)	$ 10,156		
		Remaining comittments on Wall Section A (591-01B-A)	$ 341,850		
		Allocated to Wall Sections J & K (591-01B-JK)*	$ 702,900		*Dantuma bid $495K; need to add contingency
	79	Westminster Wall Section L & M/Engineering (668-11B)	$ 23,475		
		Total Allocated to Perimeter Walls		$1,078,381	
	79	Landscape Improvement - Canoe Brook/El Dorado (713-14) *	$ 26,777	$26,777	*Annual budget $40K; release $13,223
	79	In-Road Lighting Plan - St. Andrews - Lighted Crosswalk (702-13)	$ 80,750		
	79	St. Andrews Improvement @ Tam O'Shanter (721-14)	$ 59,463		
	79	Street Painting (708-14-PS)	$ 56,494		
	79	St. Andrews Gate Improvements (723-14)*	$ 50,000		*Under committee review; $50K is estimate
	79	Del Monte Drive Removal & Replacement (722-14)	$ 154,234		
	79	Knollwood Removal & Replacement (720-14)*	$ -		*Total amount paid in Dec. No need to carry over
	79	Bridge Repairs @ Burning Tree & Del Monte (3361-14P)	$ 4,380		
	79	Pharmacy Pedestrian Circulation and Ramp Design (710-14)*	$ 50,000		*Project is out to bid; $50k is estimate
		Total Trust Street Paving Project		$455,321	
	79	Re-roofing Community Facilities Buildings - CH1 (711-14)	$ 90,000	$90,000	
	79	Paint Front Gate Security Building (716-14)*	$ 7,000		
		Unused funds from 2014 Capital Carryover for 2014 Trust Street Paving	$ 8,000		
		Total Paint Front Gate Security Building		$15,000	*Pending contract approval
	79	Paint Exterior Resales Building (718-14)*	$ 5,000	$5,000	*Contract plus contingency
		TOTAL		$1,825,994	

2015 Capital Request

Department	CC	Item			Priority 1	Priority 2	Priority 3
Emergency Preparedness	22	Back Hoe attachment	$ 15,000				
		Water storage, pump and hose	$ 5,000				
		Evacuation chairs (2 each)	$ 4,000				
		Medical Supplies (purchased in 2014)	$ -	$ 24,000			
Mutual Administration	33	Caregiver pass printer	$ 3,000	$ 3,000			
ITS	34	Credit Card POS Solutions	$ 5,500				
		Second Server/Rm Mods	$ 63,800				
		Main Server Room Modifications	$ 6,600				
		CH 4 Technology Enhancements	$ 44,000				
		Visual Display Solutions	$ 22,000	$ 141,900			
News	36	Backup Server - Macintosh	$ 9,663				
		Dell Workstatioin Monitors	$ 1,416	$ 11,079			
Security	37	Radar Trailer	$ 9,000				
		Patrol Car Security Cameras	$ 3,000				
		Security Camera Monitors	$ 3,000	$ 15,000			
Bus	38	Swing out Stop Signs for Busses	$ 13,000				
		In Bus Cameras	$ 12,000				
		Bus Backup Proximity Sensors	$ 3,000	$ 28,000			
Recreation	40	Additional Sand Trap	$ 4,000				
	51	BBQ Area Wind Wall & Electrical Line	$ 5,000				
	54	Conference Room Mic System	$ 12,000				
	56	Ballet Barre	$ 2,000	$ 23,000			
		Capital Requests for 2015		$ 245,979			

Funding		
Number Member Certificates @ $ 1,678		
Capital Requests for 2015	149	$ 245,979
Capital Project Carryover from 2014		$ 1,825,994
Total		**$ 2,071,973**

STAFF OPERATIONS

FISCAL AND ACCOUNTING

RESCIND

Computer Program Changes

Form PMR (Program Maintenance Request) is available from the Controller's Office to request changes in computer programs. This form is to be used whenever a change in reports, formats, calculations or rates is desired. There will be no change made to any computer program without the use of this form.

1. User department will make request on the top portion of Form PMR, fill in the date needed and submit to the Controller.

2. When the approval of the Controller has been secured, the form will be forwarded to the Maintenance Programmer for completion.

3. Changes will be documented thoroughly and an entry made in the operator's instruction manual, if required.

4. The program will be run with live data and the Controller will sign and date Form PMR when the test is completed. After the Controller has made comments, the program will be substituted in the library and the date shown.

5. Form PMR is to be returned to the Controller's Office for permanent filing.

Regulation
Approved: 22 May 78
Revised: 16 Mar 84
Revised: 20 Aug 87
Rescind:

Executive Director
Golden Rain Foundation

(Aug 87)

STAFF OPERATIONS

FISCAL AND ACCOUNTING

RESCIND

New Computer Programs

The Controller is responsible for coordinating the work of the programmers on all new computer programs.

The department heads will review with the Controller the need for new programs and the adequacy of the budget to cover the need.

Any program that cannot be resolved with the Controller will be referred to the Administrator.

Regulation
Approved: 07 Jan 82
Revised: 16 Mar 84
Revised: 20 Aug 87
Revised: 08 Jul 09

(Jul 09)

Executive Director
Golden Rain Foundation

ADMINISTRATION

BUDGETS

RESCIND

Budget Calendar

In accordance with the existing Regulatory Agreement (see Policy 9200), Operating Budgets of the Mutual corporations are required to be submitted to HUD sixty (60) days prior to the beginning of the fiscal year. Since approximately 25% of the Mutual operating costs are established by the Golden Rain Foundation budget, the following budget calendar is established:

1.	GRF Committee and Department Head Recommendations	May 15 -	Jun 30
2.	Accounting Preparation of Proposed Budget	Jun 30 -	Aug 1
3.	Administration Preparation of Proposed Budget	Aug 1 -	Aug 5
4.	Presentation of Proposed Budget to GRF Board for Study and Adoption	Aug 5 -	Aug 15
5.	Preparation of Mutual Budget Proposals by Accounting Department	Aug 15 -	Sept 15
6.	Mutual Board Study and Adoption	Sep 1 -	Sep 30
7.	Preparation of HUD Budgets	Oct 1 -	Oct 31
8.	Presentation of Budgets to HUD	Nov 1	

Regulation
Adopted: 10 May 78
Reissued: Aug 88
Amended: 28 Dec 98

Executive Director
Seal Beach, California

(Dec 98)

GOLDEN RAIN foundation SEAL BEACH

MEMO

TO: FINANCE COMMITTEE
FROM: MARK WEAVER COMMUNITY FACILITIES MANAGER
SUBJECT: PERIMETER WALL SECTION B
DATE: 1/7/2015
CC: RANDY ANKENY EXECUTIVE DIRECTOR

The Physical Property Committee is requesting the Finance Committee to review the availability of funds for the replacement of Perimeter Wall section B. Attached is the quote from Dantuma Masonry and the minutes of the PPC meeting of 12/12/2014.

DANTUMA MASONRY

7411 WALNUT BUENA PARK CA 90620

BID TO GOLDEN RAIN SEAL BEACH LEISURE WORLD

BID TO DAVID RUDGE

BID BY KELLY OLIVER

12/12/2014

ITEM #	DESCRIPTION	QTY	UOM	U/P	TOTAL
1	WALL SECTION B 2' RETAINED FROM HOSPITAL SIDE FROM NORTHGATE ROAD TO SEALBEACH BLVD ACCESS FROM LEISURE WORLD SIDE AND HOSPITAL AND CUSTOM BUILDING 10' HIGH FROM EXTERIOR SIDE INCLUDES DEMO 1025' LENGTH OF WALL				$ 252,662.50
	SPIKES ON TOP				$ 8,200.00

NOTE

1. WALL 10' FROM EXTERIOR SIDE
2. JOINT ACCESS IS INCLUDED
3. TREE REMOVALS AND IVY BY OTHERS
4. NO GAURNTEE ON SPRINKLERS
5. PLANTS AND SHRUBS WE WILL TRY TO PROTECT NO REPLACEMENT INCLUDED

$ 260,862.50

CHAIR'S ANNOUNCEMENTS

The Chair welcomed the Committee members, guests and staff to today's meeting.

CORRESPONDENCE

Drone-Free Zone

A letter was received from a shareholder requesting the air space above the community be designated as a "drone-free" zone. The Chair reported he did research on the subject and shared his findings. Mrs. Massa-Lavitt, the District Five Seal Beach City Councilmember representing the community reported that drones are prohibited in the City of Seal Beach. The Committee concurred that no further action need be taken on this matter. A letter will be sent to the shareholder with the Chair's research attached.

Vegetation on Wall between Mini-Farms and Nassau Drive

A letter was received from a shareholder who stated concerns over driving hazards and scraping of cars from the vegetation growing on the wall along Nassau Drive.

After discussion regarding the appearance and trimming back of the vegetation, how much it protrudes out past the red curb, and the wall the Committee concurred to have the Architectural Design Review Committee review the area for input and suggestions for review by Mutual Nine. A letter will be sent to the shareholder with the Committee's decision.

Perimeter Wall Sections A, B and Planter Wall

The Community Facilities Manager reported that he had made contact with both owners of the building on the other side of the Perimeter Wall Section B and said they would review the request to participate financially in the rebuilding of the wall.

After discussion regarding moving the project ahead with or without assistance from the building owners, De Marco MOVED, seconded by Ms. Stone and passed unanimously —

> **TO** approve the replacement of Perimeter Wall Section B as a project contingent upon funds available determined by the Finance Committee.

A letter was received from the Mutual President requesting financial assistance for the removal of a small planter running parallel to the Perimeter Wall Section A.

After discussion, Mrs. Damoci MOVED, seconded by Ms. Rapp and passed with one NO vote (Wood) —

> **TO** request the Board approve payment of 50% of the expense, a total of $7,175 for the cost to remove the small planter wall running parallel to the Perimeter Wall Section A using contingency funds from the project.

Service Maintenance Supervisor Report:

A summary of the Service calls for the month of November was distributed.

Service Maintenance staff has been catching up with non-emergency items and shifted gears to covering roofs with plastic sheeting and sandbags when the rain and wind came. After cleaning drains many leaks occurred and needed to be fixed. Currently, priority work is getting completed on time.

In November, electrical work had delays due to oven replacements that take four hours of each technician's time. Repair orders also spiked due to the Thanksgiving holiday when ovens had not been used for several months and needed repair. There were many calls for walk light repairs and in areas where wires were pulled, the time needed to perform the repairs was increased substantially.

On service calls to clear a shower drain, sometimes the drain pipes need to be replaced and the wall needs to be opened up which increases the time needed to perform the repairs.

In response to the reports, the Committee requested ongoing reports on the backlog of service request orders, current staffing available, a list of Mutual projects and preventative maintenance projects and their status be submitted to the Committee for review to discuss workload and if more help is needed.

The Chair suggested the Service Maintenance Supervisor attend the Mutual Presidents' Council meetings. In their last meeting the Council reported that Mutuals were planning on replacing about 80 water heaters by April 2015. The Community Facilities Manager reported that Southern California Edison rebates end in April 2015 and that could explain the timing.

A discussion was held regarding the use of the Service Maintenance staff for minor maintenance items and the possibility of hiring outside contractors to perform capital improvements such as multiple water heater replacements, re-piping, or oven installations either using items from the Purchasing department or specifications to purchase identical items from other sources. The importance of consistency and standardization for any outside contractors used was stressed.

Purchasing Supervisor Report

Finance Committee Meeting, January 20, 2015

1. Budget Variance:

As of 1-12 when the agenda items were due the budget variance report for December was not available. I will recap December if available prior to the Committee meeting or with January at next month's meeting.

2. Project Report:
    - New Purchase Requisition Forms and Material Requisition Forms have been published.
        - Adding additional information.
        - Making the forms more efficient for use with the new GL codes added for 2015.
    - Pricing updates
        - Added 2% up-charge for shipping/handling.
        - Updates to unit costs to include sales tax.
    - Jenark/Micromain data import preparation.
        - Database clean-up ongoing.
    - 2014 Year End Inventory.
        - Completed.
    - Warehouse Reorganization
        - Warehouse shelving project completed.
        - All bins are to be properly labeled
        - Overstock to be properly located.
        - Focus on organization of the receiving/large item holding area begins.
3. 2014 Capital Project Status:
    - Bar Code Printer Label: Pending additional information with regard to Micromain Integration.

Budget Variance Report - Dec 2014
Purchasing - CC#32

GL Code	Account Description	YTD Variance	Explanation
61000	Salaries & Wages	$ 23,376	Open positions in purchasing
64100	Materials & Supplies	$ (8,439)	Warehouse Shelving Update applied to 64100
64110	Freight & Handling	$ 4,765	Utilizing prepaid shipments
64895	Inventory Over/Short	$ 11,780	Obsolete inventory write-offs completed prior to year end.

Total Explained Variances	$ 31,482

Golden Rain Foundation

Budget Comparison Report
Purchasing - CC 32
For the Twelve Months Ending December 31, 2014

INTERNALLY PREPARED
FOR MANAGEMENT USE ONLY

December					YTD			Annual	
Actual	Budget	Budget Variance	G/L Number	Description	Actual	Budget	Budget Variance	Annual Budget	Unused Budget
				Expenses					
$23,934	$17,407	($6,527)	61000	Salaries & Wages	$185,513	$208,889	$23,376	$208,889	$23,376
1,562	1,446	(116)	61400	Payroll Taxes	15,627	17,352	1,725	17,352	1,725
185	190	5	61420	Workers Compensation	12,549	13,820	1,271	13,820	1,271
4,419	2,904	(1,515)	61430	Group Insurance Medical	29,174	34,849	5,675	34,849	5,675
79	63	(16)	61433	Group Insurance - Dental	730	755	25	755	25
40	43	3	61435	Group Insurance - Vision	448	520	72	520	72
263	456	193	61440	Retirement Fund	4,354	5,477	1,123	5,477	1,123
73	56	(17)	61450	Group Insurance - Life	787	677	(110)	677	(110)
58	104	46	61460	Long Term Disability Insurance	664	1,253	589	1,253	589
(5,856)	375	6,231	64100	Materials & Supplies	12,939	4,500	(8,439)	4,500	(8,439)
721	1,064	343	64110	Freight & Handling	7,998	12,763	4,765	12,763	4,765
112	150	38	64440	Equipment Rental	1,193	1,800	607	1,800	607
	30	30	64700	Equipment Repair & Maintenance	315	360	45	360	45
	50	50	64720	Building Repair & Maintenance		600	600	600	600
181	142	(39)	64800	Uniforms & Laundry	1,972	1,700	(272)	1,700	(272)
	20	20	64810	Continuing Education		240	240	240	240
	10	10	64820	Mileage		120	120	120	120
161	65	(96)	64821	Meals & Special Events	263	120	(143)	120	(143)
	10	10	64830	Dues & Memberships	192	120	(72)	120	(72)
(8,282)		8,282	64895	Inventory Over/Short- Purchasing	(11,780)		11,780		11,780
18		(18)	64940	Service Contracts	197		(197)		(197)
17,671	**24,585**	**6,915**		**Total Expenses**	**263,136**	**305,915**	**42,779**	**305,915**	**42,779**
				Other Cost Recovery					
			5385...	Other Income	104		104		104
				Total Other Cost Recovery	**104**		**104**		**104**
25,493	25,493		53300	Trust Admin. Cost Recovery	305,916	305,915	1	305,915	1
25,493	**25,493**			**Total Cost Recovery**	**306,020**	**305,915**	**105**	**305,915**	**105**
				Off Budget Items					
3,041		3,041	5390...	Materials Recovery	40,341		40,341		40,341
3,041		(3,041)	64150	Materials Pass Thru	40,341		(40,341)		(40,341)
7,822	**908**	**6,915**		**Net Income / (Expenses)**	**42,884**		**42,884**		**42,884**

Requesting Department: _____

PURCHASE REQUISITION PR# _____

Suggested Vendor: _____ Vendor: _____

Telephone No.: _____ Address: _____

Date Ordered: _____ City: _____ State: _____ Zip: _____

Date Required: _____

ITEM	QUANTITY	UNIT	PART NO.	MANUFACTURER	DESCRIPTION	GL CODE & COST CENTER	UNIT PRICE
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							

Reason for purchase (include Project Name & Number if applicable): _____

Name of Requestor: _____ Purchase Order Number: _____

Authorized Signature: _____ Ordered By: _____

Date: _____ Date: _____

Budgeted: Yes / No Board Approved: Yes / No Date: _____

☐ Check here if this is a Capital Purchase and complete the items below:

Name of Committee: _____ Manager/Supervisor: _____

Date of GRF Resolution: _____ Executive Director: _____

ORIGINAL / YOUR RECORDS

SCAN AND EMAIL SIGNED P.R. TO: purchaserequisitions@lwsb.com

MATERIAL REQUISITION REQUEST

Requesting Department: _____ **DATE:** _____

Requested by: _____ Approved by: _____

ITEM	QUANTITY ORDERED	QUANTITY ISSUED	UNIT	PART NO.	DESCRIPTION	GL CODE & COST CENTER
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						

Comments:

Pulled by: _____ Date: _____

ORIGINAL / YOUR RECORDS

SCAN AND EMAIL SIGNED M.R. TO: purchaserequisitions@lwsb.com

November Surplus Equipment For Sale

Description	Price OBO	Disposition
Desk	$ 50.00	Donate / Dispose
Drafting Table	$ 50.00	Donate / Dispose
Lateral Filing Cabinet, Wood	$ 25.00	Donate / Dispose
Lateral Filing Cabinet, Wood	$ 25.00	$ 25.00
Vertical Filing Cabinet, Wood	$ 25.00	Donate / Dispose
Credenza	$ 25.00	Donate / Dispose
Printer Table	$ 10.00	Donate / Dispose
Bookcase	$ 10.00	Repurposed
Bookcase	$ 10.00	Donate / Dispose
Bookcase	$ 10.00	$ 10.00
Office Chair	$ 25.00	Donate / Dispose
Office Chair	$ 25.00	Donate / Dispose
Office chair	$ 25.00	Donate / Dispose
Task Light	$ 5.00	$ 5.00

January Surplus Equipment For Sale

Description	Price OBO	Disposition
Wood Lathe	$ -	Unsafe - Immediate Disposal
Wood Desk	$ -	Unsafe - Immediate Disposal
Metal Desk	$ 50.00	
Metal 4 Drawer Cabinet	$ 25.00	

Purchasing Services Report YTD 2014

Month	Days	Purch Cash Sales	Mat'l Reqs Processed	Receipt Trans Processed	Walk-In Sales	Recorded Contractors	Purchase Orders	Total Services
January	22	$ 2,439.40	673	130	148	20	241	1212
February	19	$ 2,139.70	703	172	163	27	242	1307
March	21	$ 4,502.39	741	163	176	29	222	1331
April	22	$ 3,360.12	738	142	141	4	193	1218
May	21	$ 3,347.50	748	78	163	46	151	1186
June	21	$ 3,854.66	717	120	149	52	185	1223
July	22	$ 2,883.20	726	139	146	34	213	1258
August	21	$ 3,786.00	706	155	157	38	202	1258
September	21	$ 6,112.32	679	169	176	42	240	1306
October	23	$ 4,106.96	715	208	207	19	240	1389
November	19	$ 3,310.33	609	97	149	29	192	1076
December	22	$ 3,354.55	485	101	181	24	149	940
Total	254	$ 43,197.13	8240	1674	1956	364	149	14704
Daily Avg		$ 170.07	32	7	8	1	1	58

Golden Rain Foundation
Budget Comparison Report
Finance - CC 31
For the Twelve Months Ending December 31, 2014

G/L Number	Description	YTD Actual	YTD Budget	Budget Variance
	Expenses			
61000	Salaries & Wages	$505,699	$525,283	*$19,584*
61400	Payroll Taxes	41,741	43,614	*1,873*
61420	Workers Compensation	6,523	7,202	*679*
61430	Group Insurance Medical	50,654	53,114	*2,460*
61433	Group Insurance - Dental	1,337	1,233	*(104)*
61435	Group Insurance - Vision	930	943	*13*
61440	Retirement Fund	10,015	15,913	*5,898*
61450	Group Insurance - Life	2,088	1,564	*(524)*
61460	Long Term Disability Insurance	1,923	2,896	*973*
64100	Materials & Supplies	24,629	25,440	*811*
64440	Equipment Rental	2,738	4,000	*1,262*
64750	Empl. Recruitment / Temp. Fees	17,806		*(17,806)*
64810	Continuing Education	470	480	*10*
64820	Mileage	45	60	*15*
64830	Dues & Memberships	134	550	*416*
64890	Uncollectible Accts/Misc W/Os	883		*(883)*
64940	Service Contracts	1,862	250	*(1,612)*
	Total Expenses	***669,478***	***682,542***	***13,064***

Budget Variance Report - December 2014
Finance Department - CC #31

GL Code	Account Description	Variance	Explanation
61000	Salaries & Wages	19,584.00	A/P Clerk replaced with lower salary
61400	Payroll Taxes	1,873.00	A/P Clerk replaced with lower salary
61430	Group Insurance - Medical	2,460.00	Lower negotiated insurance plan for 2014
61440	Retirement Fund	5,898.00	New employee not eligible for participation
64750	Empl. Recruitment / Temp. Fees	(17,806.00)	A/P position replacement & A/P temporary replacement
	Total Explained Variances	12,009	

Investments

- Purchased in December – 52-week CDAR for $550,000
- Purchased in January – 52-week CDAR for $500,000

General Audit Timeline

2014 Financial Statement Audit Timeline	
Mid December	Interim fieldwork begins - auditors onsite Walk-throughs, assess controls, review legal bills, develop the audit plan.
Dec 30	Physical inventory - auditors onsite to observe
Now	Send out audit confirmations: Attorneys & financial institutions
Jan 26 - 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 16	Due date for tax filing (Finalize by Mar 3 - 7)
Apr 6 - 10	Provide News with financial statements for distribution
Apr 16	Distribute financial statements via Golden Rain News

Tangible Property Regulations Update

1. Tangible Property Regulations Update
    a. New IRS regulations set forth the framework for distinguishing capital expenditures from supplies, repairs & maintenance.
    b. Prior to this regulation, there were no specific conditions for a taxpayer to write off any dollar amount.
    c. Based on the new rule, GRF and Mutuals are required to have a written capitalization policy that defines the threshold purchase amount of a capital asset.
    d. The IRS defines this required adoption of the new regulation as a change in accounting method and must be reported by filing Form 3115.
    e. Required Action by GRF and Mutuals:
        i. Establish and adopt a capitalization policy that is effective 1/1/2014 because although the regulation was just passed, it is retroactive to 1/1/2014.
        ii. When filing the 2014 tax returns, include Form 3115. (NSBN will take care of this.)
        iii. Review all fixed assets for each company and remove those assets from the books that are most likely no longer in use. (Example, if a computer acquired in 1986 exists on the books, most likely it is long gone.) A physical inventory of fixed assets has not been performed since prior to 2007.
    f. The above steps are required, however there will be no tax impact as a result of this regulation
        i. GRF and the Mutuals fall under IRS Ruling 70-604 Sub-Chapter T which means that any income tax is determined on what is referred to as non-patronage income. Non-patronage income is basically investment income earned on CDARs and money market accounts (where interest is not tax exempt) offset by expenses directly related to this income (investment management advisory fees).
        ii. Based on the above statement, depreciation does not reduce the tax liability for either GRF or the Mutuals.
    g. The reason why it is necessary to comply with the IRS regulation to show due diligence and cooperation should an IRS audit arises.
    h. Next step, staff to draft a capitalization policy that complies with the IRS regulation and bring to committee next month.

New Bank Structure

Current Structure	
Designated Deposits:	
Contingency Operating Fund	685,047
Trust Improvement Fund	14,647
Capital Improvement Fund	6,125,174
Liability Insurance Deductible Fund	1,020,052
Mutuals' Self-Insurance Fund	20,894
Other Restricted Fund	552,374
Total Designated Funds	8,418,188

2015 Structure	
Designated Deposits:	
Reserve Fund	6,980,767
Committed Funds	-
Capital Fund	-
Contingency Operating Fund	685,047
Liability Insurance Deductible Fund	200,000
Other Restricted Fund	552,374
Total Designated Funds	8,418,188

Jenark Conversion

1. 2012 Year-end balances, 2013 YTD activity and 2014 monthly activity through October have been loaded into Jenark for GRF and all Mutuals.

2. Continue with uploading 2012 - 2014 Budget data for both GRF and Mutuals. 2015 budget data still needs to be loaded.

3. Staff received training on building financial reports. The task of building reports continue. Reports need to be built before loading budget data into Jenark so that uploaded data can be validated.

4. Established transaction flows for all SRO bill codes so that charge codes can be established.

5. Created a preliminary file with inventory data to upload to MicroMain. Currently, scrubbing the inventory data for better descriptions and item numbers.

6. At January 2, 2015, the following was completed:

    a. Upload the vendor database into Jenark
    b. Upload Accounts Receivable (member) balances into Jenark
    c. Began posting shareholder payments and miscellaneous income to Jenark.
    d. Began issuing check payments from Jenark.