



**BOARD OF DIRECTORS MEETING MINUTES  
GOLDEN RAIN FOUNDATION  
MARCH 28, 2017**

**CALL TO ORDER**

President Carole Damoci called the regular monthly meeting of the Board of Directors (BOD) of the Golden Rain Foundation (GRF) to order at 10:00 a.m., on Tuesday, March 28, 2017, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

Tommy Fileto, Interim Security Chief, led the Pledge of Allegiance.

**ROLL CALL**

Following the roll call, Corporate Secretary reported that Directors Perrotti, R. Stone, Snowden, Pratt, L. Stone, Reed, Rapp, Hopewell, McGuigan, Doderio, Greer, Damoci, Lukoff, Tran, Fekjar, and Moore were present.

Director Hood was absent. Mutual Ten Directorship is vacant.

Sixteen Directors were present, with a quorum of nine.

**PRESIDENTS COMMENTS**

The President offered no comments.

**ANNOUNCEMENTS/ SERVICE AWARD PRESENTATIONS**

The GRF Board of Directors met in Executive Session on March 3 and March 24, 2017 to discuss legal and contractual matters.

**Appointment of Golden Rain Foundation Director of Mutual Ten**

The Golden Rain Foundation (GRF) Board of Directors (BOD) received notification of the death of Mutual Ten (GRF) Director Bruce Scheuermann on February 24, 2017, leaving the position vacant. On March 1, 2017, Mutual Ten shareholders were advised of the vacancy and nominations were requested. At 4:30 p.m. on March 13, 2017, the nomination period closed with no nominations received at the Stock Transfer Office as set forth in the application procedures.

Pursuant to Article VI, Section 6 of the GRF Bylaws, if no nominations are received, the GRF BOD shall appoint a Foundation member to serve.

Upon consultation with Mutual Ten, Ronde Winkler has been chosen to fill the vacancy. If approved, Ronde Winkler shall serve as GRF Director until June 2018 when the regular election for GRF Directors representing even-numbered Mutuals takes place.

Mrs. Reed moved, seconded by Mrs. Tran and unanimously approved by the Board members present-

TO appoint Ronde Winkler as the GRF Director for Mutual Ten, for the term ending June 2018, to fill the vacancy created by the death of GRF Director for Mutual Ten Bruce Scheuermann and to serve as a member of the Architectural Design & Review, Publications and Security, Bus & Traffic Committees.

Director Winkler took her seat on the dais. The quorum of the Board became ten.

### **SERVICE ANNIVERSARIES**

One employee was recognized with a service award.

Paula Dowd	Security Department	10 years
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### **SEAL BEACH MAYOR'S REPORT**

The Mayor of Seal Beach provided a recap of the City of Seal Beach City Council meeting.

### **SHAREHOLDER/MEMBER COMMENTS**

In accordance with Policy 5610, Participation by Foundation Members, members may enter into a comment period prior to the beginning of business. **NOTE:** Foundation members are permitted to make comments before the business of the Board begins. Requests must be registered in advance of the meeting. The Open Meeting Act allows boards of directors to establish reasonable time limits for the open forum and for speakers to address the board. ([Civ. Code §4925\(b\)](#).) Time limits, per speaker, are limited to:

- 4 minute limit per speaker, when there are no more than 15 speakers
- 3 minute limit per speaker, 16- 25 speakers
- 2 minute limit per speaker, over 26 speakers

Four shareholder/members offered comments.

## **CONSENT CALENDAR – APPROVAL OF BOARD COMMITTEE MEETING MINUTES**

In accordance with Civil Code 4090, the Foundation will make available a summary of the meetings where a quorum of the Board was present. A quorum of the Board was present at the following Committee meetings:

- Minutes of the Community Access Ad Hoc Committee Board Meeting of January 26, 2017
- Minutes of the Security, Bus & Transportation Committee Board Meeting of February 1, 2017
- Minutes of the Strategic Planning Ad Hoc Committee Board Meeting of February 7, 2017
- Minutes of the Publications Committee Board Meeting of February 8, 2017
- Minutes of the Recreation Committee Board Meeting of February 8, 2017
- Minutes of the Executive Committee Board Meeting of February 10, 2017
- Minutes of the Physical Properties Committee Board Meeting of February 13, 2017
- Minutes of the Architectural Design and Review Committee Board Meeting of February 14, 2017
- Minutes of the Mutual Administration Committee Board Meeting of February 14, 2017

## **APPROVAL OF BOARD MEETING MINUTES**

The minutes of the February 28, 2017 and July 11, 2016 were approved, by general consent of the Board, as distributed.

## **NEW BUSINESS**

### **General**

#### **Approve Integration of ITS and Publications Committees**

As the News department relies more and more on media technologies to communicate with audiences both internally and externally, the department taps into IT resources almost daily to support digital marketing projects, product development efforts, workflow processes, equipment and systems. Integrating the Publications and IT Committees better aligns with an increasingly complex media environment, improving communication regarding project status, updates, schedules, budgets and issues and making discussions on more qualitative topics such as design, user experience and creative input more productive. Integration of the Committees would facilitate the shared goal of executing all means of digital communication with simplicity, relevance, convenience, and overall community satisfaction in mind.

Mrs. Damoci MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

**TO** rescind Policy 5118-34, Information Technology Services (ITS)

Committee, amend Policy 5125-36, Publication Committee to

integrate the ITS Committee for increased efficiency in responding strategically to community needs, effective June 2017 and amend Policy 5020-30, Organization of the Board, to eliminate the listing of the Information Technology Services Committee as a Standing Committee.

Nine Directors and the Executive Director spoke on the motion.

The motion was carried with two abstentions (Perrotti, Winkler) and three no votes (Pratt, Snowden, R. Stone).

### **Community Access Ad Hoc Committee**

#### Approve Issuance of ID Cards

The Community Access Ad Hoc Committee (CAAHC) has been working to improve Golden Rain Foundation (GRF) Membership ID Cards while also improving security in card usage. The current design of the ID Cards has been in place for approximately twenty (20) years. The CAAHC recommends that a new card design be approved with up-to-date verbiage, issuance and expiration dates, full address including city, state and zip code, and identification of the card holder as a shareholder, co-occupant or renter. Once the ID Cards are redesigned, new cards will be printed for all Shareholder/Members, co-occupants and renters. If approved by the GRF Board, new ID Cards could be issued as soon as May, 2017. A schedule will be determined when the renewal period will begin.

Ms. Rapp MOVED, seconded by Mrs. Reed -

**TO** approve the non-budgeted expenditure of \$50,000.00, for the approval of supplies needed to take approximately 10,000 shareholder, co-occupant and renter photos in May 2017.

Ms. Rapp MOVED, seconded by Mrs. Reed-

**TO** amend the motion to add "the reissuance of ID cards" and to adjust the expenditure amount to \$30,000.

Ten Directors spoke on the motion.

Eight Directors and the Stock Transfer Office Supervisor spoke on the amendment.



The amended motion was carried with one no vote (McGuigan).

**Executive Committee**

Approve Service Maintenance Wage Grade Structure

At its meeting on March 10, 2017, the Executive Committee unanimously recommended that the Salary Wage Ranges be revised for eight (8) positions in the Service Maintenance department as noted on the Service Maintenance Wage Grade Structure Proposal, March 2017 included in the agenda packet. To implement these changes, current wages need to be adjusted to bring them into alignment with the minimum of the new Wage Grade.

Ms. Stone MOVED, seconded by Ms. Fekjar -

**TO** approve the non-budgeted expense of up to \$50,000.00, for the remainder of 2017, to bring wages into alignment with the revisions being made to the eight (8) Service Maintenance wage grade structures, as illustrated on the attached Service Maintenance Wage Grade Structure Proposal March 2017.

Two members spoke on the motion.

The motion carried unanimously by the Board Members present.

Rescind Policies under the Purview of the Executive Committee

At its meeting on February 14, 2017, the Executive Committee reviewed policies within their purview and moved to recommend that the Golden Rain Foundation (GRF) Board of Directors rescind these policies.

Ms. Stone MOVED, seconded by Mrs. Reed -

**TO** rescind Policies 5505-30, Staff Communications, 5053-30, Guarantor Agreement Form, 2004-30, Staff Communication, 5029-30, Conflict of Interest-Directors and Officers, 1510-30, Dissemination of Information, 5603-30, Executive Sessions, 5100-30 Committee Functions, 5601.01-30, Rules of Order-Motion to Table, 5030-30, Responsibilities, 2005-30, Litigation Statement, and 5080-

30, Master Plan of Golden Rain Foundation.

Three Directors and the Executive Director spoke on the motion.

Mr. Pratt MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

**TO** amend the motion to add the general statement "policies that were obsolete, redundant or a matter of law ".

The amended motion was carried unanimously by the Board members present.

### **Finance Committee**

#### Accept February 2017 Financials for Audit

At the regular meeting of the Finance Committee on March 21, 2017, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the February 2017 Financial Statements, for audit.

Ms. Snowden MOVED, seconded by Ms. Stone and carried unanimously by the Board members present –

**TO** accept the February 2017 Financial Statements, for audit.

#### Accept Audited 2016 Finance Statements and Excess Income

At the regular meeting of the Finance Committee on March 21, 2017, the Committee reviewed the 2016 draft audited financial statements of the Golden Rain Foundation and the excess income reported (attached to the agenda packet). The Committee moved to recommend the GRF Board accept the 2016 audited financial statements and, pursuant to Policy 5528-31 – Refund of Excess Income, to transfer from operating funds to the Replacement Reserve Fund the amount of \$26,706 representing the amount over and above the \$298,745 previously authorized by the Board, at its regular board meeting held on October 25, 2016.

Ms. Hopewell MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

**TO** accept the final draft 2016 Golden Rain Foundation Financial Statements as of December 31, 2016, for the year then ended, and the proposed Independent Auditors' Report as submitted by NSBN LLP, hereby accepting the above mentioned Financial Statements

and reports therein (Exhibit A), reflecting excess income of \$325,451.

Further move that, in addition to the transfer of operating funds to Replacement Reserve Fund of \$298,745, authorized by the Board at its regular board meeting held on October 25, 2016, the remaining excess income of \$26,706 is to be allocated to the Replacement.

Approve Reserve Study Company

In February 2017, requests for proposals were submitted to five reserve study companies located throughout Orange County. The proposals were to include bids for a Stage 2 – Update, with site visit, for the 2018 budget year and a Stage 3 – Update, without site visit, for budget years 2019 and 2020. Three reserve study companies provided bids and two reserve study companies declined our proposal invitation. At the regular scheduled meeting of the Finance Committee, on March 21, 2017, the Committee reviewed the three proposals received and moved to recommend the GRF BOD accept the proposal from Association Reserves, Inc.

Mr. Stone MOVED, seconded by Mr. Pratt -

**TO** accept the proposal from Association Reserves, Inc., for budget years 2018, 2019 and 2020, and to authorize the President to sign the contract.

Four members spoke on the motion.

The motion was carried unanimously by the Board members present.

Amend Policy 5061-33, Fees

At its meeting on March 21, 2017, the Finance Committee reviewed Policy 5061-31, Finance – Fees. The Committee recommended the GRF BOD amend the policy. The BOD will make a final vote on this proposed operating rule change on May 23, 2017, after consideration of comments made by members. This process is recommended in accordance of the Davis-Stirling Act, Civil Code §4360.

Ms. Stone MOVED, seconded by Mr. Lukoff –

**TO** amend Policy 5061-31, Finance – Fees, to change Item 1.3 to read as follows: The membership fee is calculated as twenty (20) times the monthly GRF assessment and rounded up the nearest

dollar. The new membership fee is implemented on January 1 of each year.

One member spoke on the motion.

The motion was carried unanimously by the Directors present.

Amend Policy 5115-33, Finance Committee

At its meeting on March 21, 2017, the Finance Committee reviewed Policy 5115-31, Committee Functions, Finance Committee. The Committee recommended the GRF BOD amend the policy.

Mrs. Tran MOVED, seconded by Ms. Snowden and carried unanimously by the Board members present-

**TO** amend Policy 5115-31, Committee Functions, Finance Committee, to change Item 3.k to read as follows: Make recommendations to the BOD concerning the master insurance policy.

**ITS Committee**

Adopt Policies 5050-34, Digital Billboards; 5050.01-34, Request for Display on Digital Billboard and 5051-34-Website Management

At its meeting on March 6, 2017, the Information Technology Services (ITS) Committee unanimously recommended the adoption of policies to establish procedures to provide informational content to the general community and ensure availability to all the Shareholder/members of Leisure World Seal Beach.

Ms. Snowden MOVED, seconded by Ms. Rapp and carried unanimously by the Board members present-

**TO** adopt Policies 5050-34, Digital Billboards; 5050.01-34, Request for Display on Digital Billboard and 5051-34-Website Management.

Three Directors spoke on the motion.

Mrs. Greer MOVED, seconded by Mr. Pratt –

**TO** amend Policy 5050-34, Digital Billboards, replacing the last



sentence in 3. Requirements for Posting on the Digital Billboard: “Any exceptions will be determined by the Communications Committee” (rather than Executive Director) and amend 5051-34-Website Management to replace 3.3 Homepage Content: “any changes to the Homepage Content will be determined by the Communications Committee” (rather than Executive Director).

The amended main motion was carried unanimously by the Directors present.

### **Physical Property Committee**

#### Approve Addition of Railings and Stairs to Post Office

Requests have been made to add railings and stairs to the Post Office in the community. The Physical Property Committee (PPC) instructed staff to obtain the cost from MJ Jurado. At its meeting on March 13, 2017, the PPC reviewed a quote (exhibit A in agenda packet) from MJ Jurado, to remove the posts and chain around the post office, install stairs at the entrance, and add ballards with hand rails, for a cost not to exceed \$9,100, and forward this request to the Finance Committee for Capital Funding review.

Mr. Lukoff MOVED, seconded by Mr. McGuigan -

**TO** award a contract to MJ Jurado, in an amount not to exceed \$9,100, Capital Funding, to remove the posts and chain around the post office, install stairs at the entrance, and add ballards with hand rails and authorize the President to sign the contract.

Five Directors and the Executive Director spoke on the motion.

Ms. Rapp MOVED, seconded by Ms. Winkler-

**TO** amend the motion to provide a gate at the top of the stairs, amending the funding request to \$9,200.

The amendment to the motion was carried with four no votes (Reed, Snowden, R. Stone and Tran).

The amended motion was carried with three no votes (Reed, R. Stone and Tran).

## Recreation Committee

### Rescind Policies 5561.50, Recreation Program and 1411.3-50, Maximum Room Capacities

At its meeting on March 8, 2017, the Recreation Committee reviewed Policies 5561-50, Recreation Program, and 1411.3-50, Maximum Room Capacities. The Committee recommended the GRF BOD rescind these policies.

Mrs. Perrotti MOVED, seconded by Mr. Moore -

**TO** rescind Policies 5561-50, Recreation Program and 1411.3-50,  
Maximum Room Capacities.

One Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

### Amend Policies 1405-50, Literature-Community Facilities, 1471-50, Display of Trophies and Plaques and 1511-50, Dissemination of Information-Clubs

At its meeting on March 8, 2017, the Recreation Committee reviewed Policies 1405-50, Literature – Community Facilities; 1471-50, Display of Trophies and Plaques; 1511-50, Dissemination of Information; and 1423-50, Bulletin Boards. The Committee recommended the GRF BOD amend these policies.

Ms. Fekjar MOVED, seconded by Ms. Rapp -

**TO** amend Policies 1405-50, Literature – Community Facilities;  
1471-50, Display of Trophies and Plaques; 1511-50, Dissemination  
of Information; and 1423-50, Bulletin Boards, to reflect the changes  
consensually agreed upon by Recreation Committee members.

Mrs. Damoci MOVED, Mrs. Reed seconded and carried unanimously by the members present-

**TO** remove Policy 1423-50, Bulletin Boards from the motion.

### Approve Upgrade of Existing Electrical System in Clubhouse Two

Upon delivery of the new griddle unit for Clubhouse Two, was discovered that due to code changes, the new griddle unit would require upgrades to the Clubhouse's existing electrical systems to perform the proper installation of the new unit.

At its March 8, 2017 meeting, the Recreation Committee reviewed three bids and approved the bid from Schlick Services Inc., in the amount of \$4,412.18, to provide the electrical upgrades necessary at Clubhouse Two and to add an additional \$2,500 for contingencies (plans and permits), for a total amount not to exceed \$7,000, from the Capital portion of the budget and to request the Finance Committee approve the funding.

At its March 21, 2017 meeting, the Finance Committee approved the funding for the electrical upgrades for the installation of the new griddle at Clubhouse Two, in an amount not to exceed \$7,000, from the Capital portion of the 2017 budget, to award the contract to Schlick Services, Inc. and authorize the President to sign the contract.

Mr. McGuigan MOVED, seconded by Mrs. Reed and carried unanimously by the Board members present-

TO approve the electrical upgrades for the installation of the new griddle at Clubhouse Two, in the amount not to exceed \$7,000, from the capital portion of the 2017 budget, and to award the contract to Schlick Services, Inc. and authorize the President to sign the contract.

#### **CONTROLLER'S REPORT**

The Controller's report is included at the end of the minutes as an attachment.

#### **EXECUTIVE DIRECTOR'S REPORT**


The Executive Director

#### **BOARD MEMBER COMMENTS**

Seventeen Board members spoke on the proceedings of today's meeting.

#### **ADJOURNMENT**

The meeting was adjourned was at 12:11 p.m.



Joy Reed, Corporate Secretary  
GRF Board of Directors  
/dfb 03.28.17