



Executive Committee

Agenda

Administration Conference Room

Friday, August 14, 2105

1:00 p.m.

1. Call to Order/Pledge of Allegiance
2. Roll Call/Notice of Quorum
3. Chair's Announcements
 - a. Introduction of Guests and Staff
 - b. Rules of Order
 - c. Chair's Report
4. Approval of Minutes
 - a. Minutes of July 10, 2015 (pp.1-6)
5. Shareholder/Member Comments – Agenda Items Only
(Limited to 3 minutes per person)
6. Correspondence
7. Old Business
 - a. Discussion only – Code of Ethics
 - b. Discussion only – New Golden Rain Foundation Pins
 - c. Discussion only – Update on Golden Rain Foundation Logo
 - d. Discussion only – Bylaws
 - e. Golden Rain Foundation Election Material Timeline
8. New Business
 - a. Review Preliminary Budget Cost Center 20; Human Resources; 22, Emergency Preparedness; 29, Administration Building; and 30, Administration (pp.7-15)

9. Policies
 - a. Adopt/Revise
 - i. Adopt Policy 5024-30, Committee Structure (pp.16-17)
 - b. Rescind (No Action)
10. Sub Committee Reports
 - a. Emergency Planning
 - b. Policy Re-write
11. Staff Reports
 - a. Human Resources Director
 - b. Executive Director
12. President's Comments
13. Shareholder/Member Comments
(Limited to 3 minutes per person)
14. Committee Member Comments
15. Adjourn to Executive Committee Executive Session
 - a. Approval of Executive Session minutes
 - b. Personnel
 - c. Personnel Disciplinary Actions
16. Next Meeting – Friday, September 11, 2015 at 1:00 p.m. in the Administration Conference Room.
17. Adjournment
 - a. Friday, August 21, 2015 – Minutes distributed and posted on the website
 - b. Friday, September 4, 2015– Agenda items are due to the Recording Secretary
 - c. Tuesday, September 8, 2015 – Agenda packets are to be distributed and posted on the website



EXECUTIVE COMMITTEE MINUTES
Friday July 10, 2015

The meeting of the Executive Committee was held on Friday, July 10, 2015. The meeting was called to order at 1:00 p.m. by Chair Damoci in the Administration Conference Room. Mr. Larry Blake led the Committee in the Pledge of Allegiance.

ROLL CALL

Present: Mrs. C. Damoci, Chair Ms. K. Rapp
 Mr. P. Hood Mrs. J. Reed
 Mr. B. Lukoff Ms. L. Stone

Absent: Ms. R. Winkler

Staff and Mr. R. Ankeny, Executive Director
Guests: Mrs. D. Bennett, Recording Secretary
 Mr. L. Blake, GRF Representative, Mutual One
 Ms. P. Snowden, GRF Representative, Mutual Two
 Six 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 Golden Rain Foundation Board of Directors (GRF BOD) 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 BOD 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/shareholder comment period, not to exceed four minutes, as set forth in Policy 5610, Participation by Foundation Members/Shareholders. The minutes of today's Board meeting will be presented to the Board for approval following the approval of the committee meeting minutes at the meeting in August.

In response to inquiries she has received, the Chair advised the Committee that the Vice Chair of the Executive Committee is the Corporate Secretary.

INTRODUCTION OF STAFF AND GUESTS

The new Human Resources Director, Cindy Flynn, was introduced, as well as Executive Director Randy Ankeny and recording secretary, Deanna Bennett.

APPROVAL OF COMMITTEE MINUTES

The Committee meeting minutes of May 12 and May 26, 2015 were approved, as printed.

SHAREHOLDER/MEMBER COMMENTS (AGENDA ITEMS ONLY)

Two shareholder/members spoke on correspondence to the Executive Committee.

CORRESPONDENCE

Four items of correspondence were received by the Executive Committee; upon examination of the topics concerned, the correspondence will be redirected to the appropriate committee or the GRF Board of Directors for review.

OLD BUSINESS

Amend Policy 2002-30, Administration Organization

Mr. Lukoff MOVED, seconded by Mr. Hood and carried unanimously-

TO recommend to the GRF BOD to amend Policy 2002-30,
Administration Organization.

NEW BUSINESS

Name the Emergency Preparedness Sub-Committee

The Chair advised that Ms. Paula Snowden will lead the Emergency Preparedness Sub-Committee and will announce the Sub-Committee members once they are confirmed.

Re-write Sub-Committee

The Chair notified the Executive Committee that the Policy Re-write Sub-Committee will hence forth be known as the Policies and Procedures Sub-Committee.

Election material sub-committee

The Chair informed the Executive Committee that the GRF election materials are in conflict with our By-laws and need to be rendered equivalent. It is believed that re-writing the election materials would be the most efficient course of action.

Code of Ethics - Discussion only

Three Committee members and one shareholder/member spoke on the topic.

Chair Training - Discussion only

Two Committee members spoke on the topic.

New Golden Rain Foundation Pins - Discussion only

One Committee member and the Executive Director spoke on the topic.

Update on Golden Rain Foundation Logo - Discussion only

One Committee member and the Executive Director spoke on the topic.

By-laws - Discussion only

Five Committee members, one shareholder/member and the Executive Director spoke on the topic.

STAFF REPORTS

Human Resources Director

The Human Resources Director presented her report, as attached.

Executive Director

The Executive Director advised that the new employee handbooks are nearing finalization. Departmental meetings will take place to introduce the new handbooks; staff will be requested to indicate, in writing, that they have read the contents.

SHAREHOLDER/MEMBER COMMENTS

Four shareholder/members spoke the performance of the Security Department and car battery charging.


COMMITTEE COMMENTS

Six Committee members spoke on the direction the Executive Committee has taken.

EXECUTIVE SESSION

The Chair called for a 10 minute break at 1:55 p.m. prior to entering executive session.

The Executive Committee returned to regular session at 3:11 p.m.; the meeting was adjourned at 3:12 p.m.

 **DRAFT**
Carole Damoc
Chair, Executive Committee
07.15.15/dfb

Golden Rain Foundation Executive Committee Human Resources Report – July 10, 2015

Below are the budget variances as of the end of June as previously reviewed in the May 12, 2015 Executive Committee meeting. Financial information for the month of July will be reviewed once the financial statements are available.

- 1) **GRF – Budget Variance Information** – GRF has a year-to-date favorable variance of **\$218,015** in Salaries and Employee Benefits
 - 2) **Dept 22 – Emergency Preparedness Budget Variance Information** – The Emergency Preparedness department has a year-to-date favorable variance of **\$3,554**.
 - 3) **Dept 20 – Human Resources Budget Variance Information** – The Human Resources department has a year-to-date favorable variance of **\$22,688** excluding the GRF Vacation Accrual Expense.
- 4) **Employee Handbook**
- a. Board Approved April 28, 2015.
 - b. Review with Managers on May 8, 2015.
 - c. Distribute to all employees during July, 2015. Original distribution schedule was delayed due to temporary vacancy in Director of H. R. position.
- 5) **HR Audits – 2015**
- a. 401(k) Financial/Procedural Audit (NSBN) – Started on May 6, 2015. Will be completed by July 31, 2015.

6) **Recruitment**

- a. Openings in July – 3 Positions

<i>Position</i>		<i>Status</i>	<i>Dept</i>
Exercise Room Attend.	1 Part-time	Interviewing – Hire in July	55 – Exercise Room
Office/Recording Sec.	1 Full-time	Interviewing – Hire in July	70 – Physical Properties
Purchasing Assistant	1 Full-time	Accepting Applications/Interviewing	32 – Purchasing
Total Openings		3	

7) **Staff Counts**

Current Staff Count – 220	<i>Hires</i>	<i>Separations</i>	<i>Promotions</i>
• June 2015	7	6	0
• YTD 2015	11	16	0
• Previous Year	37	38	9

NOTE: One of the terminations listed in April is actually March 31st but was not captured on last report.

8) 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 April 30, 2015

9) Safety

- a. There were no claims in June 2015.

Workers Compensation - Job Accident Information by Month

<i>Month</i>	<i>Current Year 2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>
January	0	0	2	0	1
February	0	0	1	1	0
March	2	0	1	4	1
April	2	0	3	2	0
May	0	2	1	0	0
June	0	1	0	2	0
July		0	1	2	2
August		2	4	2	4
September		1	2	3	2
October		0	3	2	0
November		0	3	0	0
December		0	1	0	4
Total	4	6	22	18	14

Golden Rain Foundation
2016 Proposed Operating Budget - Cost Center 29 - Administration Building (Draft)
Data as of June 30, 2015

(A)	(B)	(D)	(E)	(D) - (E)	(F)	(G)	(D) - (G)	(H)	(D) - (H)	(I)	(D) - (I)
GL Account	GL Name	2016 Total	2015 Budget	Variance	2015 YTD Actual	2015 Projected	Variance	2015 Annualized	Variance	2014 Actual	Variance
Expenses - Administration Building											
6410005 29	Building Supplies - Administration Bldg	1,560	120	1,440	1,005	1,065	495	2,009	(449)	127	1,433
6420100 29	Electricity - Administration Bldg	26,944	25,150	1,794	9,236	24,688	2,256	18,473	8,471	0	26,944
6425100 29	Natural Gas - Administration Bldg	496	860	(364)	249	591	(95)	497	(1)	0	496
6471000 29	Building Repair & Maintenance - Administratio	5,000	1,200	3,800	4,793	5,393	(393)	9,585	(4,585)	0	5,000
6472000 29	Equipment Repair & Maintenance - Administrati	0	0	0	0	0	0	0.00	0	0	0
6477210 29	Pest Control - Administration Bldg	960	0	960	0	0	960	0.00	960	0	960
6478000 29	Service Contracts	3,120	0	3,120	0	0	3,120	0.00	3,120	0	3,120
6484000 29	Permits & Licenses	225	0	225	0	0	225	0.00	225	0	225
	Total Operating Expenses	38,305	27,330	10,975	15,283	31,737	6,568	30,564	7,741	127	38,178
	Total Cost Center Expenses	38,305	27,330	10,975	15,283	31,737	6,568	30,564	7,741	127	38,178
5330000 29	Income from / (Refund to) Mutuels	38,305	27,330	10,975							

GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS
Administration Building – CC29

GL CODE	LINE ITEM	DESCRIPTION	EXHIBITS
64102 (6410005)	Building Supplies	Items include replacement light bulbs, ballasts, water filters, etc. for the entire Administration building. 2015 marked the first year for cost center 29. The increase for 2016 supports the expected expenditures similar to those incurred in 2015.	
64200 (6420100)	Electricity	SCE forecast no increase in the first quarter of 2016, however uncertain after that point, a 4% increase was added to the actual usage of the past 12 months.	
64260 (6425100)	Natural Gas	The 2016 budget assumption includes a 4% increase over the past 12 months of actual expenses.	
64720 (6471000)	Bldg Repair & Maint.	\$5,000 is requested to cover miscellaneous building repairs. A major repair expense for the Administration building relates to the two sliding entry doors.	
6477210	Pest Control	Below cost were included in Service Contract cost center 30 in 2015 and have been reclassified to Pest Control cost center 29 in 2016: Fenn Pest Control 960	
6478000 (64940)	Service Contracts	Below cost were included in cost center 30 in 2015 and have been reclassified to cost center 29 in 2016: Elevator Maintenance 3,120	
6484000 (64840)	Permits & Licenses	Elevator permit 225 This amount was budgeted in cost center 30 in 2015.	

Golden Rain Foundation
2016 Proposed Operating Budget - Cost Center 30 - Administration (Draft)
Data as of June 30, 2015

(A)	(B)	(D)	(E)	(D) - (E)	(F)	(G)	(D) - (G)	(H)	(D) - (H)	(I)	(D) - (I)
GL Account	GL Name	2016 Total	2015 Budget	Variance	2015 YTD Actual	2015 Projected	Variance	2015 Annualized	Variance	2014 Actual	Variance
Expenses - Administration											
6100000 30	Salaries & Wages - Administration	0	282,594	(282,594)	143,079	285,999	(285,999)	286,158	(286,158)	285,878	(285,878)
6110000 30	Pay for Performance Provision - Administratio	0	36,872	(36,872)	0	18,648	(18,648)	0	0	0	0
6140000 30	Employment Taxes - Administration	0	21,539	(21,539)	11,843	22,167	(22,167)	23,686	(23,686)	19,851	(19,851)
6142000 30	Workers' Compensation - Administration	0	8,822	(8,822)	4,318	7,480	(7,480)	8,635	(8,635)	4,021	(4,021)
6143000 30	Group Insurance - Medical - Administration	0	26,067	(26,067)	10,953	23,985	(23,985)	21,905	(21,905)	34,606	(34,606)
6143300 30	Group Insurance - Dental - Administration	0	522	(522)	393	657	(657)	786	(786)	1,019	(1,019)
6143500 30	Group Insurance - Vision - Administration	0	288	(288)	228	372	(372)	456	(456)	542	(542)
6144000 30	401(k) Match - Administration	0	7,844	(7,844)	0	3,966	(3,966)	0	0	1,342	(1,342)
6145000 30	Group Insurance - Life - Administration	0	1,221	(1,221)	833	1,445	(1,445)	1,666	(1,666)	1,405	(1,405)
6146000 30	Long Term Disability Insurance - Administrati	0	1,474	(1,474)	591	1,329	(1,329)	1,181	(1,181)	1,199	(1,199)
	Total Wages & Benefits	0	387,243	(387,243)	172,238	366,048	(366,048)	344,473	(344,473)	349,863	(349,863)
6211000 30	Continuing Education - Administration	1,200	2,400	(1,200)	99	1,159	41	198	1,002	1,199	1
6214000 30	Meals & Special Events - Administration	25,750	20,000	5,750	5,660	17,660	8,090	11,320	14,430	28,623	(2,873)
6214500 30	Gifts - Administration	450	450	0	303	531	(81)	607	(157)	0	450
6215000 30	Mileage - Administration	6,120	6,120	0	3,014	6,074	46	6,028	92	5,564	556
6410000 30	Office Supplies - Administration	10,000	13,200	(3,200)	4,128	10,728	(728)	8,256	1,744	20,495	(10,495)
6410003 30	Board Office Supplies - Administration	840	1,300	(460)	421	1,069	(229)	842	(2)	0	840
6410010 30	Hospitality - Administration	2,000	2,000	0	992	1,994	6	1,983	17	0	2,000
6410015 30	Computer Supplies - Administration	2,300	600	1,700	2,921	3,221	(921)	5,842	(3,542)	0	2,300
6410025 30	Lunch Room Supplies - Administration	200	0	200	146	146	54	293	(93)	0	200
6410030 30	Printer / Copier Supplies - Administration	5,100	4,200	900	2,616	4,716	384	5,233	(133)	0	5,100
6410035 30	Refreshments - Administration	2,000	2,750	(750)	785	2,159	(159)	1,569	431	0	2,000
6420100 30	Electricity - Administration	0	0	0	0	0	0	0	0	26,346	(26,346)
6422000 30	Telephone - Administration	62,983	70,448	(7,465)	33,546	68,772	(5,789)	67,092	(4,109)	68,405	(5,422)
6425100 30	Natural Gas - Administration	0	0	0	0	0	0	0	0	573	(573)
6432100 30	Audit Fees - Administration	0	0	0	0	0	0	0	0	115,740	(115,740)
6434100 30	Legal Fees - General Counsel - Administration	60,000	60,000	0	30,798	60,798	(798)	61,596	(1,596)	112,149	(52,149)
6434105 30	Legal Fees - Litigation - Administration	24,000	36,000	(12,000)	20,101	38,101	(14,101)	40,202	(16,202)	0	24,000
6435100 30	Bank Service Fees - Administration	0	0	0	0	0	0	0	0	5,847	(5,847)
6437100 30	Reserve Study - Administration	5,500	5,500	0	12,400	12,400	(6,900)	24,800	(19,300)	0	5,500
6438000 30	Other Professional Fees - Administration	4,000	2,000	2,000	3,025	4,027	(27)	6,050	(2,050)	15,552	(11,552)
6444000 30	Equipment Rental - Administration	4,524	4,524	0	2,262	4,524	0	4,523	1	4,827	(303)
6471000 30	Building Repair & Maintenance - Administratio	0	0	0	0	0	0	0	0	4,946	(4,946)
6472000 30	Equipment Repair & Maintenance - Administrati	640	0	640	239	239	401	477	163	955	(315)
6478000 30	Service Contracts - Administration	15,750	10,560	5,190	9,624	14,904	846	19,249	(3,499)	11,237	4,513
6481000 30	Computer Maintenance & Software - Administrat	0	0	0	0	0	0	0	0	332	(332)

Golden Rain Foundation
2016 Proposed Operating Budget - Cost Center 30 - Administration (Draft)
Data as of June 30, 2015

(A)	(B)	(D)	(E)	(D) - (E)	(F)	(G)	(D) - (G)	(H)	(D) - (H)	(I)	(D) - (I)
GL Account	GL Name	2016 Total	2015 Budget	Variance	2015 YTD Actual	2015 Projected	Variance	2015 Annualized	Variance	2014 Actual	Variance
6482000 30	Dues, Memberships & Books - Administration	720	4,300	(3,580)	417	2,565	(1,845)	834	(114)	1,348	(628)
6484000 30	Permits & Licenses - Administration	1,500	1,705	(205)	35	887	613	70	1,430	1,602	(102)
6731000 30	Property & Liability Insurance - Administrati	401,283	353,243	48,040	190,588	353,565	47,718	381,175	20,108	309,910	91,373
6951000 30	Non-Budgeted Exp for Committee - Administrato	1,000	1,000	0	1,000	1,498	(498)	2,000	(1,000)	0	1,000
	Total Operating Expenses	637,860	602,300	35,560	325,120	611,737	26,123	650,239	(12,379)	735,650	(97,790)
	Total Cost Center Expenses	637,860	989,543	(351,683)	497,358	977,785	(339,925)	994,712	(356,852)	1,085,513	(447,653)
Other Cost Recovery											
5335000 30	Management Fee - Administration	44,400	44,400	0	22,200	44,400	0	44,400	0	44,400	0
5345000 30	Certificate Preparation Fee - Escrow - Admini	0	0	0	0	0	0	0	0	151,200	(151,200)
5385000 30	Other Income - Administration	5,804	2,375	3,429	1,369	2,557	3,247	2,737	3,067	2,765	3,039
5385100 30	Unrestricted Donations - Administration	0	0	0	0	0	0	0	0	6,210	(6,210)
5395000 30	Rental Income - Administration	32,778	32,778	0	23,786	32,786	(8)	47,572	(14,794)	32,778	0
5396000 30	Taxable Other Income - Administration	0	6,704	(6,704)	900	4,254	(4,254)	1,800	(1,800)	6,704	(6,704)
5396100 30	Taxable Other Income - Superwire - Administra	80,100	75,000	5,100	51,620	89,120	(9,020)	103,239	(23,139)	74,721	5,379
5397100 30	Taxable Interest Income - Administration	0	26,850	(26,850)	14,590	28,018	(28,018)	29,180	(29,180)	26,369	(26,369)
5397600 30	Tax Exempt Interest Income - Administration	0	7,550	(7,550)	15,760	19,534	(19,534)	31,521	(31,521)	39,310	(39,310)
5398000 30	Interest Income Allocation - Administration	0	0	0	0	0	0	0	0	(9,072)	9,072
	Total Other Cost Recovery	163,082	195,657	(32,575)	130,225	220,669	(57,587)	260,449	(97,367)	375,385	(212,303)
5330000 30	Income from / (Refund to) Mutuals	474,778	793,882	(319,104)							

**GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS
Administration – CC30**

GL CODE	LINE ITEM	DESCRIPTION	EXHIBITS	
6100000 (61000)	Salaries & Wages	Total FTEs for 2015 will decrease from 3.20 to 3.10. The .10 FTE for the Receptionist/Resolution Clerk will be transferred from Admin to Svs Maintenance (dept# 75). Decrease in salaries is based on lower new hire salaries than projected in 2014 and decrease in FTE.		
6110000 (61100)	Pay for Performance	\$20,000 for pay for performance adjustments for the entire organization has been added to this department for 2015. This is the same allocation as 2014. (Additional taxes added under payroll taxes to cover this expense.)		
6140000 (61400)	Payroll Taxes	Calculations are based on the current rates established by Federal and State statute. 2014 and estimated 2015 rates are listed below.		
			2014	2015
		SS Max Salary	\$113,700	\$117,000
		SS Rate	6.20%	6.20%
		Medicare Rate	1.45%	1.45%
		SS & Med. Rate	7.65%	7.65%
		UI Max Salary	\$7,000	\$7,000
		UI State	3.7%	3.3%
		UI Fed	1.2%	1.8%
UI Total	4.9%	5.1%		
UI Max Total	\$343	\$357		
6142000 (61420)	Workers Comp Insurance	According to the insurance broker, we should anticipate a 32.7% increase over the 2014 budget. However based on our 2014 audit, we anticipate a \$40K refund in 2015 due to lower actual vs. estimated wages in 2014. This reduces the anticipated increase in 2015 to 26.6%. Premiums are calculated using rates assigned to four different classifications of job positions. These rates are based on the degree of physical activities involved with each position. Positions requiring more physical activities, such as inspectors and service maintenance crew have a higher rate compared to office staff positions requiring a lesser degree of physical activity. As such, some cost center budgets will show an increase higher than other cost centers.		
6143000-6146000 61430 – 61460	EE Benefits	<p>According to our Healthcare Insurance Broker, healthcare insurance is expected to increase in 2015. The projected 2014 rates were lower than expected due to a change in our healthcare plan and employer/employee cost sharing changes. Therefore, in most cases, there will be a decrease in healthcare costs in 2015 compared to the 2014 budget.</p> <p>Medical - 9% to 12% (budget will encompass a 12% increase) Dental - about 5% to 9% (budget will encompass a 9% increase) Life, LTD, Vision - about 5% (budget will encompass a 5% increase)</p> <p>Although the budget change may vary by department, the total overall company employee medical benefits decreased by 13.6% over the 2014 budget. In Department 30, benefits have substantial decreased due to the transfer of benefits for the Receptionist/Resolution Clerk from department 30 to 75.</p>		

8/10/2015 9:00 AM

**GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS
Administration – CC30**

6211000 (64810)	Continuing Education	Funds of \$1,200 are requested for continuing education and seminars to be attended by senior staff members.									
6212000 (66255)	Employee Exams	This budgeted line item has been moved to the Human Resources cost center (20).									
6214000 (64821)	Meals & Special Events	<p>Items included in this line item includes the following</p> <table style="margin-left: 40px;"> <tr> <td>Annual director dinner</td> <td style="text-align: right;">\$5,000</td> </tr> <tr> <td>Holiday board luncheons</td> <td style="text-align: right;">18,000</td> </tr> <tr> <td>Meals for Misc. Board/Committee meetings</td> <td style="text-align: right;"><u>2,750</u></td> </tr> <tr> <td>Total Budget</td> <td style="text-align: right;">\$25,750</td> </tr> </table> <p>2014 actual expenses included refreshments purchased for board-related meetings which are now reflected in Refreshments (6410035).</p>	Annual director dinner	\$5,000	Holiday board luncheons	18,000	Meals for Misc. Board/Committee meetings	<u>2,750</u>	Total Budget	\$25,750	
Annual director dinner	\$5,000										
Holiday board luncheons	18,000										
Meals for Misc. Board/Committee meetings	<u>2,750</u>										
Total Budget	\$25,750										
6214500	Gifts	\$450 is requested to cover service appreciation gifts to board members and for "get well" or sympathy cards and flowers to board members and families of past board members.									
6215000) (64820)	Mileage	\$6,120 is requested to cover mileage for the Executive Director and for miscellaneous mileage expense for the board members and the Administration staff									
6410000 (64100)	Office Supplies	<p>Typical items charged to this account are letterhead, envelopes, binders, file folders, bindings, etc.</p> <p>In 2014, actual expenses for this line item also included ink, toner, coffee & tea, board member supplies and refreshments served at board meetings. In 2015, these items were stripped out into separate budget line items for ease of tracking and were further segregated between the Administration and Human Resources departments where applicable.</p>									
6410003 (64101)	Board Member Supplies	Items include office supplies purchased by board members and reimbursed by GRF.									
6410010 (64103)	Hospitality	Items include all supplies associated with coffee and tea beverages such as Styrofoam cups, creamer, sugar, stir sticks, etc. Also included is bottled water. These supplies are used by board members, staff and guests of the second floor Administration building.									
6410015 (64104)	Computer Supplies	This is a new budgeted line item for 2015. These types of items were charged against the Office Supply budget in 2014. Items include replacement peripheral devices such as monitors, mice, keyboards and cables for the staff of the Administration building as well as 4 iPads for new directors.									
6410025 (64109)	Lunch Room Supplies	Typical items charged to this account are dish soap, paper plates, and plastic utensils.									
6410030 (64111)	Printer/Copier Supplies	Items include ink and toner for all printers other than the Konica machines (which is included in the maintenance contract) and all printer/copier paper for second-floor Administration building staff.									
6410035 (64112)	Refreshments	Items include refreshments and lunches for board members during lengthy meetings, candy and cookies for board members during regular meetings. For 2014, these items were charged to the Meals & Special Events (64821) budget.									
6422000 (64280)	Telephone	<p>Telephone expense includes:</p> <table style="margin-left: 40px;"> <tr> <td>Superwire</td> <td style="text-align: right;">\$59,900</td> </tr> <tr> <td>2 Fax lines</td> <td style="text-align: right;">1,680</td> </tr> <tr> <td>Admin Conf Rm Internet FIOS (new)</td> <td style="text-align: right;">1,163</td> </tr> </table>	Superwire	\$59,900	2 Fax lines	1,680	Admin Conf Rm Internet FIOS (new)	1,163			
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**GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS**

Administration – CC30

		Long Distance charge for fax lines <u>240</u> Total Budget \$62,983	
		The 2016 budget decrease of 7K is due to the cancellation of 10 fax lines. Faxes are now being sent via Outlook for no additional charge.	
6432100 (64320)	Audit Fees	This budgeted line item was reclassified to Cost Center 31 – Finance for the 2015 budget.	
6434100-6434105 (64340 / 643401)	Legal Fees	For the 2016 budget, legal fees for this cost center are broken out into three categories: General Counsel 60,000 Litigation 24,000	In 2014, all legal expenses were charged against one legal expense line item. Actual expenses for legal fees for trust reviews were charged to this line item in 2014 and are now being charged to the Stock Transfer cost center (33).
6435100 64350	Bank Service Fees	Bank service fees were charged against this line item in 2014. Beginning 2015, the budget and actual expenses were reclassified to cost center 31.	
6437100	Reserve Study	Budgeted amount for an updated reserve study without a site visit and is based on the quote received from RSI.	
6438000 (64380)	Other Professional Fees	Funds are budgeted GRF board training.	
6444000 (64440)	Equipment Rental	Expenditures charged to this account cover the monthly rental of the Konica BizHub223 and BizHub554E copier machines. Per the contract annual lease expenses are: BizHub223 (Board Office) \$1,340 BizHub554E (Administration) 3,184 Total Rental Expense \$4,524	In 2014, actual expenses were charged against Service Contracts – 6478000.
6472000 (64700)	Equipment Repair & Maint.	Funds are budgeted to cover minor repairs to items such as printers and other small equipment.	
6478000 (64940)	Service Contracts	Konica (usage for 2 machines) 14,640 Data Shredding <u>1,080</u> Total Budget 15,750	
6482000 (64830)	Dues Memberships & Books	CAI Fees 500 Misc. Books & Periodicals <u>220</u> 720	
6484000 (64840)	Permits & Licenses	State Corporate Filing fees \$55 State Board of Equalization 420 Environmental Fee <u>1,025</u> Total budget \$1,500	

**GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS
Administration – CC30**

6731000 (67300)	Hazard & Liability Insurance	<p>Per the insurance broker, budget assumptions are the following:</p> <table style="margin-left: 40px;"> <tr><td>Property & Machinery</td><td>25%</td></tr> <tr><td>General Liability</td><td>12%</td></tr> <tr><td>Automotive Liability</td><td>12%</td></tr> <tr><td>Umbrella / Excess</td><td>12%</td></tr> <tr><td>Forefront Security</td><td>8%</td></tr> <tr><td>Directors & Officers</td><td>10%</td></tr> <tr><td>Errors & Omissions</td><td>10%</td></tr> <tr><td>Cyber Liability</td><td>5%</td></tr> </table> <p>2016 overall budget increase over 2015 actual: 12.37% 2016 overall budget increase over 2015 budget: 11.66%</p>	Property & Machinery	25%	General Liability	12%	Automotive Liability	12%	Umbrella / Excess	12%	Forefront Security	8%	Directors & Officers	10%	Errors & Omissions	10%	Cyber Liability	5%	
Property & Machinery	25%																		
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Cyber Liability	5%																		
6951000	Committee Non-Budgeted Expenses	Funds in the amount of \$1,000 per committee has been budgeted for 2015 per Policy 5516 adopted by the GRF board at its meeting on April 22, 2014. These funds are set aside for unbudgeted expenditures authorized at the committee level.																	
5335000 (53350)	Management Fee	The budgeted number of \$44,400 supports the fee of .56 x 6,608 units as stated in the Management Agreement.																	
5345000 (53450)	Certificate Preparation Fees	These fees were budgeted and recorded in cost center 30 in 2014 and prior and have been moved to cost center 33 and renamed to "Certificate Preparation Fees – Escrow".																	
5385000 (53850)	Other	<table style="margin-left: 40px;"> <tr><td>LW HCC – Residential Master Files</td><td style="text-align: right;">\$948</td></tr> <tr><td>Faith Christian – Sewer & Water</td><td style="text-align: right;">315</td></tr> <tr><td>John's Landscape – Storage Rental</td><td style="text-align: right;">1,800</td></tr> <tr><td>LW HCC – Water Consumption</td><td style="text-align: right;">1,800</td></tr> <tr><td>SB Shopping Center –Sewer</td><td style="text-align: right;">500</td></tr> <tr><td>Verizon – Sewer</td><td style="text-align: right;">141</td></tr> <tr><td>US Post Office – Sewer</td><td style="text-align: right;"><u>300</u></td></tr> <tr><td>Total</td><td style="text-align: right;">\$5,804</td></tr> </table>	LW HCC – Residential Master Files	\$948	Faith Christian – Sewer & Water	315	John's Landscape – Storage Rental	1,800	LW HCC – Water Consumption	1,800	SB Shopping Center –Sewer	500	Verizon – Sewer	141	US Post Office – Sewer	<u>300</u>	Total	\$5,804	
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Total	\$5,804																		
5395000 (53950)	Rentals	<p>This income item includes office lease income from both NuVision and the RV Club. Per their respective contracts, the annual lease income for 2015 is:</p> <table style="margin-left: 40px;"> <tr><td>NuVision</td><td style="text-align: right;">\$18,000</td><td style="text-align: right;">(Thru 11/7/2017)</td></tr> <tr><td>RV Club</td><td style="text-align: right;"><u>14,778</u></td><td style="text-align: right;">(Thru 12/31/2016)</td></tr> <tr><td>Total Annual Revenue</td><td style="text-align: right;">\$32,778</td><td></td></tr> </table>	NuVision	\$18,000	(Thru 11/7/2017)	RV Club	<u>14,778</u>	(Thru 12/31/2016)	Total Annual Revenue	\$32,778									
NuVision	\$18,000	(Thru 11/7/2017)																	
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Total Annual Revenue	\$32,778																		
5396000 (53960)	Taxable Other Income	<table style="margin-left: 40px;"> <tr><td>LW HCC – Residential Master Files</td><td style="text-align: right;">\$948</td></tr> <tr><td>Faith Christian – Sewer & Water</td><td style="text-align: right;">315</td></tr> <tr><td>John's Landscape – Storage Rental</td><td style="text-align: right;">2,700</td></tr> <tr><td>LW HCC – Water Consumption</td><td style="text-align: right;">1,800</td></tr> <tr><td>SB Shopping Center –Sewer</td><td style="text-align: right;">500</td></tr> <tr><td>Verizon – Sewer</td><td style="text-align: right;">141</td></tr> <tr><td>US Post Office – Sewer</td><td style="text-align: right;"><u>300</u></td></tr> <tr><td>Total</td><td style="text-align: right;">\$6,704</td></tr> </table>	LW HCC – Residential Master Files	\$948	Faith Christian – Sewer & Water	315	John's Landscape – Storage Rental	2,700	LW HCC – Water Consumption	1,800	SB Shopping Center –Sewer	500	Verizon – Sewer	141	US Post Office – Sewer	<u>300</u>	Total	\$6,704	
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Total	\$6,704																		
5396100 (53961)	Taxable Other Income – STI	This income item represents the receipt from Superwire the sum of both office lease income and 5% of all collected receipts for services provided by Time Warner Cable or Superwire. Although there has been a decline in TWC sales over the past few years, recently, sales have stabilized. The budgeted amount is based on the annual actual sales revenues for 2014.																	

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**GOLDEN RAIN FOUNDATION
2016 BUDGET ASSUMPTIONS
Administration – CC30**

5397100 (55100)	Taxable Interest Income	Taxable interest income is derived from interest earned on funds invested in taxable securities or maintained in money market accounts. Assumptions used in the calculation of taxable interest income are located in the exhibit.	
5397600 (55110)	Tax Exempt Interest Income	Tax exempt interest income is derived from interest earned on funds invested in tax-exempt securities (bonds). Assumptions used in the calculation of taxable interest income are located in the exhibit.	
5398000 (55111)	Interest Income Allocation	Interest on all reserve funds is accrued and recognized as interest income. In the past, a year-end adjustment had made to reclassify the portion of earnings associated with the Trust Improvement from the interest income account to the equity in the Trust Improvement fund. As a result of the restructure of the Foundation's reserve accounts, there will be no more Trust Improvement fund and therefore, no funds were budgeted to be reclassified for the 2015 budget year.	

GOLDEN RAIN OPERATIONS

ORGANIZATION OF THE BOARD

ADOPT

Committee Structure

The Golden Rain Foundation (GRF) Board of Directors (BOD) has three (3) types of committees.

1. Standing Committees.

See policy 5020-30.

2. Sub-committees:

- a. Sub-committees are approved by a standing committee. The Chair of the standing committee appoints the Sub-committee and names the Chair;
- b. A Sub-committee is used to do the research on a specific project that would take too much time during a committee meeting;
- c. Sub-committees have no power to make decisions. Their findings are to be presented to their standing committee. The standing committee will decide if a recommendation is to be presented to the full BOD;
- d. Sub-committees need not be approved by the GRF BOD; and
- e. Sub-committees expire upon the election of a new BOD.

3. Ad hoc Committees.

- a. Ad hoc committees are temporary committees established by the BOD to address a specific issue.
- b. Ad hoc committees created for a specific purpose continue to exist until the duty assigned to them is accomplished. (Robert's Rules, 11th ed., p. 502.) For example, a committee preparing recommendations for redecorating the lobbies would continue its work despite the election of a new board.
- c. Once an assigned project has been completed, the committee automatically dissolves unless the board assigns additional projects to the committee. (Robert's Rules, 11th ed., p. 492.)

GOLDEN RAIN OPERATIONS

ORGANIZATION OF THE BOARD

ADOPT

Committee Structure

- d. Ad hoc committees have no power to make decisions.
- e. Ad hoc Committees can be named four (4) ways.
 - i. The GRF president may appoint an Ad hoc committee if it's for something that effects more than one (1) standing committee. The Ad hoc committee reports to the full GRF BOD.
 - ii. The GRF President may appoint an Ad hoc committee after a recommendation from a standing committee. The Ad hoc committee reports to the standing committee that recommended its formation.
 - iii. A standing committee is able to go directly to the BOD if the GRF President is not willing to make the recommendation. The Ad hoc committee then reports to the standing committee that recommended its formation.
 - iv. An Ad hoc committee recommended by the BOD answers to the BOD.
- f. All Ad hoc committees must be approved by the GRF BOD.

All Ad hoc committees must be approved by the GRF BOD.

Policy
Adopted:

GOLDEN RAIN FOUNDATION
Seal Beach, California