



SPECIAL BOARD OF DIRECTORS MEMBERS MEETING - GOLDEN RAIN FOUNDATION

November 5, 2015

In accordance with Article V, Section 3, of the corporation by-laws and pursuant to due notice being delivered to the Directors and shareholders, a special meeting of the Golden Rain Foundation (GRF) Board of Directors was called to order by President Winkler at 2:52 p.m., on Thursday, November 5, 2015, in Clubhouse Four.

ROLL CALL

The Recording Secretary reported that Directors Perrotti, R. Stone, Pratt, Snowden, L. Stone, Reed, Hood, Wood, Rapp, McGuigan, Doderio, Winkler, Damoci, Lukoff and Moore were present. Directors Greer, Friedman and Bolton were absent. Executive Director Ankeny, Controller Miller and Recording Secretary McAuley was also present.

Corporate Secretary Reed announced a quorum of fifteen (15) Directors were present and eight (8) constitute a majority of votes.

ANNOUNCEMENTS

The President welcomed the Board members and introduced staff Executive Director Randy Ankeny and Controller Carolyn Miller.

MEMBER COMMENTS

In accordance with Policy 5610, Participation by Foundation Members, members may enter into a comment period prior to the beginning of business. Foundation members must register their requests in advance of the meeting, and comments are limited to four minutes.

No comments were received.

NEW BUSINESS

Approve Foundation and Mutual Insurance Policies Renewal

At the special meeting of the Finance Committee earlier today, November 5, 2015, the

Committee reviewed the proposal for the Foundation's and the Mutuals' Insurance for the policy period of December 1, 2015 to November 30, 2016, as presented by representatives of DLD Insurance Brokers, Inc.

In an effort to obtain the most competitive quotes possible, yet still retain the necessary terms and coverage, DLD approached over 75 insurance carriers for the Directors & Officers (D&O) Insurance, the Errors & Omissions (E&O) Insurance, Forefront Portfolio (Crime/Fiduciary/KRE/Workplace Violence) insurance and the Property/Casualty insurance, to determine their interest in quoting the various coverages.

As regards to the Property, General Liability, Automobile, and Boiler/Machinery policies, many insurance providers are, as in past years, no longer willing to take on the exposure, having considered the losses incurred, not just within GRF and the Mutuals, but in other like senior living communities. The incumbent carrier (Philadelphia) provided the only viable quote received. No other carrier's terms and conditions came close enough to the terms, conditions and premiums for the policy period.

For California exposures, many carriers are no longer writing the type of coverages that the Foundation and the Mutuals need to cover their liabilities. The loyalty and commitment from several returning carriers are evident in their quotations in that increases are kept to a minimum in spite of our loss history and losses incurred during the December 1, 2014 to November 30, 2015 policy period.

At its meeting on November 5, 2015, the Finance Committee unanimously recommended the Board approve the contract for the placement of Property, Boiler and Machinery, Flood (excluding earthquake), General Liability, and Automobile Liability insurance with Philadelphia and the placement of Umbrella Liability, ForeFront Portfolio (crime, fiduciary, kidnap, ransom, extortion and workplace violence), E&O, D&O/Employee Practices Liability and Cyber Liability Coverage with the recommended carriers through DLD Insurance Brokers, Inc. for the period December 1, 2015 to November 30, 2016, for a premium of \$2,080,320.

In addition, we are in the second year of a three-year term Pollution Policy, which expires in 2017, at \$99,255 or \$33,085 per year.

Combining the new insurance proposal of \$2,080,320 with the current Pollution policy of \$33,085 results in an overall premium totaling \$2,113,405.

Combined funds (Foundation and Mutuals), in the amount \$2,177,194 were included in the respective 2016 Operational Budgets based upon estimates and assumptions made during the budgeting period.

Ms. Stone MOVED, seconded by Mrs. Reed and carried unanimously

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TO approve the contract for the placement of property, boiler and machinery, flood (excluding earthquake), general liability and automobile liability insurance with Philadelphia and the placement of umbrella liability, ForeFront Portfolio (crime, fiduciary, kidnap, ransom, extortion and workplace violence), E&O, D&O/Employee Practices Liability, and Cyber Liability Coverage with the recommended carriers through DLD Insurance Brokers, Inc. for the period December 1, 2015 to November 30, 2016, for a premium of \$2,080,320. In addition, we are in the second year of a three-year term Pollution Policy, which expires in 2017, at \$99,255 or \$33,085 per year. Combining the new insurance proposal of \$2,080,320 with the current Pollution policy of \$33,085 results in an overall premium totaling \$2,113,405. Combined funds (Foundation and Mutuals), in the amount \$2,177,194 were included in the respective 2016 Operational Budgets based upon estimates and assumptions made during the budgeting period.

Mr. Stone MOVED, seconded by Ms. Rapp and carried unanimously —

TO approve the purchase of additional Flood coverage, in the amount of \$22,149, for \$5,000,000 of per policy aggregate excess provided by Philadelphia, for the policy period of December 1, 2015 to November 30, 2016, and authorize the President to sign the required documents, per insurance proposal dated November 5, 2015, as prepared and submitted by DLD.

Approve Network and Systems Security Contract

Ms. Snowden MOVED, seconded by Mr. Hood and carried unanimously —

TO approve the contract with Technijian dated September 11, 2015 and authorize the President to sign the associated documents. Project funding is allocated as follows:

1. Non-budget funding from CC34 in the amount of \$29,250.00;
2. Reserve funding for the replacement of the noted equipment in the amount of \$17,501.00;
3. New equipment purchase from Capital Funds of \$15,943.00;

4. Contingency, non-budget funding from CC34 of \$5,000.00, Chairperson of the ITS Committee to approve any contingency.

BOARD MEMBER COMMENTS

Fifteen Board members spoke on shareholders attendance, the insurance renewal, a happy birthday to Director Moore and thanked the Controller, Recording Secretary and Executive Director for all their hard work.

PRESIDENT'S COMMENTS

The President spoke on the attendance at today's meeting, the cost of the insurance renewal and wished Director Moore a happy birthday.

ADJOURN

The meeting was adjourned at 3:15 p.m.



Joy Reed, Corporate Secretary
GRF Board of Directors
mm: 11.19.15