



**BOARD OF DIRECTORS MEETING MINUTES  
GOLDEN RAIN FOUNDATION  
July 26, 2016**

**CALL TO ORDER**

President 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, July 26, 2016, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

President K.C. Park, Secretary Susan Dodson, Treasurer Wendy Wu of the Table Tennis Club, led the Pledge of Allegiance.

**ROLL CALL**

Following the roll call, Corporate Secretary Reed reported that Directors Perrotti, R. Stone, Pratt, Snowden, L. Stone, Reed, Hood, Hopewell, Rapp, McGuigan, Doderio, Scheuermann, Greer, Damoci, Tran and Moore were present. Director Lukoff was absent. Sixteen Directors were present, with a quorum of nine.

**PRESIDENTS COMMENTS**

On July 11, we lost our longest serving Director with the passing of Tim Bolton from Mutual 16. The first vote I cast as a Director was for Tim for President of the GRF Board. I never regretted it. He led the Board through a very trying time. We were in the process of moving away from the old kind of Board we had to the one we have now and his steady hand made it easier. He was at the helm during our 50<sup>th</sup> anniversary celebration and the renewing of the Trust. He served his year as President in a dual role, not only as President but as the interim Executive Director after the leaving of Dan Schaeffer. Tim led the search for the new Executive Director that ended with the hiring of Mr. Ankeny in June 2013. Tim served as our Treasurer the year before that and had served on every Committee.

Tim was a good man who always tried to do the right thing. He had a firm moral compass and treated everyone fairly. He was pro-shareholder, pro-staff and believed that giving back to the community was the right thing to do. He will be very much missed by all who knew him. Let's

have a moment of silence, please.

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

The President announced that agenda item 10.d.i., Amendment of Policy 5536.1-33, Guest Passes, was removed from the agenda to be returned to the Mutual Administration Committee for clarification of which version of the amended policy will be recommended to the Board.

The GRF Board met on June 23, 2016 for a retreat to discuss planning for the coming term.

GRF and Mutual Board training took place on June 29 and 30, 2016.

The GRF Board of Directors met in Executive Session on July 1, 2016 to discuss legal matters and personnel matters.

The GRF Board of Directors also met in Executive Session on Tuesday, July 19, 2016 to discuss a legal matter.

Several Committee meeting dates have moved around the calendar schedule and some locations have changed to Conference Room B. Please keep an eye on the *Golden Rain News* for the meeting schedule. As a reminder, committee meetings are open to all shareholders.

Four employees were recognized with service awards.

Jai Jhu	Security Department	5 years
Bruno Alvarez	Service Maintenance Department	5 years
Sandra Mooney	Physical Property Department	10 years
George Hurtado	Physical Property Department	20 years

### **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 and comments are limited to four minutes.

Five shareholder/member 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

## **Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

meetings where a quorum of the Board was present. A quorum of the Board was present at the following six May and June 2016 Committee meetings:

- Minutes of the Physical Property Committee Board Meeting of May 4, 2016
- Minutes of the Recreation Committee Board Meeting of May 9, 2016
- Minutes of the Mutual Administration Committee Board Meeting of May 10, 2016
- Minutes of the Security, Bus & Transportation Committee Board Meeting of May 11, 2016
- Minutes of the Executive Committee Board Meeting of May 13, 2016
- Minutes of the Special Architectural Design and Review Committee of June 10, 2016

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

The minutes of the June 21, 2016 Golden Rain Foundation Board meetings were approved, by general consent of the Board, as presented.

### **BUSINESS**

#### **General**

#### **Appointment of the Committee for Information Technology Services**

In accordance with Article 7, Section 1, Article 8 of the Bylaws and Foundation Policy 5100-30, Committee Functions of the Golden Rain Foundation of Seal Beach, the President shall appoint all committees and their members subject to the approval of the GRF Board.

Mrs. Damoci MOVED, seconded by Ms. Stone; the motion was carried unanimously by the Board members present -

TO approve and thereby establish the Information Technology Services Committee and grants to the ITS Committee limited authority specifically stated within the GRF governing documents, and policies or other authority as granted by the BOD or as stated within this policy.

#### **Information Technology Services Committee Appointments**

Mrs. Damoci MOVED, seconded by Ms. Hopewell; the motion was carried unanimously by the Board members present –

TO approve appointment of Paula Snowden – Chair, Mary Ruth

Greer, Phil Hood, Barry Lukoff, Paul Pratt, Linda Stone and Richard Stone.

### Code of Ethics

In order to represent the commitment to exceed the expectations of shareholder/members, the Golden Rain Foundation (GRF) Board endeavors to draft a mutually accepted model code of conduct and ethics as GRF Board members.

Mrs. Damoci MOVED, seconded by Mrs. Reed –

**TO** approve assigning to the Executive Committee the task of drafting a model Code of Ethics for the GRF Board, with input from any Board member not on the Executive Committee who wishes to participate in the drafting.

Ten Board members spoke on the motion.

Mr. Hood called the question, seconded by Mrs. Greer and carried unanimously by the Board members present –

**TO** end debate.

The motion was carried with two no votes: (McGuigan, Scheuermann).

### **Executive Committee**

#### Publication of GRF Board Minutes

The Executive Committee reviewed Civil Code §4950, Meeting Minutes and the general expenses incurred in the publishing of GRF Minutes in the News. The Committee unanimously approved to recommend to the Board to include in the November annual policy statement, prepared pursuant to Section 5310 of the Civil Code, due notice informing the Shareholder/members of their right to obtain board meeting minutes and of how and where to do so.

Ms. Stone MOVED, seconded by Ms. Rapp -

**TO** approve that effective January 1, 2017, upon due notification to Shareholder/members in accordance with Civil Codes 4950 and

**Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

5310, GRF Board draft and approved minutes will be available upon the GRF website and available upon request at the GRF Administration reception desk, Library and News office reception desk.

Three Board members spoke on the motion.

The motion was carried unanimously by the Board members present.

**Rescind Policy 4161.1-20, Disclosure Regulation-Information Regulation**

At the July 8, 2016 meeting, the Executive Committee recommended that Policy 4161.1-20, Disclosure Regulation-Information Regulation be rescinded as it is contained within the Employee Handbook.

Mrs. Reed MOVED, seconded by Ms. Hopewell -

**TO** rescind Policy 4161.1-20, Disclosure Regulation-Information Regulation.

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

The motion was carried unanimously by the Board members present.

**Rescind Policy 5023-30, GRF Department Organization Chart**

At the July 8, 2016 meeting, the Executive Committee recommended that Policy 5023-30, GRF Department Organization Chart, be rescinded as it is an internal document, subject by its nature to constant amendment.

Mrs. Reed MOVED, seconded by Mr. Hood -

**TO** rescind Policy 5023-30, GRF Department Organization Chart.

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

Ms. Snowden MOVED, seconded by Mrs. Dodero –

**TO** amend the motion to include posting of updates to the GRF Department Organization Chart on the website on a regular basis.

## **Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

Seven Board members spoke on the motion.

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

### **Finance Committee**

#### Accept May and June 2016 Financials for Audit

Mr. Hood MOVED, seconded by Ms. Rapp –

**TO** accept the May and June 2016 Financial Statements for audit.

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

The motion was carried unanimously by the Board members present.

#### Approve Replacement of Nine (9) Ping Pong Tables, Reserve Funding

At the regular scheduled meeting of the Recreation Committee on July 13, 2016, correspondence was presented along with verbal concerns from shareholder/members regarding the need to replace the Ping Pong tables in Clubhouse Six, Asset ID 0809. Upon inspection, it was noted that all the tables were in poor condition after ten years of usage.

At the regular scheduled meeting of the Finance Committee on July 19, 2016, the Executive Director presented a funding request to replace nine of the ten ping pong tables. The Finance Committee unanimously approved to recommend to the GRF BOD non-scheduled reserve funding, in an amount not to exceed \$10,500, for the replacement of the assets.

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

**TO** approve replacement of nine (9) ping pong tables, Asset ID 0809,  
reserve funding, in an amount not to exceed \$10,500, and authorize  
the Executive Director to initiate the replacement of the nine (9) ping  
pong tables.

#### Acceptance of the NSBN Management Letter Dated February 23, 2016

NSBN performed an assessment of the Golden Rain Foundation's internal controls during the 2015 annual financial statement audit. The letter affirms that there are no deficiencies in internal controls identified as material weaknesses. The letter does, however, document some



**Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

deficiencies that merit attention by those charged with governance; the items have already been addressed and changes were made to procedures accordingly.

Mr. Scheuermann recused himself from the vote, as he wasn't a member of the Board at the time of the audit.

Mr. Hood MOVED, seconded by Ms. Stone and carried unanimously by the Board members present-

**TO** accept the management letter written by NSBN as a result of the assessment of internal controls during the 2015 annual financial statement audit.

**Sewer Lift Station Replacement**

On June 24, 2016, the sewer lift station located in front of Clubhouse Two, asset ID 0504, incurred a substantial failure, requiring emergency actions to facilitate actions required for the safe transfer of effluent out of the community. At the July 11, 2016 meeting of the Physical Properties Committee and at the July 19, 2016 meeting of the Finance Committee, both committees reviewed the emergency action taken by staff and recommended that the Board ratify the actions and related expenditure of non-budget operational funds.

Due to the scope of the lift station failure, a complete and thorough inspection was performed by Pump Man, Inc., resulting in the recommendation of replacement of major components of the lift station, per proposal 132817, dated July 18, 2016, in the amount of \$105,562.

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

**TO** approve Reserve Funding of the replacement of the components of Asset ID 0504, per Pump Man Inc., proposal 132817, dated July 18, 2016, in the amount of \$105,562 and authorize the President to sign the contract. Further, **TO**, approve contingency funding, in an amount not to exceed \$20,000 for this project and such funding is contingent on the review and approval of the Physical Properties Chairperson.

**Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

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

The motion was carried unanimously by the Board Members present.

Mrs. Greer MOVED, seconded by Mrs. Reed -

**TO** ratify the emergency actions and related non-budget  
expenditures to Cost Center 79, taken by the Executive Director.

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

The Motion was carried unanimously by the Board members present.

Ratify Air Conditioner Replacement Emergency Action Reserve Funding

An emergency action notice (included in agenda packet) was supplied to the GRF BOD on June 20, 2016, in reference to the failure of one of the six Administration Building air-conditioning units, Reserve Study ID 0405. In accordance with Policy 5520-31, Section 9, Emergencies, action was taken by the Executive Director for replacement of the unit, as the unit provides a critical cooling function for the Accounting Department and its computers. The total cost to replace the asset was \$6,200, by Alpine Heating and Air.

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

**TO** approve actions taken by the Executive Director, in accordance  
with Policy 5520-31, in the replacement of one air  
conditioning/heating unit at the Administration Building, Asset ID  
0405.

Conceptual Approval of Movement Study/ Adoption of California Manual on Uniform Traffic Control Devices for Trust Streets

At its regular scheduled meeting of the Physical Properties Committee on July 11, 2016, the Committee reviewed a summary of recommendations as presented by Urban Crossroads in the possible adoption of the California Manual on Uniform Traffic Control Devices (CAMUTCD). CAMUTCD is published by the California Department of Transportation (CALTRANS), representing the uniform guide within the state for traffic control devices, including but not limited to street marking traffic control signage, traffic signals, etc.



**Golden Rain Foundation Board Meeting Minutes, July 26, 2016**

The Committee noted, during its deliberations, that the adoption and implementation of CAMUTCD may support enforcement by the Seal Beach Police Department of traffic violations, represent standards used for traffic control used throughout the state and represent standards to which a California Driver's License is issued.

The Committee seeks conceptual approval of the GRF Board before any additional expense and staff time is spent on the project.

Ms. Stone MOVED, seconded by Mr. Moore -

**TO** conceptually approve actions to bring traffic control devices upon Trust Property into compliance with California Manual on Uniform Traffic Control Devices (CAMUTCD) standards and direct the Physical Properties Committee to seek qualified proposals to modify traffic control devices on Trust Property for compliance to CAMUTCD.

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

The motion was carried unanimously by the Board members present.

Ms. Stone MOVED, seconded by Ms. Rapp

**TO** approve the Executive Director permission to contact applicable officials of the City of Seal Beach to seek feedback from the City on the City's ability to enforce posted traffic control devices upon Trust Property upon GRF adopting and bringing all traffic control devices into CAMUTCD compliance.

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

The motion was carried unanimously by the Board members present.

Conceptual Approval of St. Andrews Gate Traffic Improvements

Mr. Stone MOVED, seconded by Ms. Rapp -

TO conceptually approve street improvements to the St. Andrews gate and vicinity, per plans by Urban Crossroads, dated June 16, 2015 and direct the Physical Properties Committee to draft all applicable documents to secure qualified proposals for committee review and recommendation to the Board.

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

The motion was carried unanimously by the Board members present.

Adopt Policy 5167-SPAH, Strategic Planning Ad Hoc Committee

The Strategic Planning Ad Hoc Committee proposed adoption of the proposed Committee Charter, reviewed at its July 5, 2016 meeting.

Ms. Stone MOVED, seconded by Ms. Rapp –

TO accept the Strategic Planning Ad Hoc Committee Charter for the 2016/2017 GRF Committee 5167-SPAH, Strategic Planning Ad Hoc Committee.

Two Board members spoke on the motion.

The motion was carried unanimously by the Board members present.

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

**BOARD MEMBER COMMENTS**

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

The President reminded the Board members of the 2 p.m. Executive Session meeting today.

**ADJOURNMENT**

The meeting was adjourned was at 12:10 p.m.

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

Joy Reed, Corporate Secretary  
GRF Board of Directors

/dfb

07.26.16