



Golden Rain Foundation

**BOARD OF DIRECTORS SPECIAL MEETING MINUTES  
GOLDEN RAIN FOUNDATION  
MAY 30, 2017**

**CALL TO ORDER**

President Damoci called the special meeting of the Golden Rain Foundation Board of Directors to order at 1:00 p.m. on Tuesday, May 30, 2017, in Clubhouse Four.

**ROLL CALL**

Following the roll call, Corporate Secretary Reed reported that Directors Perrotti, R. Stone, Snowden, Pratt, L. Stone, Reed, Hood, Hopewell, Rapp McGuigan, Winkler, Greer, Damoci, Lukoff, Tran, Fekjar, and Moore were present. Director Doderro, representing Mutual Nine, resigned effective May 26, 2017.

Seventeen Directors were present, with a quorum of nine.

**PLEDGE OF ALLEGIANCE**

Corporate Secretary Joy Reed led the Pledge of Allegiance.

**ANNOUNCEMENTS**

The Executive Director announced the hire of the new GRF Services Director Paul Bristow, and provided background information on Mr. Bristow. He thanked Tommy Fileto for his service as interim Security Chief. The Board recognized Dede Martin, of the Leisure World Weekly, who recently announced her retirement, for her 39 years of service to the community.

**PRESIDENT'S COMMENTS**

The President advised that Mrs. Doderro resigned in order to take a seat on the Mutual Nine Board.

**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

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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

Three shareholder/members offered comments.

### **BUSINESS**

#### **FINAL VOTE: Trust Property Use Lease**

Golden Rain Foundation (GRF) is the owner (In Trust) of the premises which consists generally of a 5.5.1-acre parcel of real property located at 13599 El Dorado Drive, Seal Beach, California, 90740; Tract No. 4401, MM/154/9-17, as recorded with the County of Orange, State of California (5.5 acres).

The primary use of the property identified has been for the storage of vehicles used for recreation, under Article VII, Section A, of the Trust, which states:

*"...TRUSTEE shall have, in addition to all powers, rights and privileged provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey exchange, lease for terms, either within or beyond the end of the trust, for any purpose...the Trust Estate or any part thereof in such a manner and such terms and conditions as the TRUSTEE deems advisable. In all such cases TRUSTEE shall have the sole discretion respecting such transactions..."*

Per Article VII, Section A of the Trust, the GRF Board of Directors has the sole authority, over the use of Trust Property. Further, the GRF BOD must act in a manner which represents the mutual benefit of all members of GRF. As such, the BOD, in its authority, has deemed the best mutual use of the area identified as the 5.5 acres shall be for the general use of all GRF members, based upon available space, per the terms and conditions in the use of Trust Property, per the terms and conditions of the Lease Agreement attached (Exhibit A in the agenda packet).

As the proposed lease agreement is considered an operational under [Civ. Code §4340](#) and as provided for in [Civil Code §4355\(a\)](#), action by the BOD has been requested to adopt the proposed lease agreement and provide due notice per [Civ. Code §4360\(a\)](#).

At its meeting of April 25, 2017, the Board of Directors voted to tentatively amend this lease,

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pending a 30-day notice period to Foundation members. The lease draft was published in the April 27<sup>th</sup> edition on the *Golden Rain News*. 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.

Seven written items of correspondence regarding amendment of Trust Property Use Lease have been received during the 30-day notification to the membership period.

Mr. McGuigan MOVED, seconded by Mr. Hood –

**TO** approve the proposed lease agreement between the GRF and individual members of the GRF for the use of the property commonly identified as the 5.5 acres.

The motion was carried with one recusal (R. Stone).

### Trust Property Lease, Limited Use of Trust Property within the Vehicles Used for Recreation Lot

GRF is the owner (In Trust) of the premises which consists generally of a 5.5.1-acre parcel of real property located at 13599 El Dorado Drive, Seal Beach, California, 90740; Tract No. 4401, MM/154/9-17 as recorded with the County of Orange, State of California (5.5 acres).

The primary use of the property identified has been for the storage of vehicles used for recreation, under Article VII, Section A, of the Trust, which states:

*“...TRUSTEE shall have in addition to all powers, rights and privileges provided by law for trustees, and all powers necessary to carry out the duties herein imposed on TRUSTEE, the further powers to grant, bargain, sell for cash or credit, convey exchange, lease for terms, either within or beyond the end of the trust, for any purpose...the Trust Estate or any part thereof in such a manner and such terms and conditions as the TRUSTEE deems advisable. In all such cases TRUSTEE shall have the sole discretion respecting such transactions...”*

Per Article VII, Section A of the Trust, the GRF Board has the sole authority, over the use Trust Property. Further the GRF Board must act in a manner which represents the mutual benefit of all members of GRF. As such the Board in its authority has deemed the best mutual use of the area identified as the 5.5 acres.

In as much as the 5.5 acres is used for the storage of vehicles used for recreation, the GRF Board duly moved and approved the following motion at its April 25, 2017 meeting:



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Mr. McGuigan MOVED, seconded by Ms. Snowden –

**TO** conceptually approve a lease agreement between the Golden Rain Foundation and the RV Trailer Club, for the limited use of Trust Property to be identified within a section of the 5.5 acres of Trust Property, per terms and conditions to be determined in the amount of \$1.00 per year.

Nine Directors spoke on the motion.

The motion was carried with one abstention (Winkler) and one recusal (R. Stone).

The proposed lease agreement between GRF and the Leisure World Trailer Club (LWTC) grants a nominal amount of space with the 5.5 acres, approximately (to be determined) square feet which includes, storage building, general use area, and 2 assigned stalls.

Mr. Lukoff MOVED, seconded by Ms. Fekjar and carried unanimously by the Board Members present -

**TO** approve a lease agreement between the Golden Rain Foundation and the Leisure World Trailer Club, a California Corporation, for the limited use of Trust Property, under terms and conditions of the lease agreement (attached in the agenda packet) and authorize the President to sign the agreement.

**CDAR Purchase**

At the regular scheduled meeting of the Finance Committee on May 16, 2017, the members 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 June as well.

Based on the amount of liquid reserve funds versus total reserve commitments, the committee passed a motion to recommend to the board to invest for May, \$1,000,000 and for June \$500,000, from the First Foundation Bank Money Market Reserve account and from proceeds of

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maturing CDARs (Reserve funds), in 52-week CDARs which will be fully insured by the FDIC. Remaining liquid reserve funds will be sufficient to fulfill current and future commitments.

Mr. Hood MOVED, seconded by Ms. Hopewell-

**TO** continue the investment ladder by investing for May, \$1,000,000 and, for June, \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of maturing CDARs (Reserve funds) in 52-week CDARs @ .45%, which will be fully insured by the FDIC.

Five Directors spoke on the motion.

The motion was carried unanimously.

**BOARD MEMBER COMMENTS**

Seventeen Board Members spoke on the proceedings of the meeting.

**ADJOURNMENT**

The meeting was adjourned at 1:47 p.m.

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