



**BOARD OF DIRECTORS MEETING MINUTES  
GOLDEN RAIN FOUNDATION  
July 25, 2017**

**CALL TO ORDER**

President Linda Stone 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, July 25, 2017, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

Anna Derby, President of the Golden Age Foundation, led the Pledge of Allegiance.

**ROLL CALL**

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

Sixteen Directors were present, with a quorum of nine.

**PRESIDENTS COMMENTS**

Welcome everyone and thank you for coming today.

First, I want to mention that we have started the Street Paving - Phase 1. We began yesterday with Fairfield. This will be followed by Prestwick and then Shawnee. Phase 1 should be complete by Friday, August 4<sup>th</sup>.

Phase 2, Cedar Crest and Homewood, will be between August 4<sup>th</sup> to August 16<sup>th</sup>.

Phase 3 will be from August 17<sup>th</sup> to August 24<sup>th</sup> and includes Knollwood and Weeburn.

Phase 4, Sunningdale and McKinney will begin on August 24<sup>th</sup> and finish September 5<sup>th</sup>. For those that attended the Town Hall meeting on July 13<sup>th</sup>, this will be old news. Thank you to the members that did attend. Mark Weaver and David Rudge did a fine presentation that outlined the full project with a PowerPoint presentation.

Now I want to talk about the ID Project. 7,717 member cards were replaced with members returning their old cards. There are approximately 1,300 remaining. This was a huge project that hadn't been done in over 20 years and was made possible by a lot of people, approximately 120

volunteers. But a special thank you goes to Vice President Carole Damoci for her hard work, dedication and organizational skills. She was the driving force behind this monumental task.

Thanks to Courtney Knapp for the endless hours spent preparing the details while heading the busy Stock Transfer office, and then thanks to Barry Holland who ate, slept and lived with the problems of newly merged databases, some very old with countless flaws.

We had some rough bumps in the beginning of the 7-day program but we ended yesterday's session with the sense of a job well done. Wow, so much was accomplished in a short period of time. Again, thanks to all.

Thursday of this week the Board will hold a Volunteer Lunch for the 100+ volunteers as a small token of thanks for the many, many hours that they dedicated to the cause. We are very appreciative of the dedication shown by the GRF Directors, Mutual President's and Mutual Directors, Golden Age Foundation Hospitality volunteers, the Sunshine Club, the Korean Club, Staff and the many, many others.

Now I want to take 4 minutes of your time to name the volunteers individually:

Alicia De Anda, Andrea Thresh, Ann Frambach, Anna Derby, Barbara Berget, Barry Holland, Barry Lukoff, Belinda Meacham, Beth Meyers, Betty Hacke, Betty Ku, Bill Coleman, BJ Hawke, Bob Slater, Breanna Beare, Bunny Harpham, Camille Thompson, Carl Kennedy, Carol Ginthner, Carole Damoci, Courtney Knapp, Daniel Fabian, Darlene Boyce, Debbie Tran, Debra Schnauffer, Diana Mushagian, Dick Stone, Donna Melody, Edna De Matia, Eileen Dohl, Elizabeth Kennedy, Eve Carmona, Gary Schnauffer, Ginni Houch, Ginny Geigle, Henry Kim, Irene Perkins, Irma Heinrichs, Ivy Kung, Jackie Dunagan, Jan Kuhl, Jana Hall, Jana Rodgers, Janice Chapman, Jean Worden, JoAnne Fellows, John Webster, Joy Reed, Joyce Reed, Joyce Rettela, Julie Faucett, Julietta Broughton, Kathy Alameida, Kathy Rapp, Kelly Roberts, Ken Harpham, Ken Knebel, Kenneth Lee, Keung Yun, Lea Perrotti, Lee Esslinger, Lee Melody, Linda Johnson, Linda Stone, Lita Lewis, Lynn Baidack, Maggie Casanave, Margaret Gillion, Mary Downing, Mary Granger, Maureen Carrol, Mauriel Luther, Michael Oh, Michael Turis, Mike Giles, Nelson Duarte, Nick Massetti, Norma Poe, Pam Baker, Pam Turner, Paul Bristow, Paul Pratt, Paula Snowden, Peggy Keller, Perry Moore, Rich Carson, Rita Johnson, Ronde Winkler, Rose Sprague, Ruby Johnson, Sandra Masa-Lavitt, Sandy Esslinger, Sandy Weisenstein, Sandra L Stark, Sheila Singer, Shirley Naret, Signe Merrifield, Sue Rotter Sung Sook Kim, Sunny Lee, Supara Ratanasadudi, Susan Ferraro, Susan Hopewell, Susanne Worthington, Susie Fekjar, Sylvia Rios, Terri Boeskin, Tommy Fileto and Tony Anderson.

Thank you, thank you, thank you, one and all.

I hope that I didn't forget anyone. If I did, please forgive me, just put it down to my advanced age!

On a final note, I am saddened to announce the resignation on July 14<sup>th</sup> of Patrick Anderson, the GRF Representative from Mutual 15. There will be a special election to replace Mr. Anderson:

**Friday, July 28<sup>th</sup>:** deadline for candidates to submit applications.

**Tuesday, August 1<sup>st</sup>:** mailing of ballots to Mutual 15 shareholders.

**Thursday, August 31<sup>st</sup>:** deadline for Accurate Voting Services to receive ballots.

**Friday, September 1<sup>st</sup>:** ballot counting at Special GRF Board meeting.

That's all folks, let's get down to the business at hand.

### **ANNOUNCEMENTS/ SERVICE AWARD PRESENTATIONS**

The GRF Board of Directors met for a Special GRF Board meeting and an Executive Session meeting on July 7, 2017.

### **SERVICE ANNIVERSARIES**

No employees were recognized with a service award.

### **SEAL BEACH MAYOR'S REPORT**

The Mayor of Seal Beach provided an update of the most recent City of Seal Beach 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

Six 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 Security, Bus & Transportation Committee Board Meeting of May 3, 2017
- Minutes of the Physical Properties Committee Board Meeting of May 8, 2017
- Minutes of the Mutual Administration Committee Board Meeting of May 9, 2017
- Minutes of the Recreation Committee Board Meeting of May 10, 2017
- Minutes of the Executive Committee Board Meeting of May 11, 2017
- Minutes of the Finance Committee Board Meeting of May 16, 2017

### **APPROVAL OF BOARD MEETING MINUTES**

The minutes of the June 13, 2017 Special meeting and the June 27, 2017 minutes were approved, by general consent of the Board, as distributed.

## **NEW BUSINESS**

### **General**

#### **Reserve Funding Request – HVAC Replacement, Building Five**

During the month of June, intermittent failures were occurring to one (1) of the six (6) HVAC units for Administration Building (the unit in question specifically supplies the AC to the Administration Conference Room). Due to the general age, condition, and repeated attempts to repair the unit, actions were taken to secure estimates for the replacement of the HVAC unit. On July 7, 2017, the unit incurred a substantial failure; with the excessive temperatures, high humidity and the high use of the room, emergency actions to facilitate the replacement of the unit were taken.

Proposals were sought from qualified contractors, with two contractors providing proposals:

- Greenwood Heating and Air – Estimate 1577, dated July 12, 2017 - \$6,850
- Alpine Heating and Air Conditioning, dated July 11, 2017 - \$6,200

The Executive Director, in accordance with section 8.3 of policy 5520-31:

- 8.3. If the MRR constitutes an emergency, the Executive Director and no less than two (2) corporate officers may take appropriate actions to protect the Trust component/assets to a limit of \$50,000 with immediate notification to the BOD clearly noting the need and emergency. Such emergency action shall be ratified at the next regularly scheduled meeting of the BOD.

Has sought and secured the approval of two corporate officers (President and Vice President), and supplied due notice to the Board, on July 13, 2017 (copy attached in the agenda packet), and has authorized Alpine Heating and Air Conditioning to replace the Unit, in an amount not to exceed \$6,200, per proposal dated July 11, 2017.

Ms. Rapp MOVED, seconded by Mr. Lukoff -

**TO** ratify the emergency actions taken by the Executive Director,  
  
in accordance with Policy 5520-30, for the replacement of the  
  
HVAC unit, supplying Administration Building, Conference Room,  
  
funding from Reserves.

Two Board members, the Executive Director and the Director of Facilities spoke on the motion.

The motion was carried unanimously by the Board members present.

#### **Clubhouse Revitalization Project**

At the May 2017 meetings of the Strategic Planning Ad Hoc Committee, general information was

presented to the Ad Hoc Committee, noting Reserve Fund investments are only returning .045%, (less fee and taxes), while cost of materials and services are growing at 4%. In addition, the GRF Membership Fee contributions to Reserves in 2016 were \$938,510, and as of Stock Transfer's June 28, 2017 report, contributions to Reserves in 2017 are \$502,740 (total fees collected \$1,005,481.25, 50% of the fees collected are directed into the Reserve Fund). Based upon this year's Membership Fee trend, over \$1,000,000 will be contributed to the Reserve Fund through Membership Fees.

It was the clear consensus of the Strategic Planning Ad Hoc Committee that there exists a clear and present need to replace key components of the Clubhouses, for the mutual benefit of all members. This, and with the marginal return of the Reserve investments, prudent action would be to commence a \$1,000,000 Clubhouse Revitalization Project (attached in the agenda packet).

The general scope of work for Clubhouses 1, 2, 3, and 6 would include, but not be limited to, the replacement of:

- Flooring
- Lighting (with energy efficient LED lighting)
- Painting
- Signage
- Window Covering

To the extent of the proposed funding.

The proposed work would take place in the following order:

- CH6 Summer/Fall 2017
- CH3 Fall/Winter 2017
- CH2 Winter/Spring 2018
- CH1 Spring/Summer (CH1 work would be only to the extent of remaining funding)

At the July 18, 2017 meeting of the Finance Committee, the Committee reviewed the proposed Clubhouse Revitalization Project for funding. The Committee duly moved and approved that sufficient levels of Reserve Funds exist and/or have been collected through Memberships fee to fund the replacement of Trust assets and components, as noted within the Clubhouse Revitalization Project.

Mr. Lukoff MOVED, seconded by Mr. Stone-

TO approve the allocation of Reserve Funds, in the amount of \$1,000,000, for the sole purpose of revitalization of Trust Property amenities as outlined in the Clubhouse Revitalization Project (attached in agenda packet). All listed projects will require due committee review and recommendation, with each final action submitted to the Board for final review and approval.

Five Board members and the Executive Director spoke on the motion.  
The motion was carried with one no vote (Snowden).

Appeal to Recreation Committee Decision – St. Theodore of Canterbury Episcopal Church

The Board received two (2) documents from St Theodore of Canterbury Episcopal Church to appeal the Recreation Committee ruling of May (documents attached in agenda packet) and July, 2017, where the Committee reaffirmed its ruling to optimize the available room space within Trust Property (Clubhouse Three).

Ms. Winkler MOVED, seconded by Mr. McGuigan-

**TO** accept the Recreation Committee's recommendation to optimize  
the available room space within Trust Property (Clubhouse Three).

Ten Board members and the Executive Director spoke on the motion.

With the permission of the Board, Ms. Winkler withdrew her original motion.

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

**TO** amend the original motion: **TO** deny the appeal and forward to  
the Recreation Committee to establish a location to relocate St.  
Theodore's Episcopal Church along with a timeline.

**Communications Committee**

Operations Funding Request – Service Upgrade and Enhancements

At the July, 13, 2017 meeting of the Communication Committee, the Committee reviewed required upgrades and enhancements to our IT infrastructure. Fully Functional Technology (FFT) – our IT consulting company – has proposed necessary upgrades as follows.

Phase One, VMware / vSphere updates

Currently GRF is running vSphere 5.1 which is EOL (end-of-life) and is no longer supported by VMware. The software is outdated and does not receive the patches, updates, and features VMware releases. In October 2016, VMware released vSphere 6.5 which offers software enhancements, security updates, and simplified support. The cost to purchase a vSphere 6.5 license is \$1,300. After purchasing the license, FFT will install the software on the servers, partition the hard drive space, and prepare the operating systems for phase 3 of the IT infrastructure project. The labor costs are approximately \$2,250 (15 hours at \$150/hour).

### Phase Two, server storage expansion

Over the past five years we have reached capacity of our 12TB of storage and have maxed out our hard drives. These hard drives contain the GRF's documents and files, e-mails, and databases (residents and vendor information, contracts, financials, physical inventory, service request orders).

In order to continue operations, it is necessary we expand our storage capacity. The Committee has recommended storage be upgraded to 88TB. The cost for the hard drives is approximately \$4,200. This includes twelve (12) 8TB hard drives (\$350/each) and setting them up in a RAID 5 configuration. Using the RAID 5 configuration combines the storage of all hard drives and ensures reliability and redundancy of the storage at a business-grade level. Installing and configuring the hard drives is a lengthy and complex process. The labor costs are approximately \$3,000 (20 hours at \$150/hour).

### Phase 3, server operating systems upgrade

We are currently running Windows Server 2003 which is EOL (end-of-life) and is no longer supported by Microsoft. The latest server OS Microsoft released is Windows Server 2016. We are running seven instances of Windows Server (appassure, lwdc, lwexchange, lwjenark, lwmain, lwsq, lwterminal) and will need to purchase seven licenses for \$6,300 (\$900/each) and one license for the Exchange/e-mail server software (\$700). In addition, Microsoft requires an individual CAL (client access license) license for each user mailbox and RDS (remote desktop service) license for every user who remotely accesses the server. We will need to purchase 150 CAL licenses for \$4,500 (\$30/each) and RDS licenses for \$1,200 (\$400 each 3 users).

FFT will install and configure the operating systems which is the bulk of the IT infrastructure upgrade costs. FFT estimates 12 hours of labor per server. The new operating systems will run concurrently with the old operating systems to ensure minimal downtime. The labor costs are approximately \$12,600 (84 hours at \$150/hour).

At its July 17, 2017 meeting of the Finance Committee, the Committee reviewed the availability of non-budgeted funds for the project, and has duly moved to recommend to the Board, sufficient operational funds are available for this non-budgeted project.

Mr. Gould MOVED, seconded by Ms. Fekjar-

TO move to approve updates to VMware, expand server storage, and update to Windows Server 2016, in an amount not to exceed \$36,050, non-budgeted operational funding, authorize the Executive Director to initiate the purchases and the President to sign all applicable.

Six Board members, the Executive Director and the IT Systems Analyst spoke on the motion. The motion was carried unanimously by the Board members present.

## Executive Committee

### Martin Luther King, Jr. Holiday as a Paid Staff Holiday

At the July 14, 2017 meeting of the Executive Committee, the Committee reviewed correspondence dated July 5, 2017, from concerned GRF members, to add Martin Luther King, Jr. Day (MLK), as a paid staff holiday (attached in the agenda packet). This correspondence was supported by a petition (portion attached in agenda packet), with over 270 signatures (copy on file).

In the Committee's deliberation, it was noted GRF currently provides nine (9) paid holidays:

- New Year's Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Christmas Day
- Floating Holiday (1)\*

*\*Full time employees who have completed the Orientation Period are eligible for a Floating Holiday. Scheduling is at the discretion of your Supervisor with the approval of your Department Manager. The Floating Holiday does not accrue and may not be carried over to subsequent years and must be used by the last pay period of the year.*

Estimated cost, per paid holiday, is \$15,000 to \$16,000.

After extensive review, the Committee moved and approved to recommend to the Board the addition of MLK as a paid staff holiday.

Ms. Hopewell MOVED, seconded by Ms. Rapp-

TO approve the addition of Martin Luther King, Jr. Day, on the third Monday in January, as a paid employee holiday, subject to the terms and conditions of employment with GRF as provided within the employee handbook.

Eleven Board members and the Executive Director spoke on the motion.

Ms. Hopewell MOVED, seconded by Mrs. Damoci -

**TO** call the question.

The motion carried with one no vote (Snowden).

The amended main motion was carried with four no votes (Pratt, Reed, L. Stone, R. Stone)

The President called for a five minute recess at 11:50 a.m.

## **Finance Committee**

### Accept May and June 2017 Finance Statements

At the regular meeting of the Finance Committee on July 17, 2017, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the May and June 2017 Financial Statements for audit.

Ms. Snowden MOVED, seconded by Ms. Hopewell –

**TO** accept the May and June 2017 Financial Statements for audit.

One Board member and the Finance Manager spoke on the motion.

The motion was carried unanimously by the Board members present.

### Conceptual Approval of NuVision Lease Extension

The original five-year lease agreement with NuVision Credit Union was signed on November 7, 2002, containing provisions for 5-year extension, which were duly moved and approved by the GRF Boards, extending the contact through November 7, 2017, (attached in the agenda packet). As the expiration of the lease agreement will be expiring in less than five (5) months, actions are now necessitated.

At the July 17, 2017 meeting of the Finance Committee, the Committee, during deliberation noted that NuVision provides a valued service to the community; as such, duly moved to recommend to the Board extension of the lease with NuVision, at \$1,500 per month, for a 5-year term. Due to the age of the existing agreement, terms and conditions of the current agreement are to be reviewed for possible amendment.

The Executive Director has been in contact with representatives of NuVision, who have stated strong interest in renewing an agreement with GRF (email of July 11, 2017 attached in the agenda packet).

Mrs. Reed MOVED, seconded by Mr. McGuigan-

**TO** conceptually approve a 5-year lease with NuVision for \$1,500,

under the following conditions:

1. Terms and conditions of the lease agreement shall be reviewed for possible amendment by the Finance Committee, as well as GRF Corporate Counsel.
2. Amended lease agreement shall be presented to the Board at its August meeting for final review and consideration.

Four Board members and the Executive Direct spoke on the motion.

The motion was carried unanimously by the Board members present.

Non-budgeted Operating Funds Request – Lease of New Color Konica Copier/Printer

At the regular scheduled meeting of the Finance Committee on July 17, 2017, the members selected a new Konica color copier / printer to meet the increasing demand to provide color copy services by the Distribution Center - the AccurioPress (BizHub) C2060, with a square back attachment. Establishing a new lease agreement containing only the BizHub C2060 would be more economical than to add the new machine to the existing lease, which expires in February 2019. The monthly amount for the new lease would be \$1,261 or \$15,132, on an annual basis.

A portion of the cost of the new machine would offset some of the outsourcing costs that can be performed in-house on the new machine. Additionally, many of the bulk jobs currently being performed on the smaller existing copiers, such as in Physical Properties and Administration, can be directed to the new color copier, that would result in a net reduction in usage costs.

Mr. McGuigan MOVED, seconded by Mr. Lukoff-

**TO** approve the lease of a new AccurioPress (BizHub) C2060, with square back attachment, from Konica, monthly payments of \$1,261 or an annual expense of \$15,132 and to authorize the President to sign the lease agreement.

Five Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

CDAR Purchase

At the regular scheduled meeting of the Finance Committee on July 17, 2017, the Committee discussed the liquid funds held in various financial institutions and noted the balances in some of the financial institutions exceed the FDIC insurance limits and, therefore, are not in compliance with Policy 5520-31 – Reserves. When reviewing liquid funds, the Committee took into consideration the additional liquidity gained from investment maturities in July, as well.

Based on the amount of liquid reserve funds versus total reserve commitments, the Committee moved to recommend to the Board to invest \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR, at an annual rate of .70%, which will be fully insured by the FDIC. Remaining liquid reserve funds will be sufficient to fulfill current and future commitments.

Mrs. Damoci MOVED, seconded by Mrs. Reed -

**TO** continue the investment ladder by investing \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of a maturing CDAR (Reserve funds) in a 52-week CDAR @ .70%, which will be fully insured by the FDIC.

One Board member spoke on the motion.

The motion was carried unanimously by the Board members present.

### **Mutual Administration Committee**

#### **TENTATIVE VOTE: Amend Policy 1201-33, Photo ID Cards**

At its meeting on April 11, 2017, the Mutual Administration Committee reviewed 1201-33, Photo ID Cards. The Committee recommended the Golden Rain Foundation Board of Directors amend the policy, as indicated in the attached draft policy.

Per Civil Code **§4360**, the amendment to Policy 1201-33, ID Cards, resulting from the Board Action of April 25, 2017, was not posted for 30 days in accordance with the code. Follow-up action is requested.

The policy, as amended by the Board on April 25, will be posted in compliance with the code per GRF's annual disclosure statement. Following the required comment period, the Board of Directors will make a final vote on this proposed operating policy change on September 26, 2017.

The agenda item was informational only.

### **Physical Property Committee**

#### **Budgeted Operating Funds Request – Sewer Cleaning Services Contract**

The Trust property sewer cleaning is scheduled for December 2017. The cost for sewer cleaning in 2016 was \$26,450.16 with Empire Pipe Cleaning and Equipment. The Physical Property Department sent out a Request for Proposal (RFP) to six (6) contractors for a three-year contract for this task, and received three bids that were opened at the Physical Property Committee (PPC) meeting in April and are as follows:

	year 1	year 2	year 3	total
Empire Pipe Cleaning and Equipment Inc.	\$ 30,140.88	\$ 30,140.88	\$ 30,140.88	\$ 90,422.64
United Storm Water Inc.	\$ 62,196.88	\$ 64,062.79	\$ 65,928.69	\$ 192,188.36
SOS Plumbing	\$101,494.80	\$129,032.80	\$101,494.80	\$ 332,022.40

At its June 30, 2017 meeting, the Physical Property Committee reviewed the bids and bidders for this project and unanimously moved to recommend to the GRF Board to award a three-year contract to Empire Pipe Cleaning and Equipment, for a cost not to exceed \$90,422.16 (proposal attached in the agenda packet), for a three-year period, funding included in the 2017 Operating Budget and, if approved, funded in the 2018 and 2019 Operations Budget.

Mr. Stone MOVED, seconded by Ms. Rapp-

TO award a contract to Empire Pipe Cleaning and Equipment, for a cost not to exceed \$90,422.16, for the three-year period, budgeted Operational funding, and authorize the President to sign the contract.

Two Board members, the Executive Director and the Facilities Director spoke on the motion.

The motion was carried unanimously by the Board members present.

#### Capital Funds Request – Utility Trailer

The current hydraulic trailer (Asset 559) is used by the Recreation and Service Maintenance Departments, and works adequately for transporting building materials, maintenance equipment, and large size furniture including pianos and office equipment. It was also considered sufficient in load capacity to be used to transport Kubota Backhoe from task to task. Due to the weight of the backhoe, the existing trailers hydraulic lift is insufficient to lift the backhoe.

The staff obtained two quotes to purchase a trailer solely for the use with Kubota as follows:

- Big Tex Trailers \$2,693.74
- Eberhard Equipment \$3,017.00

At its June, 30, 2017, meeting, the Physical Property Committee reviewed this request, and unanimously moved to recommend to the GRF Board approval of the purchase of a trailer, from Capital Funds, at a cost not to exceed \$2,693.74, from Big Tex Trailers. At its July 17, 2017 meeting the Finance Committee reviewed the request, and unanimously approved the allocation of Capital funds.

Ms. Fekjar MOVED, seconded by Ms. Snowden -

**TO** authorize the Executive Director to initiate the purchase of a trailer, per the quotation provided by Big Tex Trailers, at a cost not to exceed \$2,693.74, from Capital funds.

One Board member and the Executive Director spoke on the motion.

The motion was carried by the Board members present.

## **Recreation Committee**

### New Club Moratorium

At the July 5, 2017 meeting of the Recreation Committee, the Committee reviewed concerns over the availability of Clubhouse space, and the proposed Clubhouse Revitalization Project, which would place greater constraints on limited space. Currently our Clubhouses support over 270 Clubs, various Religious Organizations, Mutual Board Meetings and Events and GRF Meetings and Events.

The Committee deliberated on the growing demands for space, and unanimously approved to recommend to the Board a moratorium on new Clubs from August 1, 2017 to June 30, 2018. This moratorium, if approved, would ease reservation burdens during the Clubhouse Revitalization Project, where each Clubhouse (CH6, CH3, CH2 and CH1) may be closed for six (6) to eight (8) weeks for the replacement of interior component of the clubhouses.

Mr. Gould MOVED, seconded by Ms. Winkler -

**TO** approve a Moratorium on all new Clubs/Organizations for the period of August 1, 2017 to June 30, 2018.

Two Board members spoke on the motion.

Mrs. Damoci moved, seconded by Mr. Lukoff -

**TO** add "Organizations", to be included in the moratorium.

The amended main motion was carried unanimously.

### Reserve Funds Request – Band Saw Replacement

At the July 5, 2017, meeting of the Recreation Committee, the Committee reviewed correspondence from the Woodshop Supervisor (attached in the agenda packet) in reference to

the age and condition of the band saws at Wood Shop 1 & 2. The Committee duly moved and approved to pull the existing band saws from operation and commence the required steps to secure non-budgeted funding, in accordance with Policy 5516-31, for the replacement of the two (2) band saws.

The Recreation Committee respectfully submitted to the Finance Committee, for consideration, non-budgeted funding, in an amount totaling \$4,000, (\$2,000 to CC51 and \$2,000 to CC52), for the required replacement of the band saws.

At the July 18, 2017 meeting of the Finance Committee, the Committee, reviewed the request from the Recreation Committee and determined GRF is in a sound fiscal position and duly moved to recommend to the Board approval of Reserves funds, in the amount of \$4,000, for the replacement of the band saws at Clubhouses One and Two.

Mrs. Reed MOVED, seconded by Ms. Hopewell -

TO approve the replacement of the Wood Shop band saws with a Jet JWSB-15, as recommended by the Wood Shop Supervisors email of June 26, 2017, in an amount not to exceed \$4,000, Reserve funds, and authorize the Executive Director to initiate the required steps to: remove and dispose the existing band saws, then purchase and install the new band saws.

Three Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

#### RV Lot – Grandfathering in Co-occupants

The Recreation Committee reviewed a request by a Shareholder who has requested a variance to policy, allowing a co-occupant the use of the RV Lot. The requesting party has previously been allocated space within the RV Lot.

At its July 2, 2017 meeting, the Recreation Committee moved and approved to recommend to the Board a variance to policy, allowing the co-occupant to use the RV Lot under a “grandfather” rule in leasing a space in the RV Lot.

Mrs. Damoci MOVED, seconded by Ms. Snowden -

TO approve a policy variance for use of the RV Lot by current Co – Occupants who has been previously leasing space in the RV Lot.

Three Board members spoke on the motion.

Mr. Lukoff MOVED, seconded by Ms. Hopewell-

**TO** amend the motion, adding "current" Co-occupants and deleting "onetime".

The motion to amend was carried with one abstention (Dodero).

One Board member and the Executive Director spoke on the amended motion.

The amended main motion was carried with one abstention (Dodero).

**TENTATIVE VOTE: Amend Policy 1463-50, Table Tennis Rules**

At its meeting on July 5, 2017, the Recreation Committee reviewed Policy 1463-50, Table Tennis Rules. The Committee recommended the Golden Rain Foundation Board of Directors amend the policy to revise the minimum age of guests from 18 years of age to 12 years of age. The Board of Directors will make a final vote on this proposed operating rule change on September 26, 2017, after consideration of comments made by members. This process is recommended in accordance of the Davis-Stirling Act, Civil Code §4360.

Mr. Pratt MOVED, seconded by Ms. Rapp –

**TO** tentatively amend Policy 1463-50, Table Tennis Rules to revise the minimum age of guests from 18 years of age to 12 years of age and post the proposed amendment for membership comment, in accordance with Civil Code §4360.

Four Board members and the Executive Director spoke on the motion.

The motion was defeated as a result of a tied vote.

**Security, Bus and Traffic Committee**

**Reserve Funds Request – Replacement of Security Department Coin Counter**

At the July 12, 2017 meeting of the Security Bus and Traffic Committee, the Committee reviewed staff's recommendation to replace the coin counter. Annually, staff collects an estimated four (4) tons of coins from the Mutual laundry rooms and processes the coins for deposit on behalf of the Mutuels. The current coin counter, a De La Rue model 6800, has exceeded its useful life.

Replacement cost with a comparable unit is \$6,891.92, including taxes and freight. This new

model (Mach 6) also includes a printer which captures coinage processed. The Committee unanimously moved and approved to recommend to the Board the replacement of the coin counter, pending Finance Committee review of available funds.

At the July 17, 2017 meeting of the Finance Committee, the Committee reviewed the funding request and determined the coin counter is a GRF asset, qualifying under Policy 5520-31 for replacement under Reserve funding. The Committee unanimously moved and approved to recommend to the Board that sufficient Reserve Funds are present to replace this asset.

Mrs. Heinrichs MOVED, seconded by Ms. Fekjar -

**TO** approve the replacement of the Trust Asset identified as the coin counter, in an amount not to exceed \$6,891.92, and authorize the Executive Director to initiate the purchase.

Two Board members and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members present.

**FINAL VOTE: Amend Policy 1927.01-37 Fees (Fines) for Parking Rules Violations on Trust Property**

At its meeting on May 3, 2017, the Security, Bus & Traffic (SBT) Committee reviewed Policy 1927.01-37, Fees (Fines) for Parking Rules Violations on Trust Property. The Committee recommended the Golden Rain Foundation Board of Directors amend the policy to include proposed fee (fines) changes.

At its meeting of May 23, 2017, the Board of Directors voted to tentatively amend this policy, pending a 30-day notice period to Foundation members. The policy draft was published in the June 22<sup>nd</sup> edition of the *LW Weekly*. Members were welcomed to submit their comments or questions to the Board Office on this matter. Printed copies were also available to shareholder/members in the News Office, the Library and the Reception desk, second floor of the Administration building. This process is recommended in accordance of the Davis-Stirling Act, Civil Code **§4360**. No items of correspondence were received.

Mr. Dodero MOVED, seconded by Mr. McGuigan-

**TO** ratify Policy 1927.01-37, Parking Rules for Trust Property, to provide updated information and compliance.

Two Board members spoke on the motion.

The motion was carried with one no vote (Reed).

### **CONTROLLER'S REPORT**

The Controller's provided a financial report earlier in the meeting.

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

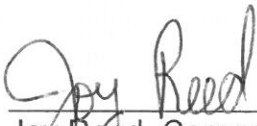
The Executive Director spoke on various topics, including the higher rate of bicycle thefts and the new Distribution Center to open on August 1, 2017.

### **BOARD MEMBER COMMENTS**

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

### **ADJOURNMENT**

The meeting was adjourned was at 1:17 p.m.

A handwritten signature in dark ink, appearing to read "Joy Reed", is written over a horizontal line.

Joy Reed, Corporate Secretary  
GRF Board of Directors  
07.25.17