



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
January 23, 2018**

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, January 23, 2018, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Joy Reed, Corporate Secretary of the Golden Rain Foundation, led the Pledge of Allegiance.

ROLL CALL

Following the roll call, Corporate Secretary reported that Directors Perrotti, R. Stone, Snowden, Pratt, L. Stone, Reed, Gould, Hopewell, Rapp, McGuigan, Doderio, Winkler, Heinrichs, Damoci, Lukoff, Crossley, Fekjar, and Moore were present. Director Fekjar left the meeting at 12:11 p.m.

Eighteen Directors were present, with a quorum of ten.

PRESIDENTS COMMENTS

In 2017, GRF collected over 2 million dollars in new Amenities Fees (formerly named Membership Fees). That means in 2017 over 1 million dollars went to help fund Reserves and over 1 million dollars went to the Capital Fund. So pay attention to each motion and notice if the money is coming from Reserves or Capital, then you will know where the money originally came from. The vast majority of our projects are paid for by the new residents of Leisure World.

In 2017, we sold 536 units for over \$127 Million dollars in total unit sales.

On July 25th of last year, this Board voted to observe Martin Luther King Jr as a paid employee holiday. On January 15th of this year we observed this holiday with a special celebration. And what a tremendous event it was! I want to thank the Recreation Department, specifically Terry De Leon, Tommy Fileto and Kathy Thayer for their efforts in providing such an outstanding program. Well done!

On October 24, 2017 the Board established an RV Lot Ad Hoc Committee with the mandate "to develop policies, procedures, RV Lot Rules and review lot maintenance and lease agreements." I am happy to report that the committee will present their first submission (policies) today for the Boards approval with the final piece to be brought forth next month.

Golden Rain Foundation Board Meeting Minutes, January 23, 2018

In February, the Board will have the option to accept and approve the Committees recommendations and dissolve the Committee, after a job well done. Kudos to the Committee and Chair Steve McGuigan for their hard work and bringing the reports to the Board in such and efficient and speedy manner.

We are rapidly approaching the time when our shareholders will be asked to get involved and consider running for their Mutual boards and the GRF representatives from the even numbered Mutuals. Remember we are self-governed by volunteers. Please consider running for office...you are needed.

Next month is another evening meeting. On February 27th, our meeting will be held at 6 pm.

Now to the business on hand.

ANNOUNCEMENTS

The GRF Board of Directors met for an Executive Session meeting on January 5, 2018.

SERVICE ANNIVERSARIES

Five employees were recognized with a service award.

Kathy Thayer	Recreation Department	5 years
Jon Jones	Recreation Department	5 years
Geri Garcia	Security Department	10 years
Juan Fuentes	Service Maintenance Department	15 years
Kevin Black	Physical Property Department	25 years

SEAL BEACH COUNCIL MEMBER'S REPORT

Seal Beach Council Member Sandra Massa Lavitt provided an update of the 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

One 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 meetings where a quorum of the Board was present. A quorum of the Board was present at the following Committee meetings:

Minutes of the Strategic Planning Ad hoc Committee Board Meeting of October 27, 2017
Minutes of the Physical Properties Committee Board Meeting of December 4, 2017
Minutes of the Recreation Committee Board Meeting of December 6, 2017
Minutes of the Executive Committee Board Meeting of December 8, 2017
Minutes of the Finance Committee Board Meeting of December 18, 2017

APPROVAL OF BOARD MEETING MINUTES

The minutes of the December 19, 2017 meeting were approved, by general consent of the Board, as presented.

REPORTS

The Chair of the Los Alamitos Medical Center Advisory Council presented a report on the Council's activities.

The Chair of the Management Services Review Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

The Chair of the RV Lot Ad hoc Committee presented a report on the progress of the Ad hoc Committee.

The Chair of the Strategic Planning Ad hoc Committee presented a report on the progress of the Ad hoc Committee and advised that the Committee will adopt a quarterly meeting schedule beginning in January 2018.

NEW BUSINESS

Architectural Design and Review Committee

St. Andrews South, Landscape Architectural Services

At the January 8, 2018 meeting of the Architectural Design and Review Committee, the Committee reviewed conceptual landscape designs for the St Andrew Median. In review of the plans with general cost estimates, it was determined professional services were required to draft a full set plans including landscape, irrigation, and lighting suitable to receive qualified proposals. The Committee duly moved and approved to recommend to the Board the awarding of a contract for Landscape Architectural Services by Mission Landscape Architecture, in an amount not to exceed \$10,000, Reserve Funding from the St Andrews South landscape replacement budget.

Ms. Fekjar MOVED, seconded by Mr. Dodero -

TO approve a contract between GRF and Mission Landscape Architecture (Exhibit A in agenda packet), in an amount not to exceed \$10,000, Reserve Funding, and authorize the President to sign the contract.

Ten Directors and the Facilitates Director spoke on the motion.

The motion was carried with five no votes (Crossley, Rapp, Snowden, Pratt, R. Stone).

Executive Committee

Approve GRF Directors' Handbook

At its regular meeting on January 12, 2018, the Executive Committee reviewed the GRF Directors' Handbook and recommend adoption of the handbook by the Golden Rain Foundation Board of Directors.

Mrs. Reed MOVED, seconded by Ms. Hopewell -

TO approve usage of the GRF Directors' Handbook.

Five Directors spoke on the motion.

The motion was carried unanimously by the Board members.

Finance Committee

Accept December 2017 Finance Statements

At the regular meeting of the Finance Committee on January 16, 2018, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the December 2017 financial statements for audit.

Mr. Lukoff MOVED, seconded by Ms. Winkler and carried unanimously by the Board members-

TO accept the December 2017 Financial Statements for audit.

Investment Strategy

At the regular scheduled meeting of the Finance Committee on January 16, 2018, 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 October 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 \$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.

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

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.

Two Directors and the Finance Director spoke on the motion.

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

Mutual Administration Committee

Rescind Policy 7710, Estate Transaction and Creditors' Claims

On January 9, 2018, the Mutual Administration Committee reviewed Policy 7710, Estate Transaction and Creditors' Claims. The Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) rescind the Policy into the 1000 Series, as it does not belong in the Mutual 7000 series. The Policy explains the services provided by the Stock Transfer Office to Leisure World. The Policy is written as a procedure for estates and creditors to contact Stock Transfer to address items of a unit.

In addition, in researching Policy 7710 it was discovered that none of the housing Mutuals have adopted the policy.

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

TO rescind Policy 7710, Estate Transaction and Creditors' Claims.

Mr. Stone left at 11:00 a.m. and returned at 11:05 a.m.

Rescind Policy 7710.01, Admittance to Apartments-Public Administrator's Office

On January 9, 2018, the Mutual Administration Committee (MAC) reviewed Policy 7710.1, Admittance to Apartments – Public Administrator's Office. The Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) rescind the Policy into the 1000 Series, as it does not belong in the Mutual 7000 series. The Policy is a procedure for allowing a Public Administrator in to Leisure World.

In addition, in researching Policy 7710.1, Admittance to Apartments – Public Administrator's Office, it was discovered that none of the housing Mutuals have adopted the policy.

Mr. Crossley MOVED, seconded by Ms. Hopewell -

TO rescind Policy 7710.1, Admittance to Apartments – Public
Administrator's Office.

The motion carried with one abstention (R. Stone)

Physical Property Committee

Capital Funding Request – Change Order – Electric Service

At its regular meeting on October 24, 2017, the GRF Board awarded a contract to Schlick Services to update the electrical service at the RV Lot (5.5 Acres).

Golden Rain Foundation Board Meeting Minutes, October 24, 2017

Ms. Rapp MOVED, seconded by Mr. Gould –

TO award a contract to Schlick Services to install 400 amps service at 5.5 Acres, to connect all existing electrical components for a cost of \$26,085, adding \$2,000 in contingencies for permits and any unforeseen needs, for a total cost not to exceed \$28,085, from Capital funding, and authorize the President sign all the contracts.

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

The motion was carried unanimously by the Board members present.

During the permit process with SCE to relocate two current 100 Amp meters, it was discovered that the meter supplying power to the car wash and Clubhouse Two area is also undersized, and will require a 600 Amp meter rather than the 400 Amp unit, as scoped out in the proposal by Schlick Services. The cost increase for this change is \$11,854.11.

At its regular meeting on January 9, 2018, the Physical Property Committee recommended the GRF Board approve the change order to increase the size of electrical service from 400 Amp to 600 Amp, for a cost not to exceed \$11,854.11, following review by the Finance Committee.

At its regular meeting on December 18, 2017, the Finance Committee determined available funding is available for this project.

Ms. Rapp MOVED, seconded by Ms. Fekjar -

TO approve a change order to Schlick Services to upgrade 400 Amp panel to 600 Amp panel, based on electrical demands, for a cost not to exceed \$11,854.11, funded by Capital, and authorize the President to sign all applicable documents.

Three Directors and the Facilities Director spoke on the motion.

The motion was carried unanimously by the Board members.

Mission Park, Multipurpose Court

With demolition of the existing lawn and bowling and shuffleboard courts near completion, the Physical Property Department obtained the quotes for the installation of pickle ball courts.

At its regular meeting on January 9, 2018, the Physical Property Committee reviewed the quotes and discussed the qualifications of bidding contractors. Based on the information provided and the fact that Zaino Tennis Courts Inc. main function is installation of the courts, the Committee unanimously recommended the GRF Board to award a contract to Zaino Tennis Courts Inc. for the installation of pickle ball courts, including nets and fencing, for a cost of \$130,277.

At its regular meeting on November 28, 2017, the GRF Board approved the budget of \$330,000 for this project.

Ms. Fekjar MOVED, seconded by Mr. Gould and carried unanimously by the Board members present-

TO approve the established budget of \$330,000, for the construction of the Mission Park, Capital Funding, as illustrated in the Mission Landscape renderings dated July 21, 2017, including contingencies as presented to the Physical Property Committee.

Mr. Stone MOVED, seconded by Ms. Rapp—

TO award a contract to Zaino Tennis Courts Inc., for the construction of pickle ball courts at the Mission Park area of Clubhouse Two, for a cost not to exceed \$130,277, Capital funding, and have the

President sign any applicable contracts.

Two Directors spoke on the motion.

The motion was carried unanimously by the Board members.

Recreation Committee

Catered Wine Service at Select GRF Events

At its January 3, 2018 meeting of the Recreation Committee, the Committee reviewed the addition of providing/sale of Beer/Wine by a duly licensed, insured and permitted caterer at GRF sponsored events. Example: Valentine's Dinner Dance, Wine Service.

As risk and liability was a concern of the Committee, the Executive Director contacted our insurance broker; full transcript attached (Exhibit A in the agenda packet). As the providing/sale of Beer/Wine at a GRF event constituted a fundamental variance of current procedure, the Committee duly moved and approved to forward this matter to the Board.

No motions were provided, as any action on this matter is subject to a majority ruling of the Board on the proposed actions as follow:

1. General discussion on the agenda item: should GRF allow the providing and/or sale of Beer/Wine at GRF events by a duly licensed, insured and permitted caterer?
2. Dependent on the item above:
 - a. Should the total number of events be limited?
 - b. Should the matter be referred back to the Recreation Committee for the drafting of applicable policy?

Eleven Directors and the Recreation Manager spoke on the topic.

Mrs. Damoci MOVED, seconded by Mr. Moore -

To refer to the Recreation Committee to discuss fully.

The motion failed to pass with eight no votes (Crossley, Heinrichs, Dodero, Reed, Rapp, Snowden Gould, Pratt) and one abstention (Perrotti).

RV Lot Ad hoc Committee

TENTATIVE VOTE: Adopt Policy 1487-50, Recreation Vehicle Lot (RVL) Rules and Regulations

At its meeting on January 16, 2018, the RV Lot Ad hoc Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1487-50, Recreational Vehicle Lot (RVL) Rules and Regulations.

Mr. McGuigan MOVED, seconded by Ms. Fekjar –

TO tentatively adopt Policy 1487-50, Recreational Vehicle Lot (RVL) Rules and Regulations, as amended, pending a 30-day notification to the membership and a final decision by the GRF BOD on February 27, 2018.

Four Directors spoke on the motion.

Ms. Rapp MOVED, seconded Ms. Hopewell-

TO table the agenda item and discuss it at a Special GRF BOD meeting.

Nine Directors spoke on the motion.

The motion and the second to table the agenda item were withdrawn.

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

TENTATIVE VOTE: Adopt Policy 1487.01-50, Trust Property Lessee Fines

At its meeting on January 16, 2018, the RV Lot Ad hoc Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1487-50.01, Schedule of Monetary Fines for Notice of Violation.

Mr. Pratt MOVED, seconded by Ms. Winkler -

TO tentatively adopt Policy 1487.01-50, Schedule of Monetary Fines for Notice of Violation, pending a 30-day notification to the membership and a final decision by the GRF BOD on February 27, 2018.

Seven Directors spoke on the motion.

Mr. Gould MOVED, seconded by Mr. Moore-

TO amend Policy to reflect Fix-It Ticket (10) days for first offense for having torn/worn out RV covers.

Ten Directors and the Security Services Director spoke on the motion.

The motion to amend was carried with five no votes (Crossley, McGuigan, L. Stone, Lukoff, Perrotti).

Director Fekjar left the meeting at 12:11 p.m.

Ms. Winkler MOVED, seconded by Mr. Dodero-

TO call the question.

The motion was carried with two no votes (Crossley, Reed).

Mr. Pratt MOVED, seconded by Ms. Winkler -

TO tentatively adopt Policy 1487.01-50, Schedule of Penalties and Fines for Notice of Violation, as amended, pending a 30-day notification to the membership and a final decision by the GRF BOD on February 27, 2018.

The amended motion was carried with four no votes (Reed, Damoci, Lukoff, Hopewell).

The President called for a 10 minute break at 12:31 p.m.

TENTATIVE VOTE: Adopt Policy 1487.02-50, Variance to Policy 1927-37 (Maintenance)

At its meeting on January 16, 2018, the RV Lot Ad hoc Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1487.02-50, Variance to Policy 1927-37, (Maintenance)

Mr. Pratt MOVED, seconded by Mrs. Perrotti -

TO tentatively adopt Policy 1487.02-50, Variance to Policy 1927-37 (Maintenance) pending a 30-day notification to the membership and a final decision by the GRF BOD on February 27, 2018.

Nine Directors spoke on the motion.

Mr. Pratt MOVED, seconded by Mrs. Perrotti and carried unanimously by the Board members present -

TO revise the name of Policy 1487.02-50 to RV Lot Maintenance.

Six Directors spoke on the amendment.

The amended motion was carried by the Directors present.

Security, Bus & Traffic Committee

FINAL VOTE: Amend Policy 1927.01-37, Fees for Parking Rules Violations on Trust Property

At its regularly scheduled meeting on November 8, 2017, the Security, Bus & Traffic Committee recommended amending Policy 1927.01-37, Fees for Parking Infractions by consolidating the red zone categories and increasing the corresponding fines to \$100 for the first offense and to \$200 for the second and subsequent offenses and to add a first offense fine of \$50 for RV or VUFR generator running from 8 pm to 8 am.

At its meeting of November 28, 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 December 7 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**.

One item correspondence was received (Exhibit A in agenda packet).

Ms. Winkler MOVED, seconded by Mr. McGuigan –

TO ratify Policy 1927.01-37, Fees for Parking Infractions, as
presented.

Two Directors spoke on the motion.

The motion was carried by the Directors present.

FINAL VOTE: Adopt Policy 1928-37, Golf Carts and Low Speed Vehicles

At its meeting on November 8, 2017, the Security, Bus & Traffic Committee recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1928-37, Golf Carts and Low Speed Vehicles. The policy has been established to fill the void in existing policies that do not take into account Golf Carts and Low Speed Vehicles.

At its meeting of November 28, 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 December 7 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. Moore MOVED, seconded by Mr. Dodero—

TO ratify Policy 1928-37, Golf Carts and Low Speed Vehicles, as presented.

Six Directors and the Security Services Director spoke on the motion.

Mr. Lukoff MOVED, seconded by Mr. McGuigan —

TO amend #1.8 by removing “This information is forwarded to the related Mutual President”.

The motion and the second to amend were withdrawn.

The motion was carried unanimously by the Board members present.

CONTROLLER’S REPORT

The Finance Director provided a financial report earlier in the meeting.

EXECUTIVE DIRECTOR’S REPORT

The Executive Director was not in attendance, but provided a written report for the Board.

BOARD MEMBER COMMENTS

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

The meeting was adjourned was at 1:23 p.m.



Joy Reed, Corporate Secretary
GRF Board of Directors
dfb