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## Board of Directors

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### **Agenda**

Clubhouse Four  
Tuesday, March 27, 2018  
10:00 a.m.

- 1) Call to Order/Pledge of Allegiance
- 2) Roll Call
- 3) President's Comments
- 4) Announcements/Service Awards
- 5) Seal Beach City Council Member's Update
- 6) Shareholder/Member Comments

*Note: Foundation Shareholder/Members are permitted to make comments before the meeting business of the Board begins. 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

- 7) Consent Calendar – Approval of Board Committee Meeting Minutes (pp. 1-2)
- 8) Approval of Minutes
  - a) February 27, 2018 (pp. 3-14)
- 9) Reports
  - a) Los Alamitos Medical Center Advisory Report
  - b) Management Services Review Ad hoc Committee Report
  - c) Strategic Planning Ad hoc Committee Report
- 10) New Business
  - a) General
    - i) Reserve Funding Request – Clubhouse One, Heat Pump, and Women's Billiard Room (Mr. Pratt, pp. 15-18)

- b) Architectural Design and Review Committee
  - i) Trust Property Tree Trimming (Ms. Heinrichs, pp. 19-22)
- c) Communications
  - i) Amend Policy 2866-36, Acceptable Bilingual Advertisements Mr. Gould, pp. 23-24)
- d) Executive Committee
  - i) Amend Policy 5092-30, Board of Directors Code of Ethics and Conduct (Mrs. Reed, pp. 25-26)
  - ii) Amend Policy 5092.01-30, Board of Directors Censure Procedure (Ms. Hopewell, pp. 27-34)
  - iii) Amend Policy 5092.02-30, Motion to Censure (Ms. Winkler, pp. 35-36)
  - iv) Adopt Policy 5092.03-30, Correspondence - Notification of Motion to Censure (Ms. Rapp, pp. 37-38)
  - v) Approve California Minimum Wage Increase, Wage Range Increase (Mrs. Damoci, pp. 39-40)
  - vi) Rescind Policy 5610-30, Participation by Foundation Members (Mr. Doderio, pp. 41-44)
  - vii) Amend Policy 5101-30, Limitation of Terms – Golden Rain Foundation Officers and Committee Chairs (Mrs. Perrotti, pp. 45-48)
  - viii) Rescind Policy 5022-30, Limitation of Terms – Officers (Mrs. Damoci, pp. 49-50)
- e) Finance Committee
  - i) Accept February Financial Statements (Ms. Snowden, pp. 51-58)
  - ii) Accept Draft 2017 Audited Statements/Excess Income Distribution (Mr. Lukoff, pp. 59-76)
  - iii) Approve CDAR Purchase (Ms. Winkler, pp. 77-78)
  - iv) Amend Policy 5522-31, Safe Deposit Boxes (Ms. Rapp, pp. 79-80)
  - v) Rescind Policy 5320-31, Budgeting (Mr. Stone, pp. 81-82)
- f) Mutual Administration Committee
  - i) Rescind Policy 1802-33, Qualified Permanent Resident Agreement (Mr. Crossley, pp. 83-86)
  - ii) Rescind Policy 1803-33, Co-Occupant Agreement (Mr. Moore, pp. 87-90)
  - iii) Rescind Policy 1804-33, Golden Rain Foundation Request for Additional Occupant Entry (Mr. Stone, pp. 91-94)

g) Recreation Committee

- i) Approve Lease – Building Five, Room D, Multi-cultural Resource Center (Mrs. Perrotti, pp. 95-102)
- ii) Reserve Funding Request – Replacement and Refurbishment of Pianos (Mr. Pratt, pp. 103-106)
- iii) Reserve Funding Request – Amphitheater, Sound System Upgrades (Mr. Gould, pp. 107-110)
- iv) Operating Funding Request – Golf Course Tree Trimming Contract (Ms. Fekjar, pp. 111-114)

h) Security, Bus & Traffic Committee

- i) Capital Funding Request – Surveillance System Expansion, Amphitheater (Mr. McGuigan, pp. 115-116)

11) Staff Reports

Director of Finance's Report – Ms. Miller

Executive Director's Report – Mr. Ankeny

12) Board Member Comments

13) Next Meeting/Adjournment

**Tuesday, April 24, 6 p.m. Clubhouse Four**

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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 March 2018 Committee meetings:

- Minutes of the Special Security, Bus & Traffic Committee Board Meeting of March 4, 2018
- Minutes of the Physical Properties Committee Board Meeting of March 4, 2018
- Minutes of the Recreation Committee Board Meeting of March 7, 2018
- Minutes of the Communications Committee Board Meeting of March 8, 2018
- Minutes of the Executive Committee Board Meeting of March 9, 2018
- Minutes of the Architectural Design & Review Committee Board Meeting of March 12, 2018
- Minutes of the Security, Bus & Traffic Committee Board Meeting of March 14, 2018
- Minutes of the Finance Committee Board Meeting of March 19, 2018

Using a consent calendar format, the GRF Board of Directors is requested to approve these Committee Board meeting minutes in one motion.

These Committee Board meeting minutes will be available on the Foundation's website for view after approval. If you would like a hard copy of the minutes, please see a staff member in the Administration Office.

Thank you.

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**BOARD OF DIRECTORS MEETING MINUTES  
GOLDEN RAIN FOUNDATION  
February 27, 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 6:00 p.m., on Tuesday, February 27, 2018, in Clubhouse Four.

**PLEDGE OF ALLEGIANCE**

Tom Davis, President of the Rolling Thunder Club, 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.

Eighteen Directors were present, with a quorum of ten.

**PRESIDENTS COMMENTS**

Tonight, I'm going to keep my comments short so that we may all go home in time for those favorite 9 p.m. shows.

I want to talk briefly about elections. Election season has begun! Check the LW Weekly for the Mutual Election Schedule and the GRF Election schedule for the even numbered Mutuals.

LW is a self-governed community...which means that GRF and the 16 Mutuals are governed by directors who are volunteer unpaid members. I want to emphasize unpaid volunteers. Directors are a group of retired seniors who have taken time out from their bucket list to provide a service to the Mutuals and GRF. Between GRF and the Mutuals, 99 directors will be elected this season. Let's make you one of them.

Why volunteer? According to a recent study:

- 76% of people who volunteer say that volunteering has made them feel healthier.
- 94% of people who volunteer say that volunteering improves their mood.
- 96% of people say that volunteering enriches their sense of purpose.
- 95% of people who volunteer say they are helping to make their community a better place.

## **Golden Rain Foundation Board Meeting Minutes, February 27, 2018**

But even volunteers run out of steam! And that is the time for you to step up and be a part of the solution and not part of the problem. It's easy to criticize, back-seat drive and make excuses.

As to why you don't have the time to volunteer, it is so much harder to try and find a solution.

And that is what your directors are doing on your behalf. For most, your home is the largest asset that you have. Protect your investment by investing the time in whatever role your Mutual has available.

So, please give considerable thought to running as a director. Your Mutual and GRF need you!

And now to the business at hand.

### **ANNOUNCEMENTS**

The GRF Board of Directors met for an Executive Session meeting on February 2, 2018 to discuss legal and contractual matters.

### **SERVICE ANNIVERSARIES**

The service awards were deferred until the next GRF Board meeting on March 27, 2018.

### **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

Seven 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 Recreation Committee Board Meeting of January 3, 2018  
Minutes of the Physical Properties Committee Board Meeting of January 9, 2018  
Minutes of the Mutual Administration Committee Board Meeting of January 9, 2018  
Minutes of the Executive Committee Board Meeting of January 12, 2018

## **APPROVAL OF BOARD MEETING MINUTES**

The minutes of the January 23, 2018 meeting will remain in draft format until approved.

## **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.

## **NEW BUSINESS**

### **Communication Committee**

#### **Non-budgeted Operating Funding Request – Office 365**

At its regularly scheduled meeting on February 8, 2018, the Communications Committee unanimously agreed to request the Finance Committee review non-budgeted Operating funding for the purchase of Microsoft Office 365 software.

GRF staff currently uses a combination of Office 2007 and Office 2013. A monthly subscription-based service, Office 365 is a software package which contains various productivity tools (Word, Excel, PowerPoint, and Outlook). The Office 365 package is that can ensure all staff and Board are using the most current version of Microsoft Office, resolving any incompatibility issues with various versions of Office.

At its regularly scheduled meeting on February 20, 2018, the Finance Committee determined sufficient non-budgeted Operating funds are available.

Mr. Gould MOVED, seconded by Mr. Lukoff -

**TO** approve the purchase of Microsoft Office 365 licenses (20 subscriptions = 100 seats total) for \$2000/year, to be charged to

6481000-34 (Computer Maintenance & Software), non-budgeted

Operating funding.

Two Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members.

Non-budgeted Operating Funding Request – Publications Management Software

At its regularly scheduled meeting on the February 8, 2018, the Communications Committee, unanimously agreed to request the Finance Committee review non-budgeted Operating funding for the purchase of new sales software, "The Magazine Manager," which will replace sales software, FileMaker Pro. The set-up fee for the new software is \$1,750 and \$346 per month (2018, 10 months, \$3,460) for hosting and user fees (\$5,210 per year).

At its regularly scheduled meeting on February 20, 2018, the Finance Committee determined sufficient non-budgeted Operating funds are available.

Mr. Stone MOVED, seconded by Ms. Fekjar -

**TO** approve non-budgeted Operating funding for the purchase of new sales software, "The Magazine Manager," which will replace sales software, FileMaker Pro. The set-up fee for the new software is \$1,750 and \$346 per month (2018, 10 months, \$3,460) for hosting and user fees (\$5,210 per year).

One Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members.

**Executive Committee**

Rescind Policy 5508-30, Renewal of Service and Maintenance Contracts

At its regular meeting on February 9, 2018, the Executive moved to rescind Policy 5508-30, Renewal of Service and Maintenance Contracts; it is a procedure rather than a policy.

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

**TO** rescind Policy 5508-30, Renewal of Service and Maintenance Contracts.

Rescind Policy 5440-30, Emergency Plan

At its regular meeting on February 9, 2018, the Executive moved to rescind Policy 5440-30, Emergency Plan; it is a procedure rather than a policy.

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

**TO** rescind Policy 5440-30, Emergency Plan.

Rescind Policy 5442-30, Community Emergency Preparedness

At its regular meeting on February 9, 2018, the Executive moved to rescind Policy 5442-30, Community Emergency Preparedness; it is a procedure rather than a policy.

Mr. Dodero MOVED, seconded by Mr. McGuigan –

**TO** rescind Policy 5442-30, Community Emergency Preparedness.

One Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board members.

Appoint 2018 Election Provider

Policy 5025-30, Election Procedures, states that the Executive Committee (EC) “will recommend that the Golden Rain Foundation (GRF) Board appoint the election services company as its Inspector(s) of Election.”

At its meeting on September 26, 2017, the GRF Board unanimously awarded a contract to Accurate Voting Services to perform the general election services for the GRF and Mutual corporations for the years 2018, 2019 and 2020.

Mrs. Reed MOVED, seconded by Mr. Dodero -

**TO** appoint Accurate Voting Services as the Inspectors of Election  
for the 2018 elections, as set forth in Policy 5025-30.

Two Board members spoke on the motion.

The motion was carried unanimously by the Board members.

Approve Group Health Insurance

The annual review of the Foundation’s employee group benefit contracts has been completed for the period of April 1, 2018 through March 31, 2019. The information was provided by the Foundation’s insurance broker, Burnham Benefits. The cost to the Foundation, services provided

to our employees, plan design, customer service of each carrier, and the access to care were considered.

### **Medical Insurance**

Our incumbent carrier, Kaiser, gave us an initial renewal quote for the 2018-2019 plan year with a 6.6% increase in rates for our current plans. Staff requested the best rate they could provide and Kaiser reduced the increase to 3.6%. For our 2016 plan year the Foundation elected a Kaiser plan with modifications to the copays to mitigate premium increases, including a \$500 copay for hospitalization. GRF chose to offset the additional out-of-pocket expenses to employees by establishing a fund to reimburse the first \$500 for any employee or covered dependent for the year.

Ms. Hopewell MOVED, seconded by Ms. Rapp -

**TO** approve the employee health benefit packages:

- Kaiser Medical Low and High Plans
- Guardian Dental HMO and PPO Plans
- Guardian VSP Vision Plan
- Guardian Basic Life and AD&D Insurance Plan
- Guardian Long Term Disability Plan
- Guardian Employee Assistance Plan
- Guardian Voluntary Life Plan
- VPI Voluntary Pet Insurance Plan
- Reimbursement of up to \$500 hospitalization copay annually, per qualified employee
- Flexible Spending Account

Additionally, to recommend the GRF BOD to approve the addition of two (2)

voluntary Plans – the Accident Plan and the Critical Illness Plan, through

Guardian, for full time GRF employees, effective April 1, 2018.

Two Directors and the Director of Finance spoke on the motion.

The motion was carried unanimously by the Board members.

### **Finance Committee**

#### **Accept January 2018 Finance Statements**

At the regular meeting of the Finance Committee on February 20, 2018, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the January 2017 financial statements for audit.

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

**TO** accept the January 2018 Financial Statements for audit.

### Approve CDAR Purchase

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. Winkler MOVED, seconded by Mrs. Damoci 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.

Four Directors spoke on the motion.

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

### **Physical Property Committee**

#### Trust Property Modification – Jim's Gate

This item was removed from the agenda, due to new information brought to bear, and referred back to the Physical Property Committee.

### **Recreation Committee**

#### Reserve Funding Request – Amphitheater, Sound System

The Chair of the Recreation Committee recommended returning this agenda item to the Recreation Committee for further review. This item was removed from the agenda, due to new information brought to bear.

#### Conceptual Approval – Veterans Plaza

At its meeting on February 7, 2018, the Recreation Committee reviewed and approved to

**Golden Rain Foundation Board Meeting Minutes, February 27, 2018**

recommend to the Board conceptual approval from the Board on the proposed improvement to Trust Property to be identified as Veterans Plaza (see attached memo to the Recreation Committee dated January 10, 2018). Cost estimates to construct the proposed projects were provided in the agenda packet.

At its meeting on February 20, 2018, the Finance Committee reviewed and determined sufficient Capital Funds are available for the proposed project, in an amount not to exceed \$75,000.

Mrs. Perrotti MOVED, seconded by Mr. Gould-

**TO** approve the proposed project to be identified as Veterans Plaza, in an amount not to exceed \$75,000, from Capital Funds. The Project is contingent upon final review of proposals by applicable committees, per established policy. Upon committee review and approval, the President is authorized to sign contracts provided; such contracts are fully within the cost estimates as identified.

Eight Directors and the Executive Director spoke on the motion.

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

**Amend Policy 2501-35, Patron Use**

At its regularly scheduled meeting on February 7, 2018, the Recreation Committee moved to amend Policy 2501-35, Patron Use, updating the policy language and eliminating the replacement library card fee.

Ms. Fekjar MOVED, seconded by Ms. Snowden and carried unanimously by the Board members—

**TO** amend Policy 2501-35, Patron Use, updating the policy language and eliminating the replacement library card fee.

The President called for a 10 minute break at 7:40 p.m.

**RV Lot Ad hoc Committee**

**FINAL 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.

**Golden Rain Foundation Board Meeting Minutes, February 27, 2018**

At its meeting of January 23, 2018, 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 January 25 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 of correspondence were received (attached in agenda packet).

At its meeting of February 22, 2018, the RV Lot Ad hoc Committee reviewed the policy and recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1487-50, Recreational Vehicle Lot (RVL) Rules and Regulations, as amended.

Ms. Snowden MOVED, seconded by Mr. McGuigan and carried unanimously by the Board members –

**TO** ratify Policy 1487-50, Recreational Vehicle Lot (RVL) Rules and Regulations, as amended.

**FINAL VOTE:** Adopt Policy 1487.01-50, Schedule of Fees and Monetary Fines for Notice of Violation

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 Fees and Monetary Fines for Notice of Violation.

At its meeting of January 23, 2018, 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 January 25 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.

At its special meeting of February 22, 2018, the 2018, the RV Lot Ad hoc Committee reviewed the policy and recommended the Golden Rain Foundation (GRF) Board of Directors (BOD) adopt Policy 1487.01-50, Schedule of Fees and Monetary Fines for Violation, as amended.

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

**TO** ratify Policy 1487.01-50, Schedule of Fees and Monetary Fines for Notice of Violation, as amended.



**FINAL VOTE: Adopt Policy 1487.02-50, RV Lot 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, RV Lot Maintenance.

At its meeting of January 23, 2018, 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 January 25 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. Crossley MOVED, seconded by Ms. Winkler and carried unanimously by the Board members-

**TO** ratify Policy 1487.02-50, RV Lot Maintenance, as presented.

**Approve Revised RV Lot Use Lease**

At its meeting of November 28, 2017, the Board approved the establishment of the Ad Hoc RV Committee to:

- Develop policies and procedures for the use of the lot
- Develop RV Lot Rules and review lot maintenance and lease agreements

At the February 22, 2018, meeting of the Ad Hoc Committee, the Committee reviewed proposed amendments to lot use lease and moved and approved to recommend to the Board acceptance of the lease, as drafted.

Mr. Pratt MOVED, seconded by Mr. Dodero -

**TO** approve the proposed Lease Agreement GRF and GRF Member for the use of Trust Property for storing a recreational vehicle, trailer or other such vehicle used for recreation as defined by applicable policy, for a portion of the Trust Property commonly identified as the RV Storage Lot and authorize the President to sign the agreements compliant to policy.

The motion was carried with two recusals (Gould, R. Stone).

Upon receiving the final report of the RV Lot Ad hoc Committee, comprised of the previous four agenda items, the GRF President declared the RV Lot Ad hoc Committee dissolved.



### **CONTROLLER'S REPORT**

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

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

The Executive Director provided a written report for the Board and spoke on the RV Lot waiting list status.

### **BOARD MEMBER COMMENTS**

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

The meeting was adjourned was at 8:25 p.m.

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Joy Reed, Corporate Secretary  
GRF Board of Directors  
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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** PHYSICAL PROPERTY COMMITTEE (MW)  
**SUBJECT:** CLUBHOUSE ONE, HEAT PUMP, WOMEN'S BILLIARD ROOM  
**DATE:** MARCH 20, 2018  
**CC:** FILE

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The heat pump in the Women's Billiard Room at Clubhouse One (CH1) has failed and has exceeded its useful life. The Physical Property Department obtained quotes from two contractors for the replacement of this Reserve Component (Asset ID 303). Proposals received:

Alpine Heating and Air	\$5,600
Greenwood Heating and Air	\$5,400

Staff recommends to award a contract to Greenwood Heating and Air, at a cost not to exceed \$5,400, to replace the heat pump in CH 1, the Women's Billiard Room, funding from Reserves.

Reserve funding in the amount of \$25,000 has been allocated in the Reserve Study, the general replacement of HVAC systems in 2018; as of this date, no funds have been expended this calendar year.

I move to award a contract to Greenwood Heating and Air, at a cost not to exceed \$5,400, to replace the heat pump in the Clubhouse One (CH1), Women's Billiard Room, asset ID # 303, Reserve funding and authorize the President to sign the contract.



**HEATING & AIR INC.**

www.GreenwoodHeatandAir.com

Electric St. Cypress, CA 90630 ph 714-821-7070

## Estimate

Date	Estimate #
2/1/2018	10778

Name / Address
Golden Rain - Club House 1 PO BOX 3519 Seal Beach, CA 90740

Job Address
Golden Rain - Club House 1: women's pool rm PO BOX 3519 Seal Beach, CA 90740

Item	Description	Total
	<p>Estimate to remove and replace one (1) existing ceiling mounted heat pump to include the following:</p> <ul style="list-style-type: none"> <li>- Remove one (1) existing 2-ton Mitsubishi ceiling mounted unit and dispose of properly.</li> <li>- Install new 2-ton Fujitsu heat pump model #24RCLX.</li> <li>- R-11 flush lineset and reuse.</li> <li>- Install one (1) new 2-ton Fujitsu 4-way ceiling mounted cassette system with new heat pump model #24RCLX.</li> <li>- Wire in UTB-UUB remote on wall.</li> <li>- Install new 60 AMP disconnect.</li> <li>- Start up system and check for proper operations.</li> </ul>	
Total	Cost - Labor and Materials	5,400.00
<b>Total</b>		<b>\$5,400.00</b>

Lic. #945655

Fiscal Year		2018	2019	2020	2021	2022
1308	Comp Shingle Roof - Replace	\$0	\$0	\$47,741	\$0	\$0
1330	Gutter System - Repair/Replace	\$0	\$0	\$3,395	\$0	\$0
<b>Combined Assets</b>						
302	Generators - Replace	\$0	\$0	\$0	\$0	\$0
303	HVAC Systems - Replace	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
303	Space Heaters - Replace	\$0	\$0	\$0	\$0	\$0
328	Bldg 5 Plumbing - Refurbish	\$0	\$0	\$0	\$0	\$0
328	Plumbing - Refurbish	\$0	\$0	\$0	\$0	\$0
329	Admin Dist. Piping - Replace	\$0	\$0	\$0	\$0	\$0
329	Amphitheater Dist. Piping - Replace	\$0	\$0	\$0	\$0	\$0
329	Library Dist Piping - Replace	\$0	\$0	\$0	\$0	\$0
329	Resale Office Dist Piping - Replace	\$0	\$0	\$0	\$0	\$0
329	Security Dist. Piping - Replace	\$0	\$0	\$0	\$0	\$0
332	Water Heaters - Replace	\$0	\$0	\$0	\$0	\$0
350	Exhaust Fans - Replace	\$0	\$10,300	\$0	\$0	\$0
385	Walkway Light Fixtures - Replace	\$0	\$0	\$28,644	\$0	\$0
430	Drinking Fountains - Replace	\$0	\$24,720	\$0	\$0	\$0
439	Outdoor Furnishings - Replace	\$0	\$0	\$0	\$0	\$0
800	Exterior Doors - Replace	\$0	\$0	\$16,444	\$0	\$0
917	Audio-Visual Equipment - Replace	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
970	CCTV Camera System - Replace	\$0	\$0	\$0	\$0	\$0
1860	Fire Alarm Systems - Replace	\$0	\$0	\$68,959	\$0	\$0
<b>Infrastructure</b>						
201	Asphalt (Parking Lot) - Resurface	\$0	\$0	\$0	\$0	\$0
201	Asphalt (Phase 1) - Resurface	\$0	\$0	\$0	\$0	\$0
201	Asphalt (Phase 2) - Resurface	\$0	\$0	\$0	\$0	\$0
201	Asphalt (Phase 3) - Resurface	\$937,000	\$0	\$0	\$0	\$0
201	Asphalt (Phase 4) - Resurface	\$0	\$0	\$0	\$0	\$0
201	Asphalt (Phase 5) - Resurface	\$0	\$0	\$1,106,519	\$0	\$0
202	Asphalt (Parking Lot) - Repair/Seal	\$0	\$0	\$0	\$1,801,907	\$0
202	Asphalt (Phase 1) - Repair/Seal	\$0	\$0	\$41,906	\$0	\$0
202	Asphalt (Phase 2) - Repair/Seal	\$0	\$0	\$55,167	\$0	\$0
202	Asphalt (Phase 3) - Repair/Seal	\$0	\$53,560	\$0	\$0	\$0
202	Asphalt (Phase 4) - Repair/Seal	\$52,000	\$0	\$0	\$0	\$0
202	Asphalt (Phase 5) - Repair/Seal	\$52,000	\$0	\$0	\$0	\$0
360	Crosswalk Lights - Replace	\$0	\$0	\$0	\$56,822	\$0
360	Traffic Light Poles - Replace	\$0	\$0	\$0	\$0	\$0
361	Large Pole Lights - Replace	\$0	\$0	\$0	\$0	\$0
367	Marquee - Replace	\$0	\$0	\$0	\$0	\$0
380	Shuffleboard Court Lights - Replace	\$0	\$0	\$108,212	\$0	\$0
385	Security Bldg. "Leisure World" Sign	\$0	\$0	\$0	\$0	\$0
505	Pedestrian Gates - Replace	\$0	\$0	\$22,279	\$0	\$0
518	Chain Link Fence - Replace	\$0	\$0	\$0	\$0	\$0
560	St Andrews Vehicle Gate - Replace	\$0	\$0	\$0	\$0	\$0
706	Barrier Arm Operator - Replace	\$0	\$0	\$0	\$0	\$0
708	Gate Operators - Replace	\$0	\$0	\$6,737	\$0	\$0
709	Electrical Generator - Replace	\$3,200	\$0	\$0	\$0	\$0
968	Gate Server Equipment - Replace	\$0	\$0	\$5,623	\$0	\$0
1003	Irrigation Controllers - Replace	\$0	\$0	\$0	\$3,770	\$0
1020	Tree Removal & Replacement	\$0	\$0	\$55,167	\$0	\$0
1113	Metal Surfaces - Repaint	\$0	\$0	\$275,834	\$0	\$0
1118	Parking Spaces - Restripe	\$0	\$0	\$0	\$3,606	\$0
1118	Red Curbs - Repaint	\$0	\$8,086	\$0	\$0	\$8,835
1702	Waterscape Shoreline - Clean/Repair	\$130,000	\$22,145	\$0	\$0	\$24,198
1906	Radar Trailer - Replace	\$0	\$0	\$0	\$0	\$0
<b>Miscellaneous Components</b>						
1022	Main Gate Beautification - Project	\$0	\$0	\$0	\$0	\$0
1061	Globe Motor - Replace	\$0	\$0	\$0	\$0	\$0
1062	Globe Surfaces - Repaint	\$0	\$0	\$0	\$0	\$0
1402	Monument Signs - Refurbish	\$26,000	\$0	\$0	\$0	\$0
1405	Street Signs - Replace	\$0	\$0	\$0	\$0	\$0
1415	Veterans Memorial - Refurbish	\$0	\$0	\$0	\$0	\$0
1880	RV Lot Office Trailer - Replace	\$0	\$0	\$0	\$0	\$0
<b>Fleet Maintenance</b>						
305	Portable Maint. Equipnt	\$0	\$0	\$0	\$0	\$0
319	Overhead Lights on Vehicles	\$0	\$0	\$0	\$0	\$0
1900	Cushmans - Replace	\$0	\$0	\$0	\$0	\$0
1902	Forklift - Replace	\$0	\$0	\$0	\$0	\$0

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Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

## BOARD ACTION REQUEST

**TO:** GRF BOARD OF DIRECTORS  
**FROM:** ARCHITECTURAL DESIGN & REVIEW COMMITTEE (MW)  
**SUBJECT:** TRUST PROPERTY TREE TRIMMING  
**DATE:** MARCH 15, 2018  
**CC:** FILE

The Physical Property Department sent out a Request for Proposal (RFP) to six (6) contractors and held a bidders' conference; four (4) bidders attended. At its March 12, 2018 meeting, the Architectural Design & Review Committee (ADRC) reviewed sealed bids from the four contractors as follows:

BIDDER	YEAR ONE	YEAR TWO	YEAR THREE	TOTAL BID FOR THREE YEARS
BrightView Landscape Services	\$33,605.	\$47,711.	\$38,206.	\$119,522.
Great Scott Tree Service	\$	\$	\$	\$ NO BID
NO BIDAnguiano	\$54,670.	\$43,870.	\$43,770.	\$142,310.
Peterson's Tree Works	109,380.	\$122,400.	\$129,755.	\$361,535.
Tree Pros	\$47,995.	\$47,995.	\$47,995.	\$143,985.
Tree Smith Enterprises	\$	\$	\$	\$ NO BID

Following a discussion on the costs, the contractors' past performance, and experience in the community, ADRC unanimously agreed to recommend the Board award a contract to BrightView Landscape Service, for a three-year term, for Trust Property tree trimming (does not include the golf course), in an amount not to exceed \$119,522, Operating budget funding.

I move to award a contract to Brightview Landscape Service to trim Trust Property Facilities trees, at a cost not to exceed \$119,522, for a period of three years, Operating budget funding, and authorize the President sign the contract.



CONTRACTOR LICENSE NO. 863659 TYPE OF LICENSE C61/D49 C27

FORM OF PROPOSAL  
2017-2020 TREE TRIMMING AND REMOVALS  
IN COMMUNITY FACILITIES & GOLF COURSE, PROJECT # 803-17  
AT LEISURE WORLD - SEAL BEACH

P. O. Box 2069  
Seal Beach, CA 90740

Gentlemen:

The undersigned proposes to furnish all labor, material, and equipment as required to perform 2017 Tree Trimming and Removals in in Community Facilities and Golf Course, Project #803-17 at Leisure World - Seal Beach, as described in the Request for Proposal dated January October 3, 2017.

COMMUNITY FACILITIES - ZONES 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,  
18, 19, 20

YEAR - ONE

TOTAL LUMP SUM BID: Thirty Three Thousand Six Hundred and Five Dollars  $\frac{00}{100}$   
Written in words

\$ 33,605.00

Written in figures

YEAR - TWO

TOTAL LUMP SUM BID: Forty Seven Thousand Seven Hundred and Eleven Dollars  $\frac{00}{100}$   
Written in words

\$ 47,711.00

Written in figures

YEAR - THREE

TOTAL LUMP SUM BID: Thirty Eight Thousand Two Hundred and Six Dollars  $\frac{00}{100}$ 

Written in words

\$ 38,206.00

Written in figures

## TIME OF COMPLETION:

Contractor proposes and promises to complete all work within 120 days of issuance of an effective Notice to Proceed.DATE: 11/2/17

Proposed By:

FIRM NAME: Bright View Tree CareBY: Larry MartonyTITLE: ArboristPHONE: (714) 476-3525

## Attachments:

- a) Acknowledgment
- b) Certification Form



Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** COMMUNICATIONS COMMITTEE  
**SUBJECT:** AMEND POLICY 2866-36, ACCEPTABLE BILINGUAL ADVERTISEMENTS  
**DATE:** MARCH 8, 2018

---

At its regularly scheduled meeting on March 8, 2018, the Communications Committee reviewed Policy 2866-36, Acceptable Bilingual Advertisements. The Committee recommends amendment of the policy to update the policy language and provide clarity.

I move to amend Policy 2866-36, Acceptable Bilingual Advertisements, as presented.

**ADMINISTRATION****NEWSPAPER SERVICES AMEND****Bilingual Advertising****ACCEPTABLE BILINGUAL ADVERTISEMENTS**

The LW Weekly (~~formerly known as the Golden Rain News~~) will accept bilingual advertisements that are in accordance with the general advertising guidelines, and that meet the additional criteria. ~~in Policy 2851-36 or that meet the additional criteria:~~

- 1) Ads may include two languages only; English must be one of the languages displayed.
- 2) Bilingual ads must include English translations for all text displayed (including text displayed in logos and/or other graphic elements).
- 3) Bilingual ads must be reviewed by a translator pre-approved by the Department head ~~Publications Manager~~ or Executive Director.
- 4) Golden Rain Foundation reserves the right to reject ~~any~~ a ~~bilingual~~ ad for any reason.

**Policy:**

Adopted: 28 Feb 17

**Golden Rain Foundation  
Seal Beach, CA**



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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** AMEND POLICY 5092-30, BOARD OF DIRECTORS CODE OF ETHICS AND CONDUCT  
**DATE:** MARCH 9, 2018  
**CC:** FILE

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At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved and approved to recommend to the Board the amendment of Policy 5092-30, Board of Directors' Code of Ethics and Conduct, updating the policy language.

I move to amend Policy 5092-30, Board of Directors' Code of Ethics and Conduct, as presented.

**GOLDEN RAIN OPERATIONS****Board of Directors Code of Ethics and Conduct AMEND**

As members of the Golden Rain Foundation (GRF) Board of Directors (BOD), we recognize the importance of ethical principles that guide our actions. This Code is expressed in broad statements to guide ethical decision making. These statements provide a framework; they cannot and do not dictate conduct to cover particular situations.

1. We provide the highest level of service through accurate, unbiased, and courteous actions.
2. We acknowledge our duty of loyalty to the GRF by adhering to the rules of confidentiality relating to director, staff, ~~or shareholder~~ Member, discipline or any litigation. **This duty survives a Director's term in office.**
3. We treat co-workers and other colleagues with respect, fairness, and good faith, and advocate conditions of employment that safeguard the rights and welfare of all employees.
4. We shall disclose to the BOD, financial or personal conflicts of interest relating to the business of the GRF. We ~~They~~ will recuse ~~themselves~~ ourselves and abstain from voting on any issue where there may be a reasonable expectation of a conflict of interest. (Civil Code 5350).
5. We distinguish between our personal convictions and professional duties and do not allow our personal beliefs to interfere with fair representation of our ~~shareholder/m~~ Members.
6. We shall perform our ~~their~~ fiduciary duties by acting in good faith to promote the best interests of the GRF through reasonable inquiry and investigation. (Civil Code 7231-Business Judgement Rule).
7. All Directors acknowledge their obligation to support decisions made by a majority of the BOD. (Davis-Stirling 7231(A)).

**Policy**

Adopted: 24 Jan 17

Reviewed: 12 May 17

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**

(May 17)



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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** AMEND POLICY 5092.01-30, BOARD OF DIRECTORS' CENSURE  
PROCEDURE  
**DATE:** MARCH 9, 2018  
**CC:** FILE

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At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved and approved to recommend to the Board the amendment of Policy 5092.01-30, Board of Directors' Censure Procedure, updating the policy language, correcting formatting/numbering, adding Censure Polices to be sent with the notice of the censure meeting and advising that the decision of the Board of Directors is not appealable.

I move to amend Policy 5092.01-30, Board of Directors' Code Censure Procedure, as presented.



**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****AMEND****PREFACE**

If the actions of one or more Golden Rain Foundation (GRF) Directors (BOD) fail to follow the precepts of the Code of Ethics and Conduct (Policy 5092-30), other members of the (BOD) may act to censure that person or persons.

**1. DIRECTOR CENSURE**

1.1. A censure is the process by which the GRF BOD, acting by a two-thirds majority vote, can reprimand or condemn the actions of a fellow member in the event that the member:

- 1.1.1. Acts unilaterally;
- 1.1.2. Discloses confidential information;
- 1.1.3. Fails to attend three consecutive months of regularly scheduled BOD meetings without prior notice, and based on a reasonably unavoidable situation, as determined in the Board's sole discretion, such as a medical condition, personal emergency, etc.;
- 1.1.4. Fails to act in a way that respects others;
- 1.1.5. Creates a hostile environment including acting disruptively;
- 1.1.6. Fails to support decisions made by a majority of the BOD;
- 1.1.7. Fails to comply with the law, governing documents, policies or procedures of the GRF; or
- 1.1.8. In the event of an act or omission that creates a threat to any individual, the GRF or the community.

1.2. The following steps will be used to censure a director. All proceedings related to a censure shall be conducted in a closed, executive session meeting.

1.3. The Director(s) subject to the censure may not elect to have the proceedings conducted in an open, public session.

**2. MOTION TO CENSURE**

2.1 A "Motion to Censure" form must be filed using the form in Policy 5092.02-30. It must include a second signature from a director clearly in agreement and be submitted to the President for presentation at a special executive session, closed meeting of the BOD. If the censure involves the President, it will be submitted to the Vice President for presentation at a special executive session.



**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****AMEND**

- 2.2 If the Presiding Officer elects not to place the motion on the agenda of a special executive session meeting of the BOD, two members may request a special executive session meeting of the BOD.
- 2.3 A director subject to censure shall be provided with at least ten (10) business days prior notice of the censure including the reason for the censure and the date, time and location of the meeting where censure will be considered. The Executive Directors' office will send the notice of the meeting, a copy of the "Motion to Censure" form and the Censure Policies (5092-30 and 5092.01-30) to the director by U.S. Mail, GRF e-e-mail and place copies in the director's GRF Mail Box. The Presiding Officer will also contact the Director directly.
- 2.4 The BOD shall be provided at least five (5) business days advance written notice of the special executive session of the full BOD regarding the "Motion to Censure, 5092.02-30", which shall include a copy of the submitted form 5092.02-30. Notification shall be sent by the U.S. Mail through the Executive Director's office to all BOD members with the addition of an email notification containing the date, time and location of the meeting.
- 2.5 A director subject to censure may provide a written response to all BOD members no later than two (2) business days prior to the meeting. The director shall also be provided an opportunity to respond to the reason for censure at the meeting.
- 2.6 The censure motion may be debated and following the debate the BOD may take one of the following actions:
  - 2.6.1. Postpone the motion by a simple majority for any reason, including, but not limited to, the desire of the majority to gather additional information and/or permit the director to respond further.
  - 2.6.2. Approve the motion by a two-thirds (2/3) majority of a quorum of the non-offending directors; or
  - 2.6.3. Defeat the motion.
- 2.7 Written notice of the BOD's decision shall be sent by U.S. Mail to the named member(s) no more than fifteen (15) business days following the meeting.

**3. ENFORCEMENT PROCEDURES**

- 3.1. If the "Motion to Censure" is passed, the non-offending BOD members may choose one or more of the following actions:
  - 3.1.1 WARNING/EDUCATION

**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****AMEND**

- 3.1.2 REMOVAL FROM CORPORATE OFFICE OR CHAIR
- 3.1.3 REMOVAL FROM COMMITTEE
- 3.1.4 REQUEST FOR RESIGNATION
- 3.2. For offenses relating to the disclosure of confidential or sensitive information, upon a vote of two-thirds (2/3) of the majority of the quorum of the non-offending BOD members, the offender may be prevented access to confidential information.
- 3.3. If at any time a Director commits a crime or subjects the Foundation to financial risk, that Director shall be subjected to legal action by the Foundation. This may include removal from GRF Liability coverage.
- 3.4. Censure remains in effect until the next annual meeting.
- 3.5. Decision of the BOD is not appealable.

**Policy**

Adopted: 24 Jan 17

Reviewed: 12 May 17

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****CURRENT****PREFACE**

When the actions of one or more Golden Rain Foundation (GRF) Board of Directors (BOD) fail to follow the precepts of the Code of Ethics and Conduct (Policy 5092-30) other members of the BOD may act to censure that person or persons.

**1. DIRECTOR CENSURE**

- 1.1. A censure is the process by which the GRF BOD, acting by a two-thirds majority vote, can reprimand or condemn the actions of a fellow member in the event that the member:
  - 1.1.1. Acts unilaterally;
  - 1.1.2. Discloses confidential information;
  - 1.1.3. Fails to attend three consecutive months of regularly scheduled BOD meetings without prior notice, and based on a reasonably unavoidable situation, as determined in the Board's sole discretion, such as a medical condition, personal emergency, etc.;
  - 1.1.4. Fails to act in a way that respects others;
  - 1.1.5. Creates a hostile environment including acting disruptively;
  - 1.1.6. Fails to support decisions made by a majority of the BOD;
  - 1.1.7. Fails to comply with the law, governing documents, policies or procedures of the GRF; or
  - 1.1.8. In the event of an act or omission that creates a threat to any individual, the GRF or the community.
- 1.2. The following steps will be used to censure a director. All proceedings related to a censure shall be conducted in a closed, executive session meeting.
- 1.3. The Director(s) subject to the censure may not elect to have the proceedings conducted in an open, public session.

**2. MOTION TO CENSURE**

- 2.1 A "Motion to Censure" form must be filed using the form in Policy 5092.2. It must include a second signature from a director clearly in agreement and be turned in to the President for presentation at a special executive session, closed meeting of the full BOD. If the censure involves the President, it will be turned in to the Vice President



**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****CURRENT**

for presentation at a special executive session, closed meeting of the full BOD.

- 2.2 If the Presiding Officer elects not to place the motion on the agenda of a special executive session meeting of the BOD, two members may request a special executive session meeting of the BOD.
- 2.3 A director subject to censure shall be provided with at least ten (10) business days prior notice of the censure including the reason for the censure and the date, time and location of the meeting where censure will be considered. A copy of the "Motion to Censure" form will also be included. Notification shall be sent by Certified U.S. Mail through the Executive Director's office. The President or Presiding Officer will also contact the Director directly.
- 2.4 The BOD shall be provided at least five (5) days advance written notice of the special executive session of the full BOD regarding the "Motion to Censure", which shall include a copy of the submitted form. Notification shall be sent by the U.S. Mail through the Executive Director's office to all BOD members with the addition of an email notification containing the date, time and location of the meeting.
- 2.5 A director subject to censure may provide a written response to all BOD members no later than two (2) business days prior to the meeting. The director shall also be provided an opportunity to respond to the reason for censure at the meeting.
- 2.6 The censure motion may be debated and following the debate the BOD may take one of the following actions:
  - 2.1.1. Postpone the motion by a simple majority for any reason, including, but not limited to, the desire of the majority to gather additional information and/or permit the director to respond further. (Policy 5601.1)
  - 2.1.2. Approve the motion by a two-thirds (2/3) majority of a quorum of the non-offending directors; or
  - 2.1.3. Defeat the motion
- 2.7 Written notice of the BOD's decision shall be sent by Certified U.S. Mail to the named member(s) no more than 15 business days following the meeting.

**3. ENFORCEMENT PROCEDURES**

**GOLDEN RAIN OPERATIONS****Board of Directors Censure Procedure****CURRENT**

- 3.1. If the "Motion to Censure" is passed, the non-offending BOD members may choose one or more of the following actions:
  - 3.1.1 WARNING/EDUCATION
  - 3.1.2 REMOVAL FROM OFFICE OR CHAIR
  - 3.1.3 REMOVAL FROM COMMITTEE
  - 3.1.4 REQUEST FOR RESIGNATION
- 3.2. For offenses relating to the disclosure of confidential or sensitive information, upon a vote of two-thirds (2/3) of the majority of the quorum of the non-offending BOD members, the offender may be prevented access to confidential information.
- 3.3. If at any time a Director commits a crime or subjects the Foundation to financial risk, that Director shall be subjected to legal action by the Foundation. This may include removal from GRF Liability coverage.
- 3.4. Censure remains in effect until the next annual meeting.

**Policy**

Adopted: 24 Jan 17

Reviewed: 12 May 17

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** AMEND POLICY 5092.02-30, MOTION TO CENSURE  
**DATE:** MARCH 9, 2018  
**CC:** FILE

---

At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved and approved to recommend to the Board the amendment of Policy 5092.02-30, Motion to Censure, updating the policy language and copying the Presiding Officer on the Motion to Censure form.

I move to amend Policy 5092.02-30, Motion to Censure, as presented.

**GOLDEN RAIN OPERATIONS****Board of Directors Code of Ethics and Conduct****AMEND****MOTION TO CENSURE**

Date of request \_\_\_\_\_

I, \_\_\_\_\_ wish to file  
Print Name Director signature Mutuala formal motion to Censure \_\_\_\_\_  
Print Name of Director(s)For the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_**THE MOTION IS SECONDED BY:**

Date \_\_\_\_\_

**I am in agreement and second the motion to Censure:**\_\_\_\_\_  
Print Name Mutual Signature**SUBMITTED TO:**\_\_\_\_\_  
GRF Officer Name and Title GRF Officer Signature

Date Received: \_\_\_\_\_

**For completion by GRF Administrative Staff**Next Special Executive Session of full BOD: \_\_\_\_\_  
Date, Time and Location

This form will be given to the Director(s) subject to possible censure and the Directors requesting Censure.

Original copy: Executive Director

Copy: Accused  
via \_\_\_\_\_ Mail \_\_\_\_\_ GRF e-mail \_\_\_\_\_ GRF Mail Box Date: \_\_\_\_\_ Initials: \_\_\_\_\_Copy: Originators  
via \_\_\_\_\_ GRF Mail Box Date: \_\_\_\_\_ Initials: \_\_\_\_\_Copy: Presiding Officer  
via \_\_\_\_\_ GRF Mail Box Date: \_\_\_\_\_ Initials: \_\_\_\_\_**Policy**Adopted: 24 Jan 17  
Amended 02 Feb 18**GOLDEN RAIN FOUNDATION  
Seal Beach, California**





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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** ADOPT POLICY 5092.03-30, CORRESPONDENCE - NOTIFICATION OF MOTION TO CENSURE  
**DATE:** MARCH 9, 2018  
**CC:** FILE

---

At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved and approved to recommend to the Board the adoption of Policy 5092.03-30, Correspondence – Notification of Motion to Censure.

I move to adopt Policy 5092.03-30, Correspondence – Notification of Motion to Censure.

**GOLDEN RAIN OPERATIONS**

**Board of Directors Code of Ethics and Conduct    **ADOPT****

(insert date)

Sent via Mail, GRF E-mail and placed in GRF Director Mail Box

(insert addressee name)

(insert address)

RE: Motion to Censure

Dear (addressee name),

A Motion to Censure you has been received by GRF Administration. A copy of the Motion is enclosed and includes the reasons for the possible censure. A Special Executive Session of the GRF Board of Directors is scheduled for:

Date: (insert date of Special Executive Session)

Time: (insert time)

Location: (insert location of meeting)

Per Policy 5092.01-30 (attached) you may provide a written response to all Board members no later than two (2) business days prior to the meeting noted above. You will also be provided with an opportunity to respond to the reason(s) for possible censure at the meeting. You may not bring an attorney to the meeting.

Written notice of the Board's decision will be sent to you no more than fifteen (15) business days following the meeting. The Board's decision is not subject to appeal.

Sincerely,

Executive Director

Enclosures: Copy of Motion to Censure  
Copy of Policy 5092.01-30  
Copy of Policy 5092.02-30

**Policy**  
Adopted:

**GOLDEN RAIN FOUNDATION  
SEAL BEACH, CA**



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## BOARD ACTION REQUEST

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**TO:** BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** CALIFORNIA MINIMUM WAGE INCREASE, WAGE RANGE INCREASE  
**DATE:** MARCH 22, 2018  
**CC:** FILE

---

The State of California has approved minimum wages increase as follows;

- January 1, 2018 - \$11.00 (\$0.50 increase from previous year)
- January 1, 2019 - \$12.00 (\$1.00 increase from previous year)
- January 1, 2020 - \$13.00 (\$1.00 increase from previous year)
- January 1, 2021 - \$14.00 (\$1.00 increase from previous year)
- January 1, 2022 - \$15.00 (\$1.00 increase from previous year)

We have approximately 91 employees within GRF wage ranges R4 to R 6, who are making \$12.00 per hour or less, which will become the minimum wage in a few years' time.

- R4 - \$12.30 to \$14.34 per hour
- R6 – \$12.75 to \$14.97 per hour

Action is required to adjust wages now, allowing GRF as an employer to retain current employees and remain competitive with market wages.

Proposed action is to increase wage to all staff members earning \$13.99, or less, by \$0.50 per hour. Based upon current staffing levels, the proposed increase covers 91 employees at an estimated non-budgeted expense of \$36,127.

I move to approve a general wage increase for all GRF employees earning \$13.99 or less, at a projected non-budgeted expense of \$36,127, and authorize the Executive Director to take required actions to fulfill the directive of the Board.

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Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** RESCIND POLICY 5610-30, PARTICIPATION BY FOUNDATION MEMBERS  
**DATE:** MARCH 9, 2018

---

At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved to rescind Policy 5610-30, Participation by Foundation Members; it is a procedure covered in the Civil Code.

I move to rescind Policy 5610-30, Participation by Foundation Members.

**GOLDEN RAIN OPERATIONS****BOARD MEETINGS****RESCIND****Participation by Foundation Shareholder/Members**

The policy of the Golden Rain Foundation (GRF) is to communicate fully and freely with the Shareholder/members of the GRF. The Davis-Stirling Common Interest Development (CID) Act states the following, under Civil Code 4900, Open Meeting Act, in part:

*Section (h): The board of directors of the association shall permit any member of the association to speak at any meeting of the association or the board of directors, except for meetings of the board held in executive session. A reasonable time limit for all members of the association to speak to the board of directors or before a meeting of the association shall be established by the board of directors.*

As used in section (h), “meeting” includes any congregation of a majority of the members of the board at the same time and place to hear, discuss, or deliberate upon any item of business scheduled to be heard by the board, except those matters that may be discussed in executive session.

In compliance with Civil Code 4900, Open Meeting Act, GRF Shareholder/members who wish to speak at any scheduled Board meetings of the GRF Board of Directors (BOD), may do so as follows:

- A. Any Shareholder/member of the GRF shall be permitted to speak at any scheduled meeting of the GRF BOD where there is a majority of the GRF BOD present, except for meetings of the GRF held in executive session, in accordance with this policy.
- B. When the meeting is called to order, the BOD will receive questions from the membership provided that:
  1. Prior to the meeting, the Shareholder/member properly completes the form entitled, "Comments/Questions from the Membership" and turns it in before the meeting is called to order. (See exhibit A)
    - a. GRF Staff shall be responsible for collecting the “Comments/Questions from the Membership” forms just before the meeting is called to order and numbering them in the order they are received.
  2. When recognized by the Presiding Chair, the Shareholder/member shall state his/her name, Mutual and apartment number.
  3. The Shareholder/member may speak for a maximum time limit of four (4) minutes per meeting or for a time limit determined by the Presiding Chair.

**GOLDEN RAIN OPERATIONS****BOARD MEETINGS****RESCIND****Participation by Foundation Shareholder/Members**

4. The Shareholder/member must relinquish the floor when notified by the appropriate Board Member that the time allowed for comments or questions has expired.
- C. If the “Comments/Questions from the Membership” form contains a question for the BOD:
1. At the discretion of the Presiding Chair, members of the BOD and/or staff present at the meeting may respond to the question in the event that the ability exists to answer the question from knowledge at hand;
  2. If the question requires research or action by any of the Committees of the BOD, the Presiding Chair shall refer the question to the proper staff or Committee Chair.

It is incumbent upon staff members and/or Committee Chairs to whom unanswered questions have been referred that they do the necessary research within their department and/or committee so that the proper response may be supplied to the Shareholder/member. Where responses are written, they will be processed through the appropriate department or Committee with the response to the Shareholder/member copied to the full GRF BOD.

- D. At the conclusion of the Shareholder/member comments and questions portion, the BOD will continue the meeting with no further comments from the Shareholder/members.

**Policy**

Adopted: 15 Oct 74  
 Amended: 19 Nov 85  
 Amended: 14 Jun 95  
 Amended: 15 Apr 97  
 Amended: 17 Mar 09  
 Amended: 14 Apr 15

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**

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Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** AMEND POLICY 5101-30, LIMITATIONS OF TERMS – GOLDEN RAIN  
FOUNDATION OFFICERS AND COMMITTEE CHAIRS  
**DATE:** MARCH 9, 2018

---

At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved to amend Policy 5101-30, Limitation of Terms – Golden Rain Foundation Officers and Committee Chairs, incorporating Policy 5022-30, Limitation of Terms – Officers.

I move to amend Policy 5101-30, Limitation of Terms – Golden Rain Foundation Officer and Committee Chairs, as presented.

**GOLDEN RAIN OPERATIONS****AMEND****Limitation of Term – Golden Rain Foundation Officers and Committee Chairs**

Officers of the Golden Rain Foundation (GRF) Board of Directors (BOD) and Chairs of the GRF standing committees shall not be permitted to succeed themselves in office for more than two terms.

A term, herein used, is considered to be from the Organizational meeting in June to the following year's Annual meeting.

**Policy:**

Adopted: 08 Jul 80

Reviewed: 10 Feb 17

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

(Feb 17)

Page 1 of 1

**GOLDEN RAIN OPERATIONS**

**COMMITTEE FUNCTIONS**

**CURRENT**

**Limitation of Term – Standing Committee Chairs**

Chairs of the Golden Rain Board standing committees shall not be permitted to succeed themselves in office for more than two terms.

The intent of this policy is to limit any chair of a Golden Rain Board standing committee to not more than three successive terms.

**Policy**

Adopted: 08 Jul 80

Reviewed: 06 Mar 18

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

(Mar 18)

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** EXECUTIVE COMMITTEE  
**SUBJECT:** RESCIND POLICY 5022-30, LIMITATIONS OF TERMS - OFFICERS  
**DATE:** MARCH 9, 2018

---

At its regularly scheduled meeting on March 9, 2018, the Executive Committee moved to rescind Policy 5022-30, Limitation of Terms – Officers, which will be incorporated into Policy 5101-30, Limitation of Terms – Golden Rain Foundation.

I move to rescind Policy 5022-30, Limitation of Terms - Officers.

**GOLDEN RAIN OPERATIONS****Limitation of Term – Officers****RESCIND (CURRENT)**

Officers of the Board of Directors shall not be permitted to succeed themselves in office for more than two terms.

The intent of this policy is to limit any Director to no more than three successive terms in any position as an officer of the Board of Directors of the Golden Rain Foundation.

**Policy**

Adopted: 08 Jul 80  
Reviewed: 10 Feb 17

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**

(Feb 17)



Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

---

**TO:** GRF BOARD OF DIRECTORS  
**FROM:** FINANCE COMMITTEE (CM)  
**SUBJECT:** ACCEPTANCE OF THE FEBRUARY FINANCIAL STATEMENTS  
**DATE:** MARCH 19, 2018  
**CC:** FILE

---

At the regularly meeting of the Finance Committee on March 19, 2018, the Committee duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the February 2018 financial statements for audit.

Our Director of Finance, Carolyn Miller will give a recap of the February 2018 financial statements. At the end of the report, a motion will be made to accept the February 2018 financial statements for audit.

I move that the GRF Board of Directors accept the February 2018 financial statements for audit.



## Financial Recap – February 2018

As of the two-month period ended February 2018, the draft financial reports indicate that GRF is in a favorable financial position with a surplus of \$295,515.

Major variances are:

Employment Taxes & Benefits	85,113	Favorable: P/R Taxes \$35K; Workers' Comp \$19K; Group Ins \$25K; 401(k) Match \$6K
Facilities Rentals & Maintenance	41,157	Repairs & Maint \$13K; Landscape \$12K; Service Contracts \$16K
Property & Liability Insurance	25,044	Favorable: Actual premiums less than budget; Est. YE variance: \$129K
Rental Income - Resales	47,313	Favorable: Unit sales exceeded budget
SRO Labor Cost Recovery	41,270	Favorable: Actual labor exceeded budget

<b>Reserve Funds</b>	<b>Fund Balance</b>	<b>Allocated For 2018 Projects</b>	<b>Allocated For Future Projects</b>	<b>For details, see page</b>
Repairs & Replacements	\$9,270,846	\$2,002,011	\$7,268,835	9

<b>Capital Funds</b>	<b>Fund Balance</b>	<b>Allocated Funds</b>	<b>Unallocated Funds</b>	<b>For details, see page</b>
Capital Improvements	\$1,769,649	\$605,593	\$1,164,056	11

Total approved unbudgeted operating expenses were \$19,420 as of year-to-date.

P.O. Box 2069  
Seal Beach CA 90740

Description			
	<b>Current Assets:</b>		
	Cash & cash equivalents	419,436	
1122000	Non-Restricted Funds	2,903	
	Receivables	694,903	
	Prepaid expenses	396,260	
	Inventory of maintenance supplies	507,098	
		-----	
	<b>Total Current Assets</b>		<b>2,020,601</b>
	<b>Designated deposits</b>		
1211000	Contingency Operating Fund	500,000	
	Reserve Fund	9,270,846	
1212500	Capital Improvement Fund-GRF	1,769,649	
1213000	Liability Deductible & Hazard Fund	204,287	
		-----	
	<b>Total designated deposits</b>		<b>11,744,782</b>
	<b>Notes Receivable</b>		
1411000	Notes Receivable	24,481	
		-----	
	<b>Total Notes Receivable</b>		<b>24,481</b>
	<b>Fixed Assets</b>		
	Land, Building, Furniture & Equipment	35,649,423	
	Less: Accumulated Dep'n	(23,068,004)	
		-----	
	<b>Net Fixed Assets</b>		<b>12,581,420</b>
	<b>Other Assets</b>		-----
	<b>Total Assets</b>		<b>26,371,284</b>
			=====

P.O. Box 2069  
Seal Beach CA 90740

Description			
<b>Liabilities &amp; Equity</b>			
<b>Current Liabilities:</b>			
	Accounts payable	496,146	
	Project Commitments	851,942	
	Prepaid Deposits	10,425	
	Accrued payroll & payroll taxes	711,416	
	Accrued expenses	289,417	
	Accrued property taxes	100,323	
		-----	
	<b>Total Current Liabilities</b>	<b>2,459,669</b>	
	<b>Total Liabilities</b>		<b>2,459,669</b>
<b>Equity</b>			
<b>Mutuals' Beneficial Interest</b>			
3211000	Contingency Operating Reserve Equity	500,000	
3212000	Reserve Equity	8,646,650	
3394000	Capital Fund Equity	1,541,903	
3310000	Beneficial Interest in Trust	9,764,534	
		-----	
	<b>Total Mutuals' Beneficial Interest</b>		<b>20,453,088</b>
<b>Membership interest</b>			
	Membership certificates of 844 shares @ \$200 par value, and 5,764 shares @ \$250 par value, authorized, issued and outstanding	1,609,800	
	Additional paid-in-capital	4,867,639	
		-----	
	<b>Total Paid-in-Capital</b>		<b>6,477,439</b>
<b>Excess Income</b>			
	Current Year	(4,228)	
3910000	Excess Income / (Expense) Prior Year	128,128	
		-----	
	<b>Total Excess Income</b>		<b>123,899</b>
3920000	<b>Dep'n &amp; Amortization</b>		<b>(3,142,811)</b>
	<b>Net Stockholders' Equity</b>		<b>23,911,615</b>
		-----	
	<b>Total Liabilities &amp; Stockholders' Equity</b>		<b>26,371,284</b>
		=====	

# Golden Rain Foundation

## Cash Flow Activity - All Reserves

### For the Month of February 2018

	Contingency Operating Fund	Reserve Fund	Capital Improvement Fund	Liability Insurance Fund	Nonrestricted Funds	Total
<b>Balance 1/31/2018</b>	<b>500,000</b>	<b>9,449,424</b>	<b>1,703,906</b>	<b>204,287</b>	<b>9,358</b>	<b>11,866,975</b>
Funded: Assessments		100,000				100,000
Funded: Membership Fees collected	(46)	65,079	65,079			130,157
Funded: M17 Lease Fees collected	(4)	842	842			1,683
Funded: Interest on Funds		4,161				4,161
Progress Payments on CIP						-
Expenditures		(348,658)	(177)			(348,836)
Commitments						-
Replenish funds for Donated Assets						-
Net Monthly Claims						-
Disbursement to Mutuals						-
Transfers between funds						-
Interest Income Allocation						-
Net Monthly Activity					(6,455)	(6,455)
<b>Balance 2/28/2018</b>	<b>500,000</b>	<b>9,270,846</b>	<b>1,769,649</b>	<b>204,287</b>	<b>2,903</b>	<b>11,747,686</b>
Net Activity	-	(178,578)	65,743	-	(6,455)	(119,290)

**Golden Rain Foundation**  
**Quick Balance Sheet Analysis**  
**For the Period Ended February 28, 2018**

**SELECTED BALANCE SHEET ITEMS**

	Current Balance	Prior Month	Increase (Decrease)
Cash In Bank	422,339	437,266	(14,927)
Current Assets	13,765,383	13,796,185	(30,802)
Current Liabilities	2,459,669	2,784,343	(324,674)
Current Ratio	5.60	4.95	
Designated Deposits:	11,744,782	11,857,617	(112,835)
Reserve Fund			
Liability & Disaster Insurance Fund			
Capital Improvement Fund			
Contingency Operating Fund			

**RESULT OF OPERATIONS**

Current Month	Actual	Budget	Variance	%
Income	1,343,040	1,294,403	48,637	3.76
Expense	1,227,548	1,297,462	69,914	5.39
Net Materials Recovery(Pass Thru)	0	0	0	
<b>Excess Income or (Expense)</b>	<b>115,492</b>	<b>(3,059)</b>	<b>118,551</b>	
Year To Date	Actual	Budget	Variance	%
Income	2,711,602	2,582,926	128,676	4.98
Expense	2,537,996	2,704,835	166,839	6.17
Net Materials Recovery(Pass Thru)	0	0	0	
<b>Excess Income or (Expense)</b>	<b>173,606</b>	<b>(121,909)</b>	<b>295,515</b>	

Full Time Equivalents		
For the Month	Average YTD	Planned - 2018
163.12	163.58	164.96

2018 Reserve Expenditures

Cost Center	Description	2018 SPAH Unapproved	Prior Approved	Current Approved	Other Adjustments	Total Projects	Prior Expenditures	YTD EXPENDITURES			TTD Expenditures	2018 Allocated Funds
								Jan	Feb	Total		
45	Replace Drapery and Traveler (845-17)	-	37,632			37,632	18,816	-	18,816	18,816	37,632	-
45	Amphitheater- Stage, Lights, Sound, Blast door, Seating	125,000				-	-	-		-	-	-
45	Amphitheater Roof and Two Outbuildings	65,000				-	-	-		-	-	-
51	Replace Four Automatic Sliding Doors (840-17)	-	29,562			29,562	-	-		-	-	29,562
53	Room Nine Roof Replacement (826-17) (Completed as 2/13/18)	-	15,000		(6,656)	8,344	-	8,344		8,344	8,344	-
53	Replace one Automatic Sliding Door (842-17)	-	8,355			8,355	-	-		-	-	8,355
79	Clubhouse 1, 2, 3, 6 Revitalization Project (830-17)	-	1,000,000			1,000,000	77,215	-		-	77,215	922,785
79	Main Gate Beautification - Globe (730-15B)	-	163,270			163,270	163,270	-		-	163,270	-
79	Globe - Replacement of Continents (730-15B) (Transfer funds to Globe lighting design)	-	178,081			178,081	161,993	-		-	161,993	16,088
79	Globe Lighting Design (730-15B) (Transfer funding from Globe project 730-15B)	-	22,919			22,919	4,464	-	17,027	17,027	21,491	1,428
79	Perimeter wall sections J & K (591-01B-JK)	-	650,000			650,000	84,977	-		-	84,977	565,023
79	St. Andrews Gate Improvements (723-14)	-	52,808			52,808	52,808	-		-	52,808	-
79	Perimeter wall sections L & M (591-01B-LM)	-	900,000			900,000	861,376	-		-	861,376	38,624
79	Street Paving Project- Phase one (Cedar Crest, Knollwood, Fairfield/Prestwick, Shawnee...) (764-16)	-	600,000			600,000	546,133	2,880		2,880	549,013	50,987
79	Street Paving Project- Phase two ( St. Andrews Drive ) (836-17)	-	581,639			581,639	193,824	-	312,815	312,815	506,639	75,000
79	Main Gate Entrance- Landscape and Hardscape Improvements (825-17)	-	158,577			158,577	98,418	-		-	98,418	60,159
79	Compliance with California Manual on Uniformed Traffic Control Devices (CAMUTCD) (738-15)	-	237,800			237,800	13,800	-		-	13,800	224,000
79	Street Paving Project- Phase III (St. Andrews North)	1,000,000				-	-	-		-	-	-
79	Asphalt Crack Filling	50,000				-	-	-		-	-	-
79	Landscape Replacement (Community-wide)	50,000				-	-	-		-	-	-
79	Develop Landscape Plans for St. Andrews South (851-18)	-		10,000		10,000	-	-		-	-	10,000
		-	-			-	-	-		-	-	-
Total Planned Reserve Expenditures		1,290,000	4,635,642	10,000	(6,656)	4,638,986	2,277,093	11,224	348,658	359,882	2,636,975	2,002,011

2018 Capital Plan

Center	Description	2018 SPAH	Prior Approved	Additional Approved	Other Adjustments	Total Projects	Prior Expenditures	YTD EXPENDITURES			TTD Expenditures	Allocated Funds
		Unapproved						Jan	Feb	Total		
34	Jenark System (5000-14 J)	-	218,000			218,000	183,017	-		-	183,017	34,983
34	Axxerion System (5000-14 A)	-	117,000			117,000	89,381	-		-	89,381	27,619
37	Security Office and Lobby	50,000	-			-	-	-		-	-	-
37	Access Control	100,000	-			-	-	-		-	-	-
47	RV Lot General Operational Requirements- portable office, electrical, awning, lot gravel & level pad (815-17)	-	28,000			28,000	18,735	314	177	491	19,226	8,774
47	RV Lot Electrical Upgrade- 400 amps (837-17)	-	28,085	11,854		39,939	-	-		-	-	39,939
48	Pool Area Planning- replace/enhance or modify (850-17)	-	25,000			25,000	-	-		-	-	25,000
48	Swimming Pool Upgrade	1,000,000	-			-	-	-		-	-	-
52	Develop redesign CH2 Outdoor Multi-Use Area (785-16)	-	13,750			13,750	12,250	-		-	12,250	1,500
52	Mission Park Project (841-17)	-	330,000			330,000	48,000	-		-	48,000	282,000
52	Landscape Replacement	25,000	-			-	-	-		-	-	-
54	Remove and relocate Flag Pole	-	7,500			7,500	-	-		-	-	7,500
56	Install Ramp on East End (839-17) (Completed as 2/13/18)	-	16,780			16,780	-	16,780		16,780	16,780	-
70	Purchase 5 Club Carts	-	37,800			37,800	-	-		-	-	37,800
79	Pedestrian Gate at Northwood Road (820-17)	-	28,143			28,143	16,850	-		-	16,850	11,293
79	Compliance with California Manual on Uniformed Traffic Control Devices (CAMUTCD) (738-15)	-	42,040			42,040	7,040	-		-	7,040	35,000
79	Street Paving Project- Phase two ( St. Andrews Drive )- Conduit Installation for fiber optic cable (836-17)	-	30,000			30,000	27,000	-		-	27,000	3,000
79	Battery Backup System at Traffic Signal	-	14,985			14,985	-	-		-	-	14,985
79	Street Paving Project- Phase III- New Landscaping	400,000	-			-	-	-		-	-	-
79	Veterans Plaza (849-17)	75,000	-	75,000		75,000	-	-		-	-	75,000
79	Main Gate Study	7,500	-			-	-	-		-	-	-
79	Install Screening Fence for Administration Generator (852-18)	-	-	1,200		1,200	-	-		-	-	1,200
Total Planned Capital Acquisitions		1,657,500	937,083	88,054	-	1,025,137	402,274	17,094	177	17,271	419,544	605,593

Total Remaining Expenditures for Approved and Future Projects	2,263,093
Fund Balance	1,769,649
Deficit	(493,444)





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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** FINANCE COMMITTEE (CM)  
**SUBJECT:** ACCEPTANCE OF THE FINAL DRAFT 2017 AUDITED FINANCIAL STATEMENTS AND EXCESS INCOME DISTRIBUTION  
**DATE:** MARCH 19, 2018  
**CC:** FILE

---

At the regular scheduled meeting on March 19, 2018, the Finance Committee reviewed the 2017 draft audited financial statements of the Golden Rain Foundation and the excess income reported herein. See Exhibit A. The Committee duly moved and approved to recommend the Board accept the 2017 audited financial statements and, pursuant to Policy 5528-31 – Refund of Excess Income, to distribute to the Mutuals on a pro rata basis the amount of \$128,128, representing 2017 excess income as reported in the 2017 audited financial statements.

I move to accept the final draft 2017 Golden Rain Foundation Financial Statements, as of December 31, 2017, for the year then ended, and the proposed Independent Auditors' Report as submitted by Clifton Larson Allen LLP, hereby accepting the above mentioned Financial Statements and reports therein (Exhibit A), reflecting excess income of \$128,128. Further, I move that the excess income of \$128,128 be distributed on a pro rata basis, in its entirety, to the Mutual Corporations pursuant to Policy 5528-31 – Refund of Excess Income.

**Golden Rain Foundation and the Trust**  
Consolidated Financial Statements and  
Supplementary Information  
December 31, 2017 and 2016  
(With Independent Auditors' Report Thereon)

DRAFT

March xx, 2018

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
Golden Rain Foundation  
Seal Beach, California

### ***Report on the Financial Statements***

We have audited the accompanying consolidated financial statements of Golden Rain Foundation and the Trust (the "Foundation"), which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the related consolidated statements of revenue and expenses by segment, changes in membership interest and trust equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Golden Rain Foundation and the Trust as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Correction of Error***

As discussed in Note 5 to the consolidated financial statements, certain asset additions to Community Facilities Assets Held in Trust were recorded in error and certain fixed assets were misclassified. Management has therefore restated and reclassified the Community Facilities Held in Trust, Beneficial Interest in Trust Assets, and related depreciation account balances as of January 1, 2017 to correct such errors. Our opinion is not modified with respect to that matter.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The by segment information on Consolidated Statement of Revenues and Expenses is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

***Disclaimer of Opinion on Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that information on future major repairs and replacements of common property on page 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*DRAFT*

CliftonLarsonAllen LLP  
Los Angeles, California

**Golden Rain Foundation and the Trust**

Consolidated Balance Sheets

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 443,825	\$ 308,091
Investments (Note 3)	922	279,851
Receivables	732,026	609,022
Inventory of maintenance supplies	410,764	339,319
Prepaid expenses (Note 2)	471,005	431,436
Total Current Assets	<u>2,058,542</u>	<u>1,967,719</u>
Designated Deposits (Note 3)	11,733,605	10,142,285
Notes Receivable		
Notes Receivable - Membership Fee	26,835	32,296
Community Facilities Held in Trust, net (Note 5, 2016 as restated)	<u>12,714,746</u>	<u>11,195,487</u>
Total Assets	<u>\$ 26,533,728</u>	<u>\$ 23,337,787</u>

See accompanying independent auditors' report.  
The notes are an integral part of these consolidated financial statements.

**Golden Rain Foundation and the Trust**

Consolidated Balance Sheets

December 31, 2017 and 2016

	2017	2016
Liabilities and Equity		
Current Liabilities:		
Accounts payable	\$ 868,132	\$ 486,793
Accrued expenses	901,380	909,856
Unearned income	48,560	63,798
Accrued property tax	100,323	105,392
Project commitments (Note 2)	1,018,945	1,088,450
Prepaid deposits	9,450	-
Total Liabilities	<u>2,946,790</u>	<u>2,654,289</u>
Equity		
Equity in Contingency Operating Fund	500,000	500,000
Equity in Replacement Reserves	8,319,121	7,394,944
Equity in Capital Improvement Fund	1,585,193	954,888
Beneficial Interest in Trust Assets (Note 5, 2016 as restated)	9,719,868	7,251,448
Total Beneficial Interest in Trust	<u>20,124,182</u>	<u>16,101,280</u>
Membership interest		
Membership certificates of 844 shares at \$200 par value, and 5,764 shares at \$250 par value, authorized, issued and outstanding	<u>1,609,800</u>	<u>1,609,800</u>
Additional paid in capital	<u>20,312,171</u>	<u>20,311,887</u>
Assets Contributed to the Golden Rain Foundation Trust	<u>(15,444,532)</u>	<u>(15,444,532)</u>
Income before depreciation and amortization	<u>128,128</u>	<u>325,451</u>
Depreciation and amortization (Note 2, 2016 as restated)	<u>(3,142,811)</u>	<u>(2,220,388)</u>
Total Equity	<u>23,586,938</u>	<u>20,683,498</u>
Total Liabilities and Equity	<u>\$ 26,533,728</u>	<u>\$ 23,337,787</u>

See accompanying independent auditors' report.  
The notes are an integral part of these consolidated financial statements.

**Golden Rain Foundation and the Trust**  
Consolidated Statements of Revenues and Expenses By Segment  
December 31, 2017 and 2016

	Operations		Maintenance Services		Management Services		Golden Rain News		All Segments	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Income:										
Net Billings from Mutuals	\$ 10,282,956	\$ 10,087,260	\$ 1,201,246	\$ 1,307,916	\$ 44,405	\$ 44,400	\$ (10,863)	\$ 35,352	\$ 11,517,744	\$ 11,474,928
Advertising Income	-	-	-	-	-	-	883,571	865,648	883,571	865,648
Rental - Onsite Sales Office	609,175	546,943	-	-	-	-	-	-	609,175	546,943
Rental - Health Care Center	564,000	564,000	-	-	-	-	-	-	564,000	564,000
Income From Superwire	88,951	90,659	-	-	-	-	-	-	88,951	90,659
Other Rental Income	19,809	34,581	-	-	-	-	-	-	19,809	34,581
Interest Income	38,883	44,650	-	-	-	-	-	-	38,883	44,650
Interest Income Allocation	(43,483)	(37,802)	-	-	-	-	-	-	(43,483)	(37,802)
SRO Labor Cost Recovery	-	-	1,423,636	1,442,171	-	-	-	-	1,423,636	1,442,171
Other Income	730,869	663,969	-	-	-	-	983	535	731,852	664,504
Sub-Total	12,291,160	11,994,260	2,624,882	2,750,087	44,405	44,400	873,691	901,535	15,834,138	15,690,282
Replacement Reserve Funding	(1,150,000)	(900,000)	-	-	-	-	-	-	(1,150,000)	(900,000)
Total Income	11,141,160	11,094,260	2,624,882	2,750,087	44,405	44,400	873,691	901,535	14,684,138	14,790,282
Operating Expenses:										
Salaries and Benefits (Note 6)	6,481,208	6,464,436	2,449,905	2,429,317	-	-	507,132	524,196	9,438,245	9,417,949
Materials and Supplies	507,955	459,767	68,106	89,701	-	-	248,078	251,827	824,139	801,295
Utilities and Trash Hauling	537,850	503,849	17,154	15,160	-	-	7,341	6,145	562,345	525,154
Insurance Premiums	489,603	489,089	-	-	-	-	16,350	16,974	505,953	506,063
Professional Services	416,101	427,642	-	-	-	-	9,857	9,358	425,958	437,000
Contract Services	169,746	177,406	2,290	2,040	-	-	127,046	135,278	299,082	314,724
Maintenance	1,742,098	1,659,313	26,741	35,738	44,405	44,400	8,525	13,480	1,821,769	1,752,931
Recreation - Entertainment	328,599	318,010	-	-	-	-	-	-	328,599	318,010
Permits and Licenses	28,932	34,146	-	115	-	-	-	-	28,932	34,261
Miscellaneous	279,647	238,567	31,473	116,404	-	-	9,868	2,473	320,988	357,444
Total Expenses	10,981,739	10,772,225	2,595,669	2,688,475	44,405	44,400	934,197	959,731	14,556,010	14,464,831
Excess Income (Loss) before Trust Assets Depreciation	159,421	322,035	29,213	61,612	-	-	(60,506)	(58,196)	128,128	325,451
Depreciation of assets held in Trust (2016 as restated)	(902,937)	(1,307,008)	(13,994)	(12,225)	-	-	(5,492)	(5,398)	(922,423)	(1,324,631)
Net Income (Loss)	\$ (743,516)	\$ (984,973)	\$ 15,219	\$ 49,387	\$ -	\$ -	\$ (65,998)	\$ (63,594)	\$ (794,295)	\$ (999,180)

See accompanying independent auditors' report.  
The notes are an integral part of these consolidated financial statements.



**Golden Rain Foundation and the Trust**  
Changes in Membership Interest and Trust Equity  
December 31, 2017 and 2016

	Membership Interest	Additional Net Paid-In Capital	Transfers to Trust	Total Mutuals' Beneficial Interest In Trust Assets	Excess Income Before Depreciation and Amortization	Accumulated Depreciation and Amortization	Total
Balance at January 1, 2016	\$ 1,609,800	\$ 20,310,455	\$ (15,444,532)	\$ 12,696,872	\$ 364,007	\$ (895,757)	\$ 18,640,844
Membership Fees	-	-	-	1,883,473	-	-	1,883,473
Fund Earnings (net of taxes)	-	1,432	-	36,370	-	-	37,802
Funding From Assessments	-	-	-	900,000	-	-	900,000
Expenditures from equity reserves	-	-	-	(1,825,062)	-	-	(1,825,062)
Trust Asset Additions	-	-	-	2,519,035	-	-	2,519,035
Transfers	-	-	-	364,007	(364,007)	-	-
Excess income and transfers over direct operating expenses	-	-	-	-	325,451	-	325,451
Depreciation and amortization	-	-	-	-	-	(1,411,689)	(1,411,689)
Balance at December 31, 2016	1,609,800	20,311,887	(15,444,532)	16,574,694	325,451	(2,307,446)	21,069,854
Prior Period Adjustment	-	-	-	(473,414)	-	87,058	(386,356)
Balance at December 31, 2016, as restated	1,609,800	20,311,887	(15,444,532)	16,101,280	325,451	(2,220,388)	20,683,498
Membership Fees	-	-	-	2,074,784	-	-	2,074,784
Fund Earnings (net of taxes)	-	284	-	43,199	-	-	43,483
Funding From Assessments	-	-	-	1,150,000	-	-	1,150,000
Expenditures from equity reserves	-	-	-	(2,038,952)	-	-	(2,038,952)
Trust Asset Additions	-	-	-	2,468,420	-	-	2,468,420
Transfers	-	-	-	325,451	(325,451)	-	-
Excess income and transfers over direct operating expenses	-	-	-	-	128,128	-	128,128
Depreciation and amortization	-	-	-	-	-	(922,423)	(922,423)
Balance at December 31, 2017	<u>\$ 1,609,800</u>	<u>\$ 20,312,171</u>	<u>\$ (15,444,532)</u>	<u>\$ 20,124,182</u>	<u>\$ 128,128</u>	<u>\$ (3,142,811)</u>	<u>\$ 23,586,938</u>

See accompanying independent auditors' report.  
The notes are an integral part of these consolidated financial statements.

**Golden Rain Foundation and the Trust**  
Consolidated Statements of Cash Flows  
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Net Income (Loss)	\$ (794,295)	\$ (999,180)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation	922,423	1,324,631
(Gain) on sale of investments	(177)	-
Increase (decrease) in other receivables and accrued interest	(123,004)	73,634
Increase (decrease) in inventory of maintenance supplies	(71,445)	42,123
Increase (decrease) in prepaid expenses	(39,569)	45,167
Decrease (increase) in notes receivable	5,461	(17,868)
Increase (decrease) in accounts payable	381,339	(149,781)
Increase (decrease) in project commitments	(69,505)	293,413
Increase in prepaid deposits	9,450	-
Decrease in accrued expenses	13,148	48,205
Decrease (increase) in unearned income	(15,238)	6,821
Net cash provided by operating activities	<u>218,588</u>	<u>667,165</u>
Cash flows from investing activities:		
Proceeds from the sale of investments	54,835	325,000
Purchases of investments	(54,658)	(325,000)
Increase of investments and designated deposits	(1,312,391)	(1,852,479)
Proceeds from the sale of fixed assets	44	232
Acquisition of fixed assets (excluding construction in progress)	(1,656,628)	(2,519,035)
Additions to construction in progress for community facilities	(338,377)	-
Net cash (used in) investing activities	<u>(3,307,175)</u>	<u>(4,371,282)</u>
Cash flows from financing activities:		
Transfers (to) from equity reserves	<u>3,224,321</u>	<u>3,515,247</u>
Increase (decrease) in cash and cash equivalents	135,734	(188,870)
Cash and equivalents at beginning of year	308,091	496,961
Cash and equivalents at end of year	\$ <u>443,825</u>	\$ <u>308,091</u>
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for income taxes	\$ <u>-</u>	\$ <u>-</u>

See accompanying independent auditors' report.  
The notes are an integral part of these consolidated financial statements.

**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(1) Nature of Operations**

The Golden Rain Foundation (the "Foundation"), a Non Profit Mutual Benefit Corporation, operates and maintains the community facilities within a cooperative housing project consisting of 6,482 cooperative units and 126 condominium units known as Seal Beach Leisure World. The housing project is owned by sixteen corporations (the "Mutuals") whose stockholders are also members of the Foundation. The sole purpose for the existence of the Foundation is to provide management, accounting and maintenance services to the sixteen mutual corporations and to care for the community facilities. The Foundation's Board of Directors (the "Board") consists of representatives from each of the Mutuals.

**(2) Summary of Significant Accounting Policies**

**A. Basis of Presentation**

The consolidated financial statements include the accounts of the Foundation and the Golden Rain Foundation Trust (the "Trust"). The Trust holds all the Community Facilities Held in Trust for the benefit of the Mutuals and is managed by the Foundation. The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with the standards promulgated by the Financial Accounting Standards Board.

**B. Transfer of Foundation Assets**

Beginning with 2015, the Foundation's assets were transferred into the Trust and have been consolidated for financial reporting purposes. The intention of this change is to provide reporting that accurately represents the Foundation's operations. Prior to 2015, depreciation expense was incorporated in the annual operating budget. Consequently, the funding amount set aside for the replacement of fixed assets had been based on historical cost. Beginning in 2015, the Foundation established a replacement reserve fund (reserves) to finance future major repairs and replacements of major components and fixed assets. Funding is achieved through shareholder contributions through monthly assessments specifically designated for reserve funding as determined by the annual operating budget. The funding amount is based on current replacement cost. Consequently, the balance in depreciation and amortization in the equity component of these financial statements (page 5) is cumulative from year 2015 and forward.

**C. Operating Costs**

The Foundation is a non profit corporation and it is intended that all of its operating costs be recovered from the Mutuals. All operating costs are charged to the Mutuals by the Foundation in the year incurred. Budgeted costs are apportioned and billed monthly to the Mutuals on the basis of the number of units in each Mutual. Should the actual operating expenses exceed the actual operating income, the net excess expenses will be billed to the Mutuals based on the number of units per Mutual. Net excess income shall be eliminated in accordance with Foundation Policy 5528-31. Total consolidated operating income exceeded total operating costs by \$128,128 in 2017 and \$325,451 in 2016 (before Trust assets depreciation). Consolidated excess income before Trust assets depreciation for 2017 was \$159,421 and from the Golden Rain Foundation operations a net loss of (\$31,293).

In 2017, all of the 2016 consolidated excess income before Trust assets depreciation was transferred to the Foundation's Replacement Reserve Fund.

**D. Inventory of Maintenance Supplies**

Inventory consists primarily of maintenance supplies to repair or replace property held by the Mutuals and the community facilities that the Trust holds for the Mutuals. Inventory is stated at cost, determined on a first-in, first-out basis, which approximates net realizable value.

**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(2) Summary of Significant Accounting Policies (Continued)**

***E. Prepaid expenses***

Prepaid expenses include insurance premiums paid in advance for future period coverage of \$465,773.

***F. Investments***

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC Number 320-10) "Accounting for Certain Investments in Debt and Equity Securities" requires that investments be classified as "held to maturity", "available for sale", or "trading securities." The standard defines investments in securities as held to maturity based upon a positive intent and ability to hold those securities to maturity. Investments held to maturity are reported at amortized cost. Debt and equity securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and are reported at fair value, with unrealized gains and losses included in operations. Debt and equity securities not classified as held to maturity or trading securities are classified as available for sale and are recorded at fair value, with unrealized gains and losses excluded from operations and reported as a separate component of members' equity. The Foundation has classified its entire investment portfolio as held to maturity and thus has recorded its investment securities at amortized cost.

***G. Fixed Assets and Community Facilities***

Fixed assets and community facilities held in trust by the Foundation are capitalized at cost and are being depreciated on a straight-line basis over their estimated useful lives, which range from 3 to 30 years.

***H. Project Commitments***

Project commitments represent outstanding balances due to contractors for reserve and replacement work or for capital improvement work that is in process or has been completed, but not paid in full as of the balance sheet date. The total cost of these project commitments have been reflected in the current year's reserve activities.

As of December 31, 2017, project commitments were \$1,018,945.

***I. Future Major Repairs and Replacements***

The Foundation's governing documents require that funds be set aside for the addition, replacement and repair of Trust property. The Foundation also maintains and funds reserves for disasters and for the cost of liability insurance deductibles. These reserves are reported on the accompanying consolidated balance sheets as Designated Deposits. Funds held on behalf of the Mutuals are offset by a liability to the Mutuals.

***J. Statement of Cash Flows***

For purposes of reporting cash flows, cash and cash equivalents include cash, demand and savings deposits in banks, and securities and certificates of deposit maturing within 90 days of the original purchase date. Amounts reported as deposits and investments designated for a specific purpose do not meet the definition of cash and cash equivalents.

***K. Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These assumptions and estimates can affect the reported amounts of consolidated assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the amounts of changes in members' equity during the reporting period. Actual results could differ from those estimates.

**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(2) Summary of Significant Accounting Policies (Continued)**

***L. Concentration of Credit Risk***

The Foundation's cash is maintained in two commercial banks. Cash maintained in US Bank consists of demand deposits and money market accounts. US Bank has a "Secured Deposit" program that provides insurance in excess of the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. The Foundation's US Bank accounts are fully covered by this program. Cash maintained in First Foundation Bank consists of money market and Certificate of Deposit Account Registry ("CDAR") accounts. Cash in the money market account totals \$1,261,111 which exceeds the FDIC insured amount by \$1,011,111. Cash in CDAR accounts total \$7,300,000. CDAR funds are insured by the FDIC up to \$50 million.

***M. Advertising***

Advertising costs are charged to operations when incurred and are included in operating expenses. The Foundation did not incur any advertising expense for the years ended December 31, 2017 and 2016.

***N. Income Taxes***

For reporting purposes, the Foundation may file under the general corporation rules, which uses a graduated rate or under Internal Revenue Code Section 528 that provide for a single tax rate. The option that produces the most favorable return is the one ultimately selected for filing. Under both methodologies, the taxable income is based on nonmember income and interest from invested funds. Provision is made, if necessary, for any applicable tax liability.

The Foundation adopted the provisions of FASB ASC Number 740-10, Accounting for Uncertainty in Income Taxes. FASB ASC Number 740-10 changes the accounting for uncertainty in income taxes by creating a new framework for how organizations should recognize, measure, present and disclose uncertain tax positions in their financial statements. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax positions will more likely than not (>50%) be sustained upon the technical merits of the position. In accordance with FASB ASC Number 740-10, the Foundation adopted a policy to recognize penalties and interest resulting from these uncertainties in the period in which they are incurred as operating expenses.

The Foundation has analyzed tax positions taken for filing with the Internal Revenue Service and the California Franchise Tax Board. The Foundation believes that income tax filing positions will be sustained upon examination, and does not anticipate any adjustments that would result in a material adverse affect on the Foundation's financial condition, results of operation, or cash flows. Accordingly, the Foundation has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017.

The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Foundation believes it is no longer subject to Federal income tax examinations for the years prior to 2014, and to California tax examinations for the years prior to 2013.

***O. Reclassifications***

Certain accounts in the prior-year consolidated financial statements have been reclassified for comparative purposes to confirm with the presentation in the current-year financial statements. Also, the presentation of the consolidated statements of cash flows was modified from prior years' presentation.

***P. Subsequent Events***

Date of Management's Review - Subsequent events have been evaluated through March xx, 2018, the date that these financial statements were available to be issued.

**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(3) Designated Deposits and Investments**

Investments and deposits are recorded on the consolidated balance sheets at December 31, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Investments	\$ 922	\$ 279,851
Designated deposits and investments	11,733,605	10,142,285
	<u>\$ 11,734,527</u>	<u>\$ 10,422,136</u>

The Board, at its discretion, has designated resources to be set aside to provide for the activities indicated below. The cost of these designated deposits and investments at December 31, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Contingency Operating Fund - Designated for unbudgeted or unanticipated events or shortfalls in anticipated revenues. Deposits to the Trust Contingency Operating Fund are made from excess income in accordance with Policy 5528-31.	\$ 500,000	\$ 500,000
Replacement Reserve Fund - Designated for future maintenance and replacement of major components/assets that the Foundation is required to maintain in accordance with California Civil Code. Use and expenditures of reserve funds are governed by Policy 5520-31. The Reserve fund is funded by contributions collected through monthly assessments and from a percentage of the Membership Fee and Renter Fee (Mutual 17 only) in accordance with Policy 5061-31. Additional funding may result through surplus operational funds from the preceding fiscal year in accordance with Policy 5528-31 and in accordance with the Civil Code.	9,385,260	8,427,893
Capital Improvement Fund - Designated for new purchases (not replacement) of equipment and/or assets upon Trust property or used in the maintenance of Trust property or in the performance of Foundation duties under the management agreement with the Mutual Corporations. The Capital Improvement fund is funded from a percentage of the Membership Fee and Renter Fee (Mutual 17 only) in accordance with Policy 5061-31.	1,644,058	1,010,389
Liability Insurance Deductible Fund - Designated for payment of the deductible portion of any liability claims and expenses that may occur as a result of a disaster not covered by insurance. Deposits to the liability insurance deductible and disaster fund are made from interest earned on that fund's investments less any applicable income taxes.	204,287	204,003
	<u>\$ 11,733,605</u>	<u>\$ 10,142,285</u>

During the year ended December 31, 2017, bonds with a par value of \$50,000 matured and bonds with a par value of \$4,561 were sold.

**Golden Rain Foundation and the Trust**  
Notes to Consolidated Financial Statements  
December 31, 2017

**(3) Designated Deposits and Investments (Continued)**

A comparison of amortized cost and approximate fair value of deposits and investments held to maturity at December 31, 2017 and 2016 are as follows:

	<b>2017</b>		<b>2016</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
Cash, cash equivalents and money markets	\$ 4,434,527	\$ 4,434,527	\$ 3,762,258	\$ 3,762,258
Certificates of deposits	7,300,000	7,300,000	6,605,000	6,605,000
Municipal bonds	-	-	50,040	50,357
Government National Mortgage Association securities	-	-	14,948	5,317
<b>Total</b>	<b>\$ 11,734,527</b>	<b>\$ 11,734,527</b>	<b>\$ 10,432,246</b>	<b>\$ 10,422,932</b>

The amortized cost and estimated fair value of designated deposits and investments at December 31, 2017 and 2016 by contractual maturity, are shown below:

	<b>2017</b>		<b>2016</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
Due one year or less	\$ 11,734,527	\$ 11,734,527	\$ 10,417,299	\$ 10,417,615
Due after one year through five years	-	-	-	-
Due after five years through ten years	-	-	4,719	3,918
Due after ten years	-	-	10,228	1,399
	<b>\$ 11,734,527</b>	<b>\$ 11,734,527</b>	<b>\$ 10,432,246</b>	<b>\$ 10,422,932</b>

**(4) Community Facilities Held in Trust**

Fixed assets, which are made up of property and equipment required to manage the Foundation's operations, also include the community facilities, including land parcels, utilities, streets, medical and recreational buildings which are held by the Trust for the benefit of the Mutuals.

A summary of the community facilities held by the Trust at December 31, 2017 and 2016 are as follows:

	<b>2017</b>	<b>2016</b>
Land	\$ 999,091	\$ 999,091
Infrastructure	14,450,461	12,982,368
Building and improvements	12,195,057	11,813,870
Fixtures and equipment	7,623,671	7,431,618
Sub-total	35,268,280	33,226,947
Less accumulated depreciation	(22,891,911)	(22,031,460)
Construction in progress	338,377	-
<b>Net community facilities</b>	<b>\$ 12,714,746</b>	<b>\$ 11,195,487</b>



**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(4) Community Facilities Held in Trust (Continued)**

Total community facilities represent amounts invested in the community facilities by the Mutuals, which are equal, except for Mutuals Nos. Sixteen and Seventeen, to values attributed to the community facilities by the Federal Housing Administration historically. The original contribution of Mutual Sixteen to the trust was based on the cost of its off-site improvements and utilities, plus an allocated share of the cost of recreational and other community facilities. The original contribution of Mutual Seventeen to the Trust was based on its allocated share of the then current fair market value, as determined by the Foundation, attributed to the original community facilities purchased by that mutual. The future interests of the Mutuals in the subsequent Trust additions have been allocated to each Mutual in proportion to the mutual's number of units as compared to all units in the project.

**(5) Prior Period Adjustment**

During 2017, management determined that certain fixed asset additions in 2016 to Community Facilities Assets Held in Trust, which accounts for assets held in Trust for the beneficial interests of the Mutuals, were capitalized in error. Concurrently, management discovered misclassifications within the fixed asset classifications. Accordingly, the applicable 2016 account balances have been restated and reclassified in these financial statements to correct the account balance of the Community Facilities Assets Held in Trust Account and to correct depreciation related to years 2016 and prior. The total of corrections to additions was \$386,356 (including an \$87,058 depreciation adjustment) and the total of reclassifications was \$2,286,214. Following is a summary of items from the 2016 financial statements that were restated.

	Previously Reported	Adjustment	Restated Amount
Land	\$ 999,091	\$ -	\$ 999,091
Infrastructure	11,431,569	1,550,799	12,982,368
Building and improvements	11,703,827	110,043	11,813,870
Fixtures and equipment	9,565,874	(2,134,256)	7,431,618
Accumulated depreciation	(22,118,518)	87,058	(22,031,460)
Community Facilities Held in Trust, Net	\$ 11,581,843	\$ (386,356)	\$ 11,195,487
Beneficial Interest in Trust Assets	\$ 7,724,862	\$ (473,414)	\$ 7,251,448
Depreciation and amortization	\$ (1,411,689)	\$ 87,058	\$ (1,324,631)

**(6) Employees' Retirement Plan**

Effective January 1, 2000, the Employees' Retirement Plan was amended from a defined contribution money purchase plan to a 401(k) plan. Employees with 1,000 hours of service with the Foundation continue to be eligible. Participants are able to contribute from 1% to 100% of their compensation. Employer matching is 50% of the employees' contribution up to 8% of their compensation. The vesting period for the employer's match is set by statute at 100% after three years of service. Contributions made to the Plan by the Foundation amounted to \$125,479 and \$138,657 in 2017 and 2016, respectively.

**Golden Rain Foundation and the Trust**  
**Notes to Consolidated Financial Statements**  
**December 31, 2017**

**(7) Commitments and Other Rental Activity**

**A. Commitments**

The Foundation has an operating lease agreement for equipment expiring October 2018. Future minimum payments under these non-cancelable leases are as follows:

Year ending December 31:

2018	\$ 39,696
2019	19,226
2020	15,132
2021	15,132
2022	8,827
	<u>\$ 98,013</u>

Rent expense under the operating lease was \$32,988 for the year ended December 31, 2017.

**B. Other rental activity**

The Foundation, as Trustee, rents the on-site real estate sales office to outside services. The tenant calculates income received from the lease of the on-site sales office at a fixed percentage of the total monthly sales income generated by the tenant. The minimum guaranteed payment to the Foundation is \$10,000 per month. The lease agreement expires on December 31, 2018. Either party can terminate the lease upon 180 days notice without penalty.

The Foundation, as Trustee, rents the health care center to Los Alamitos Medical Center, Inc. Income received from the health care center is based on \$47,000 a month. The lease agreement expires in November 30, 2018. Either party can terminate the lease upon 180 days notice without penalty.

The Foundation, as Trustee, rents land or office space for an RV storage center, NuVision Credit Union, and Superwire Telecom Inc under separate agreements. The income received for the RV storage center was \$1 for the year ending December 31, 2017. The lease agreement expires in May 31, 2018. The income received from NuVision Credit Union was \$18,000 for the same period. The lease agreement expires in November 7, 2022. The Foundation, as Trustee, receives income from Superwire Telecom Inc. of \$1,500 per month plus 5% of the gross revenues collected by Superwire Telecom Inc. from members of Seal Beach Leisure World. This agreement expires February 18, 2019.

Future minimum rental income based on the existing leases is estimated are as follows:

Year ending December 31:

2018	\$ 673,000
2019	21,000
2020	18,000
2021	18,000
2022	15,000
	<u>\$ 745,000</u>

Income received from the rental of community facilities was \$1,330,892 and \$1,248,780 in 2017 and 2016, respectively. The net book values of the resale office and health care center are \$0 and \$990,180, respectively.

**Golden Rain Foundation and the Trust**  
Notes to Consolidated Financial Statements  
December 31, 2017

**(8) Related party transactions**

The board of the Foundation consists of members that are also members of the Mutuals. A significant portion of the revenues are derived from assessments and other billings from the Mutuals.

At December 31, 2017, receivables from the Mutuals for services and various reimbursed expenses equal \$494,129.

**(9) Contingencies**

During the year ended December 31, 2017, the Foundation was involved in legal proceedings through the normal course of its business operations. Management has evaluated all such contingencies and has determined none of these matters would have a material adverse effect on these financial statements.

DRAFT

**Golden Rain Foundation and the Trust**  
 Supplementary Information Regarding Funds for Future Repairs  
 (Unaudited)  
 December 31, 2017

While preparing the annual operating budget, the Board reviews the conditions and assumptions regarding the common interest of the Foundation. This review consists of updating the replacement cost and remaining useful life of the Foundation's common interest property. This data is used to develop reserve requirements using the formula set forth in Civil Code 5570 (b) (4). Except as noted below the Board expects to finance all replacements through regular assessments to the shareholders. Accordingly, the Board does not plan any special assessments.

<b>Fund</b>	<b>Estimated Remaining Life</b>	<b>Current Replacement Cost</b>	<b>Reserve Balance Required</b>	<b>Est Beg Bal</b>	<b>Annual Contribution</b>	<b>Per Unit Per Month</b>
Replacement Reserves	1 - 30+	\$ 14,011,490	\$ 8,773,855	\$ 6,953,940	\$ 1,150,000	\$ 14.50

Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated required amount to be in the reserve fund, the projected fund balance of those years, taking into account only assessments approved and the other known revenues, and the percentage funded at the end of each of the next five years is:

<b>Year</b>	<b>Required Funding</b>	<b>Projected Fund Bal.</b>	<b>% Funded</b>
12/31/2017	\$ 9,096,712	\$ 6,972,570	76.65%
12/31/2018	\$ 8,883,838	\$ 6,682,248	75.22%
12/31/2019	\$ 9,096,022	\$ 6,942,650	76.33%
12/31/2020	\$ 8,522,895	\$ 6,505,678	76.33%
12/31/2021	\$ 8,712,181	\$ 7,394,601	84.88%

This financial representation set forth in this summary is based on the best estimates of the Board at this time and is further predicated on the Board maintaining the current Reserve Funding Plan.



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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** FINANCE COMMITTEE (CM)  
**SUBJECT:** CDAR PURCHASE  
**DATE:** MARCH 19, 2018  
**CC:** FILE

---

At the regularly scheduled meeting of the Finance Committee on March 19, 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 March 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 \$800,000 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.

To continue the investment ladder by investing \$800,000 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.

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Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** FINANCE COMMITTEE  
**SUBJECT:** AMEND POLICY 5522-31, SAFE DEPOSIT BOXES  
**DATE:** MARCH 19, 2018

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At its regularly scheduled meeting on March 19, 2018, the Finance Committee moved to amend Policy 5522-31, Safe Deposit Boxes, updating the policy language and specifying that two authorized persons must access the GRF safe deposit box simultaneously.

I move to amend Policy 5522-31, Safe Deposit Boxes, as presented.

**GOLDEN RAIN OPERATIONS****BOARD INTERNAL OPERATIONS AMEND****Safe Deposit Boxes**

The Golden Rain Foundation (GRF) ~~Corporate Officers of the Foundation are authorized (minimum of at least two acting together with the approval of the President) to~~ maintain a the Safe Deposit box/~~boxes~~ located at Wells Fargo Bank for the sole purpose of secure storage of the Foundation's ~~backup data storage~~ property as the Board deems appropriate.

Any two of the following people ~~Persons acting together are~~ authorized to access ~~the~~ the ~~GRF~~ Foundation's Safe Deposit box/~~boxes~~:

- Director of Finance ~~Officers of the Board~~
- Executive Director, Controller, Human Resources ~~Director~~ Manager and
- Information Technology Services ~~Systems Analyst~~ Manager

**Resolution:**

Adopted: 19 Sep 72  
 Revised: 20 Jan 76  
 Revised 16 May 95  
 Amended: 22 Apr 14

**Golden Rain Foundation  
 Seal Beach, California**





Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** FINANCE COMMITTEE  
**SUBJECT:** RESCIND POLICY 5320-31, BUDGETING  
**DATE:** MARCH 19, 2018

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At its regularly scheduled meeting on March 19, 2018, the Finance Committee moved to rescind Policy 5320-31, Budgeting; it is obsolete and does not follow current practice.

I move to rescind Policy 5320-31, Budgeting.

**GOLDEN RAIN OPERATIONS****CAPITAL IMPROVEMENTS****RESCIND****Budgeting**

1. Capital improvement projects may be proposed for inclusion in the budget by Foundation committees or departments.
2. Preliminary budget will include in the Capital section a listing of proposed projects and indicate when Board approval of a project has been obtained.
3. Capital equipment items, where the unit cost is less than \$10,000, will be listed separately from Board approved projects and equipment.

**Policy**

Adopted: 17 July 73  
Amended: 16 Oct 73  
Amended: 21 Oct 75  
Amended: 15 Sep 81  
Amended: 16 Jul 85  
Amended: 18 Nov 97  
Amended: 18 Dec 07

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**



Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION COMMITTEE  
**SUBJECT:** RESCIND POLICY 1802-33, QUALIFIED PERMANENT RESIDENT AGREEMENT  
**DATE:** MARCH 13, 2018

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At its regularly scheduled meeting on March 13, 2018, the Mutual Administration Committee moved to rescind Policy 1802-33, Qualified Permanent Resident Agreement, as it is a form rather than a policy.

I move to rescind Policy 1802-33, Qualified Permanent Resident Agreement.

**RESCIND****QUALIFIED PERMANENT RESIDENT AGREEMENT**

Mortgage Area No. \_\_\_\_\_

File No. \_\_\_\_\_

This AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between SEAL BEACH MUTUAL No. \_\_\_\_\_ (hereinafter referred to as the "Corporation"), a Corporation having its principal office and place of business in Orange County, California, and \_\_\_\_\_ (hereinafter referred to as "Member") and \_\_\_\_\_ (hereinafter referred to as "Qualified Permanent Resident");

WHEREAS, the Corporation was formed for the purpose of acquiring, owning and operating a cooperative housing project to be located at Seal Beach Leisure World (hereinafter called "Leisure World"), Seal Beach, Orange County, California, with the intent that its stockholders (hereinafter called "Members") shall have the right to occupy the dwelling units thereof under the terms and conditions set forth in the Occupancy Agreement; and

WHEREAS, the Member is the owner and holder of one share of common capital stock, Series \_\_\_\_\_ of the Corporation and has a bona fide intention to reside in the project, and the Qualified Permanent Resident is qualified pursuant to Civil Code §51.3 to reside with the Member;

NOW THEREFORE, in consideration of the Mutual promises contained herein, the Corporation hereby consents to the Qualified Permanent Resident residing with the Member in Dwelling Unit NO. \_\_\_\_\_, Seal Beach Mutual No. \_\_\_\_\_, located at Leisure World.

**ARTICLE 1. CHARGES**

The Member hereby covenant and agrees to pay to the Golden Rain Foundation (hereinafter referred to as "Foundation") an amount equal to the then current Initiation Fee payable for membership in the Foundation in the same amount as is required of all other joint-occupant members at Leisure World.

**ARTICLE 2. CARRYING CHARGES**

The Qualified Permanent Resident acknowledges, covenants and agrees that in order to maintain residence with the Member that it is necessary that all monthly carrying charges as set forth in Article 1 of the Occupancy Agreement between the Corporation and the Member be paid. That the Qualified Permanent Resident has, pursuant to the Civil Code, a right to continue in residence in the event of death, dissolution of marriage, upon hospitalization or other prolonged absence of the Member, but only in the event that the carrying charges due and payable for said

(Jan 95)

**RESCIND****QUALIFIED PERMANENT RESIDENT AGREEMENT**

unit are paid. The Qualified Permanent Resident covenants and agrees to be jointly liable with the Member for all such carrying charges and assessments related to said unit.

**ARTICLE 3. OCCUPANCY AGREEMENT**

The Qualified Permanent Resident acknowledges reading the Occupancy Agreement existent between the Corporation and the Member and agrees to be bound by all the terms and provisions therein contained as to residency, and the fact that said unit is to be used for residential purposes only. The Qualified Permanent Resident agrees and acknowledges that the Qualified Permanent Resident, in order to maintain residence, is jointly liable with the Member for all such charges related to the Seal Beach Mutual unit being occupied.

**ARTICLE 4.**

The Qualified Permanent Resident agrees that no right held by the Qualified Permanent Resident to reside with the Member may be assigned nor transferred to any other person and that no immediate or collateral family member in any relationship with the Qualified Permanent Resident will be allowed to reside with the Qualified Permanent Resident.

**ARTICLE 5.**

The Qualified Permanent Resident is entitled to use any and all of the facilities furnished and provided for members of the Foundation at Leisure World and the Qualified Permanent Resident shall be entitled to enjoy said facilities together with the right of occupancy with the Member.

**ARTICLE 7.**

The Qualified Permanent Resident covenants and agrees that he/she will comply with any and all pertinent regulations, bylaws, and rules of Corporation and Foundation related to occupancy, and will endeavor with the Member to cooperate with the other residents to bring about, for all residents of the Seal Beach Mutual in which the unit is located, a high standard of home and community conditions. The Qualified Permanent Resident acknowledges, that by his/her act and actions that if the occupancy is detrimental to the peace, quiet and enjoyment of the community, that the same may result in the eviction of the Member and the Qualified Permanent Resident, and that there exists between the Member and the Corporation a Landlord-Tenant relationship. The Qualified Permanent Resident acknowledges that he/she may be requested to leave the project or be evicted in the event said individual ceases to be a Qualified Permanent Resident pursuant to the provisions of California Civil Code §51.3.

(Jan 95)

**RESCIND**

**QUALIFIED PERMANENT RESIDENT AGREEMENT**

SEAL BEACH MUTUAL NO. \_\_\_\_\_

MEMBER

By: \_\_\_\_\_  
(Authorized Signature)

APPROVED AND ACCEPTED  
GOLDEN RAIN FOUNDATION

QUALIFIED PERMANENT RESIDENT

By: \_\_\_\_\_  
(Authorized Signature)

**Policy**

Adopted: 12 Jun 85  
Amended: 12 Apr 94  
Amended: 31 Jan 95

**GOLDEN RAIN FOUNDATION**  
**Seal Beach, California**

(Jan 95)



Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION COMMITTEE  
**SUBJECT:** RESCIND POLICY 1803-33, CO-OCCUPANT AGREEMENT  
**DATE:** MARCH 13, 2018

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At its regularly scheduled meeting on March 13, 2018, the Mutual Administration Committee moved to rescind Policy 1803-33, Co-Occupant Agreement, as it is a form rather than a policy.

I move to rescind Policy 1803-33, Co-Occupant Agreement.

**RESCIND****CO-OCCUPANT AGREEMENT**

Mortgage Area No. \_\_\_\_\_

File No. \_\_\_\_\_

This AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between SEAL BEACH MUTUAL No. \_\_\_\_\_ (hereinafter referred to as the "Corporation"), a Corporation having its principal office and place of business in Orange County, California, and \_\_\_\_\_ (hereinafter referred to as "Member") and \_\_\_\_\_ (hereinafter referred to as "Co-Occupant");

WHEREAS, the Corporation was formed for the purpose of acquiring, owning and operating a cooperative housing project to be located at Seal Beach Leisure World (hereinafter called "Leisure World"), Seal Beach, Orange County, California, with the intent that its stockholders (hereinafter called "Members") shall have the right to occupy the dwelling units thereof under the terms and conditions set forth in the Occupancy Agreement; and

WHEREAS, the Member is the owner and holder of one share of common capital stock, Series \_\_\_\_\_ of the Corporation and has a bona fide intention to reside in the project, and the Co-Occupant is qualified as a senior citizen pursuant to Civil Code §51.3 (C) (2) as he/she does not have an ownership interest in, or is not in expectation of an ownership interest in the dwelling unit;

NOW THEREFORE, in consideration of the Mutual promises contained herein, the Corporation hereby consents to the Co-Occupant residing with the Member in Dwelling Unit No. \_\_\_\_\_, Seal Beach Mutual No. \_\_\_\_\_, located at Leisure World.

**ARTICLE 1. CHARGES**

The Member hereby covenant and agrees to pay to the Golden Rain Foundation (hereinafter referred to as "Foundation") an amount equal to the then current Initiation Fee payable for membership in the Foundation in the same amount as is required of all other joint-occupant members at Leisure World.

**ARTICLE 2. CARRYING CHARGES**

The Co-Occupant acknowledges, covenants and agrees that in order to maintain residence with the Member that it is necessary that all monthly carrying charges as set forth in Article 1 of the Occupancy Agreement between the Corporation and the Member be paid.

**ARTICLE 3. OCCUPANCY AGREEMENT**

(Jan 95)



**RESCIND****CO-OCCUPANT AGREEMENT**

The Co-Occupant acknowledges reading the Occupancy Agreement existent between the Corporation and the Member and agrees to be bound by all the terms and provisions therein contained as to residency, and the fact that said unit is to be used for residential purposes only. The Co-Occupant agrees and acknowledges that the Co-Occupant, in order to maintain residence, is jointly liable with the Member for all such charges related to the Seal Beach Mutual unit being occupied.

**ARTICLE 4.**

The Co-Occupant agrees that no right held by the Co-Occupant to reside with the Member may be assigned nor transferred to any other person and that no immediate or collateral family member in any relationship with the Co-Occupant will be allowed to reside with the Co-Occupant.

**ARTICLE 5.**

The Co-Occupant is entitled to use any and all of the facilities furnished and provided for members of the Foundation at Leisure World and the Co-Occupant shall be entitled to enjoy said facilities together with the right of occupancy with the Member.

**ARTICLE 6.**

The Co-Occupant covenants and agrees that he/she will comply with any and all pertinent corporate regulations, bylaws, and rules of Corporation and Foundation related to occupancy, and will endeavor with the Member to cooperate with the other residents to bring about, for all residents of the Seal Beach Mutual in which the unit is located, a high standard of home and community conditions. The Co-Occupant acknowledges, that by his/her act and actions that if the occupancy is detrimental to the peace, quiet and enjoyment of the community, that the same may result in the eviction of the Member and the Co-Occupant, and that there exists between the Member and the Corporation a Landlord-Tenant relationship. The Co-Occupant acknowledges that he/she may be requested to leave the project or be evicted in the event said individual ceases to be qualified pursuant to the provisions of California Civil Code §51.3 (2) (B).

The Co-Occupant covenants and agrees that he/she has, pursuant to the Civil Code, no right to continue in residence in the event of death, dissolution of marriage, upon hospitalization or other prolonged absence of the Member.

(Jan 95)

**RESCIND**

**CO-OCCUPANT AGREEMENT**

**SEAL BEACH MUTUAL NO.\_\_\_\_\_**

**MEMBER**

**By:\_\_\_\_\_**  
**(Authorized Signature)**

**APPROVED AND ACCEPTED  
GOLDEN RAIN FOUNDATION**

**CO-OCCUPANT**

**By:\_\_\_\_\_**  
**(Authorized Signature)**

**Policy**  
Adopted: 12 Apr 94  
Amended: 31 Jan 95

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

(Jan 95)



Foundation Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** MUTUAL ADMINISTRATION COMMITTEE  
**SUBJECT:** RESCIND POLICY 1804-33, GOLDEN RAIN FOUNDATION REQUEST FOR  
ADDITIONAL OCCUPANT ENTRY  
**DATE:** MARCH 13, 2018

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At its regularly scheduled meeting on March 13, 2018, the Mutual Administration Committee moved to rescind Policy 1804-33, Golden Rain Foundation Request for Additional Occupant Entry, as it is a form rather than a policy.

I move to rescind Policy 1804-33, Golden Rain Foundation Request for Additional Occupant Entry.

**RESCIND**

**GOLDEN RAIN FOUNDATION  
REQUEST FOR ADDITIONAL OCCUPANT ENTRY**

- 
1. Name of Qualifying Resident: \_\_\_\_\_
  2. Address of Qualifying Resident: \_\_\_\_\_
  3. Name of Additional Occupant: \_\_\_\_\_
  4. Age of Additional Occupant: \_\_\_\_\_ Birth Date: \_\_\_\_\_ Relationship: \_\_\_\_\_
  5. Reason for request to admit an Additional Occupant: \_\_\_\_\_  
\_\_\_\_\_
  6. Is the Additional Occupant the spouse or cohabitant of the Resident? \_\_\_\_\_
  7. Is the Additional Occupant providing primary physical support to the Resident? \_\_\_\_\_  
If yes, please describe the nature of the physical support being provided (attach a separate page if necessary) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  8. Is the Additional Occupant providing primary economic support to the Resident? \_\_\_\_\_  
If yes, please describe the nature of the primary economic support being provided (attach a separate page if necessary) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  9. Does the Additional Occupant have an ownership interest in the Resident's apartment, Mutual share of stock or Golden Rain Foundation membership? \_\_\_\_\_  
If yes, please describe the basis of the ownership interest and attach a copy of any documents showing such ownership interest (attach a separate page if necessary) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  10. Does the Additional Occupant have an expectation of an ownership interest in the Resident's apartment, Mutual share of stock or Golden Rain Foundation membership? \_\_\_\_\_  
If yes, please describe the source or basis of the expectation of an ownership interest and attach a copy of any document which describes or reveals the basis for such expectation of ownership (attach a separate page if necessary). \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**RESCIND**

**GOLDEN RAIN FOUNDATION  
REQUEST FOR ADDITIONAL OCCUPANT ENTRY**

**The Mutual requires that the Additional Occupant be interested by a member of the Board of Directors. You will be contacted to schedule an appointment for the interview. Please provide a telephone number where the Additional Occupant can be reached. Telephone number of Additional Occupant:**

We certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California.

\_\_\_\_\_  
Print Name of Qualifying Resident

\_\_\_\_\_  
Print Name of Additional Occupant

\_\_\_\_\_  
Signature of Qualifying Resident

\_\_\_\_\_  
Signature of Additional Occupant

\_\_\_\_\_  
Date \_\_\_\_\_ Interviewed by \_\_\_\_\_

☐ APPROVED

☐ APPROVED

☐ DISAPPROVED

☐ DISAPPROVED

**SEAL BEACH MUTUAL NO. \_\_\_\_\_**

**GOLDEN RAIN FOUNDATION**

By \_\_\_\_\_  
(Authorized Signature)

By \_\_\_\_\_  
(Authorized Signature)

Date \_\_\_\_\_

Date \_\_\_\_\_

**Policy**

Adopted: 12 Jun 85  
Amended: 12 Apr 94  
Amended: 31 Jan 95

**GOLDEN RAIN FOUNDATION  
Seal Beach, California**

(Jan 95)

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** RECREATION COMMITTEE  
**SUBJECT:** BUILDING FIVE, ROOM D, LEASE  
**DATE:** MARCH 21, 2018  
**CC:** FILE

---

At the regularly scheduled March 7, 2018 meeting of the Recreation Committee, the Committee approved to recommend to the Finance Committee and Board of Directors the leasing of space within Building 5, Room D, for the sole purpose of a Multicultural Resource Center, under the care and operation of volunteers of the Korean American Club.

At the regularly scheduled March 19, 2018 meeting of the Finance Committee, the Committee reviewed a request from the Recreation Committee to lease a portion of Trust Property identified as Building 5, Room D (248 square feet). The Committee duly moved and approved to recommend to the Board the leasing of Trust Property, per terms and conditions of the attached lease agreement.

I move to approve a Lease Agreement between Golden Rain Foundation and the Korean American Club, for the use of Trust Property, per terms and condition of the attached lease agreement, for a portion of the Trust Property commonly identified as Building 5, Room D (248 square feet), and authorize the President to sign the agreement.

## LEASE AGREEMENT – KOREAN AMERICAN CLUB

No. \_\_\_\_\_

This lease agreement is made on \_\_\_\_\_, 20\_\_\_\_ ("Agreement"), between Golden Rain Foundation, 13531 St. Andrews Drive, Seal Beach, California 90740, a California Corporation (hereinafter referred to as "GRF"), and the Club/Organization identified as the Korean American Club (CLUB), who agrees as follows:

### 1. OPENING CLAUSES

This agreement is made with reference to the following facts and objectives:

- a. GRF is the owner of the Premises which consists of Trust Property within the area commonly identified as Building 5 (hereinafter the "Premises").
- b. **CLUB** is willing to lease the approximately 248 square feet within Building 5, (1<sup>st</sup> floor courtyard access) from GRF pursuant to the provisions stated in this agreement.
- c. **CLUB** has examined the Premises and fully accepts its present condition.

### 2. TERM

The term of this lease shall be nine (9) months, commencing April 1<sup>st</sup>, 2018 and shall expire December 31<sup>st</sup>, 2018. GRF and/or **CLUB** may terminate the Agreement at any time upon thirty (30) days' advance written notice.

### 3. ANNUAL RENTAL AND TAXES

**CLUB** shall pay to GRF an annual rent of \$1.00 per year in advance on the first day of each yearly term, commencing on the date the term commences.

GRF shall pay all real property taxes, general and special assessments levied and assessed against the building.

### 4. USAGE

**CLUB** wishes to lease this space for the purposes of providing general service to Seal Beach Leisure World, members and to provide volunteers to:

- a. Use the assigned room within Building 5, for the sole purpose of providing a Multicultural Resource Center.
- b. Maintain minimum operational hours as follows:
  - i. Open for a minimum of 4 hours, 5 days a week
  - ii. Staffed by at least one (1) **CLUB** volunteer during open hours.
- c. Maintain and manage materials within the Multicultural Resource Center.

**CLUB** use of the Premises as provided in this Agreement shall be in accordance with the following:

- I. **CLUB** or its members shall not operate as a business\_\_\_\_\_. (initials)



## LEASE AGREEMENT – KOREAN AMERICAN CLUB

- II. **CLUB** and each of its members, guests and invitees shall comply with GRF policies and procedures at all times \_\_\_\_\_. (initials)
- III. **CLUB** shall not do, bring or keep anything in or about the Premises that will cause the increase of premiums and/or cancellation of any GRF insurance covering the Premises.
- IV. **CLUB** shall comply with the **CLUB** Bylaws attached to this Agreement and shall include a resolution from the **CLUB** Board of Directors to enter this agreement.
- V. **CLUB** shall comply with all of the regulations and rules of **CLUB** use of the Premises including, without limitation, the obligation, at **CLUB** cost to maintain the alterations and/or restore the Premises in compliance and conformity with all regulations and rules relating to the condition, use, or occupancy of the Premises during the term.
- VI. **CLUB** shall not use the Premises in any manner that will constitute waste, nuisance, or unreasonable annoyance to occupants of adjacent Premises or property, or in any manner that violates the law.
- VII. **CLUB** shall be responsible for any and all personal property and equipment it stores at the Premises during the term of this Agreement. GRF shall not bear any responsibility for any of **CLUB** personal property and equipment stored at the Premises.
- VIII. **CLUB** shall procure any and all permits required by law to operate the business of **CLUB** at the Premises.

### 5. DISCLAIMER

**CLUB** agrees, all acts by **CLUB**, are as a fully independent club and has no ties, affiliations, obligations and/or working relationship with GRF, Seal Beach. Neither GRF nor any of its directors, employees or agents assumes any legal liability or responsibility for any actions of or omissions by **CLUB**.

### 6. MAINTENANCE

GRF shall provide janitorial services and maintain, in good condition, all portions of the Premises as needed.

- a. **CLUB** shall be liable for any damage to the Premises resulting from the acts or omissions of **CLUB**, its members, guests or any of its authorized representatives \_\_\_\_\_. (Initials)
- b. **CLUB** shall not make any alterations to the Premises without GRF's written consent. Any alterations made shall remain on and be surrendered with the Premises on expiration or termination of the lease. GRF can elect, within six (6) months before expiration of the term, to require **CLUB** to remove any alteration that **CLUB** has made to the Premises. If GRF so elects, **CLUB** at its cost, shall restore the Premises to the original condition.

## LEASE AGREEMENT – KOREAN AMERICAN CLUB

- c. If **CLUB** makes any alterations to the Premises as provided in this paragraph, the alterations shall not be commenced until seven (7) business days after the GRF Representative has received written notice from **CLUB** stating the date that the installation of the alterations is to commence so that GRF can post and record an appropriate notice of non-responsibility.

### 7. UTILITIES AND SERVICES

GRF will pay for all heat, light, power and water for the Premises. The Premises, and every part thereof, and all inside and outside tile, window and other structural glass and other glazing, electric, plumbing, heating and lighting fixtures and locks, bolts, wiring, heating systems and other fixtures, including sewer system, in and about the said Premises are, at the date hereof, in good order, condition and repair.

### 8. INDEMNITY & INSURANCE

The **CLUB** and its members, on behalf of their heirs, executors, successors, and assigns, agree to release, acquit, and forever discharge and hold harmless, indemnify and defend GRF and its past, present and future Board members, contractors, agents, managers and employees of and from any and all claims, actions, causes of action, lawsuits, class action lawsuits, demands, rights, damages, costs, loss of service, expenses, liabilities, debts, judgments, including reasonable attorneys' fees and costs, and compensation whatsoever, which the undersigned now has or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen claims, damages, and any other matters pertaining to the **CLUB** use or misuse (or the Boards' approval of the use) of the Premises and for or by reason of any actual or alleged infringement of a third party's copyright, patent or trademark related to the **CLUB** use of the Premises.

Any **CLUB** activity which may require special insurance not mentioned herein will be maintained by **CLUB** at all times while this Agreement is in effect. Proof of such insurance shall be provided annually to GRF.

### 9. ASSIGNMENT

**CLUB** shall not voluntarily assign or encumber its interest in this lease or in the Premises, or sublease all or part of the Premises or allow any other person or entity to occupy or use all or any part of the Premises, without first obtaining GRF's written consent. Any assignment, encumbrance, or sublease without GRF's consent shall be voidable and, at GRF's election, shall constitute a default. No consent to any assignment, encumbrance or sublease shall constitute a further waiver of the provisions of this paragraph.

Any dissolution, merger or consolidation of **CLUB** shall be deemed an involuntary assignment and shall constitute a default of **CLUB**. GRF shall have the right to



## LEASE AGREEMENT – KOREAN AMERICAN CLUB

terminate this Agreement, in which case the lease shall not be treated as an asset of **CLUB**.

No interest of **CLUB** in this Agreement shall be assignable by operation of law.

### 10. DEFAULT

The occurrence of any of the following shall constitute a default by **CLUB**.

- a. Failure to pay rent when due.
- b. Abandonment and vacating of the Premises for thirty (30) consecutive days.
- c. Failure to perform any other provision of the Agreement if the failure to perform is not cured within thirty (30) days after written notice has been given to **CLUB**. If a default cannot reasonably be cured within thirty (30) days, **CLUB** shall not be in default of this Agreement if **CLUB** commences to cure the default within the 30-day period and diligently and in good faith continues to cure the default.

Notice given under this paragraph shall specify the alleged default in the applicable agreement provisions and shall demand that **CLUB** perform the provisions of this Agreement or surrender the Premises. No such notice shall be deemed a forfeiture or a termination of this lease unless GRF so elects in the Notice.

GRF shall have the following remedies if **CLUB** commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by Law.

- i. GRF may terminate this lease and **CLUB's** right to possession of the Premises at any time upon the giving of thirty (30) days' notice to quit.
- ii. No act by GRF other than giving notice to **CLUB** shall terminate this Agreement.
- iii. GRF, at any time after **CLUB** commits a default, can cure the default at **CLUB** cost. If GRF at any time, by reason of **CLUB** default, pays any sum or does any act that requires the payment of any sum, the sum paid by **CLUB** shall be due immediately from **CLUB** to GRF at the time the sum is paid, and if paid at a later date shall bear interest at the rate of 10 percent (10%) per annum from the date the sum is paid.

### 11. RIGHT OF ENTRY

In addition to normal operation of the facilities, including without limitation to perform maintenance or repairs as needed, GRF and its authorized representatives shall have the right to enter the Premises at all reasonable times to determine whether the Premises are in good condition and whether **CLUB** is complying with its obligations under the Agreement\_\_\_\_\_. (Initials)

## LEASE AGREEMENT – KOREAN AMERICAN CLUB

### 12. NOTICE

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first class mail.

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth on page 6 of this Agreement.

Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within forty-eight (48) hours from the time of mailing as provided in this section.

### 13. WAIVER

No delay or omission in the exercise of any right or remedy of GRF on any default by **CLUB** shall impair such a right or remedy or be construed as a waiver. GRF's consent to or approval of any act by **CLUB** requiring GRF's consent or approval shall not be deemed to waive or render unnecessary GRF's consent to or approval of any subsequent act by **CLUB**.

Any waiver by GRF of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the Agreement.

### 14. ATTORNEY'S FEES

The prevailing party in any legal action or proceeding (including without limitation arbitration) to enforce this Agreement shall be entitled to recover from the other party reasonable attorneys' fees, costs and expenses incurred in the prosecution or defense of the action or proceeding.

### 15. MISCELLANEOUS

This Agreement and any exhibits/attachments hereto constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements regarding the subject matter of this Agreement. This Agreement shall inure to the benefit of and shall be binding upon the parties, their successors and assigns. This Agreement does not create any rights in any third parties as third party beneficiaries. This Agreement may only be modified by a written instrument executed by both parties. If any provision of this Agreement is determined by an arbitrator or court of competent jurisdiction to be invalid or otherwise ineffective, the remaining provisions shall remain in full force. This Agreement shall be construed according to its fair meaning and as though no single party drafted this Agreement. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California.

## LEASE AGREEMENT – KOREAN AMERICAN CLUB

### GOLDEN RAIN FOUNDATION

\_\_\_\_\_  
President (*signature*)

\_\_\_\_\_  
Print

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_

Attachments:

1. CLUB Bylaws
2. CLUB Resolution

### KOREAN AMERICAN CLUB

\_\_\_\_\_  
President (*signature*)

\_\_\_\_\_  
Print

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_



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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** RECREATION COMMITTEE (TD)  
**SUBJECT:** RESERVE FUNDING REQUEST – REPLACEMENT AND REFURBISHMENT OF PIANOS  
**DATE:** MARCH 7, 2018  
**CC:** FILE

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At its regularly scheduled meeting on March 7, 2018, the Recreation Committee duly moved and approved to recommend to the GRF Board of Directors upgrade of the community pianos by extending the useful life of six (6) black Yamaha upright piano through general repairs and refinishing and replacement of four (4) old brown pianos which have exceeded their useful life.

- |   |             |
|---|-------------|
| • Repair and touch up six (6) community pianos from Ansdell Piano | \$2,310.00  |
| • Purchase four (4) refurbished pianos from Kim's Piano           | \$17,027.52 |

Total:	\$19,337.00
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At its regularly scheduled meeting of March 19, 2018, the Finance Committee determined Reserve funding is available.

I move to allocate Reserve funding, for Asset 993, in an amount not to exceed \$19,500, for the repair and touch up of six community pianos from Ansdell Piano and the purchase of four refurbished pianos from Kim's Piano, as part of the Community Piano Upgrade Program.

# Invoice

## ANSDELL PIANO & FURNITURE REFINISHING

Over 30 YEARS OF QUALITY SERVICE

Date: March 22, 2018

#: 12801

Customer ID: GRF

From: Ken DeLaRosa 714-504-6841

To: GRF Attention: Terry DeLeon  
PO Box 2069  
Seal Beach, CA 9074  
[terryd@lwsb.com](mailto:terryd@lwsb.com)

Salesperson	Job	Payment Terms	Due Date
		Due upon receipt	

Qty	Description	Unit Price	Line Total
6.00	Repair / Touch up / Buff pianos	\$ 385.00	\$ 2,310.00
	mail to: 18650 Clubhouse Drive, Yorba Linda, CA 92886		

Subtotal	\$	2,310.00
Sales Tax		
Total	\$	2,310.00

Thank you for your business!

mail to: 18650 Clubhouse Drive, Yorba Linda, CA 92886



Kim's Piano  
10200 Beach Blvd  
Stanton, CA 90680

March 22<sup>nd</sup>, 2018

Dear Sir or Madam,

For four (4) units of refurbished Yamaha upright piano model U1 in ebony polish I can offer volume discount price as follow.

These refurbished Yamaha U1 pianos are in A+ grade as you have seen them in our showroom and they are all made in Japan models.

Our current retail price on this A+ refurbished Yamaha U1 upright piano is \$6,359 plus tax and delivery now.

The volume discount (for 4 units) I can offer \$3,850 plus tax and delivery.  
Therefore, total price for each piano is total \$4,256.88 out the door.  
Matching bench and one follow up tuning service will be included for each piano.

For any other questions please feel free to contact me anytime.

Sincerely,

Benjamin Kim  
The President of Kim's Piano  
10200 Beach Blvd  
Stanton, CA 90680  
714-488-9772 direct

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Golden Rain Foundation

Golden Rain Foundation

Leisure World, Seal Beach

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## BOARD ACTION REQUEST

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** RECREATION COMMITTEE (TD)  
**SUBJECT:** AMPHITHEATER SOUND SYSTEM UPGRADES  
**DATE:** MARCH 7, 2018  
**CC:** FILE

---

At its regularly scheduled meeting on March 7, 2018, the Recreation Committee (RC) duly moved and approved to recommend to the GRF Board of Directors replacement of the Amphitheater sound system due to its age, condition and poor quality. Of note: the study did not take into considered the full scope of the sound system (multiple soundboards, mixers, speakers, microphones and all associated and required components comprising the sound system).

TM Consulting	\$119,241.80
GNI Void Production	\$119,200.00

At its regularly scheduled meeting of March 19, 2018, the Finance Committee determined the acceleration of Reserve funds is feasible.

I move to approve the replacement of the Amphitheater soundy system, comprised of components as identified upon the estimate dated March 5, 2018, TM Consultants, in an amount not to exceed \$120,000, Reserve funding, and authorize the President to sign the applicable documents.

TM Consulting

Timothy Metzger  
30828 VIA LAKISTAS  
LAKE ELSINORE  
CA 92530

# Estimate

Date	Estimate #
3/5/2018	2-Reccomend

Name / Address
Golden Rain Foundation Terry DeLeon PO Box 2069 Seal Beach CA 907340

Ship To
Golden Rain Foundation Terry DeLeon :Recreation Manager 13533 Seal Beach Blvd Seal Beach, CA 907340

P.O. No.	Terms	Project	Other
	10% upon signing ...		Payment schedule

Description	Qty	Rate	Total
Audio System Proposal (With Suggested Revisions)			
Yamaha Digital audio console w/dante integrated	2	11,990.00	23,980.00
Yamaha Fiber Optical Network Switches	2	2,584.365	5,168.73
Fiber optic cable tac 4 (Yamaha specific)	2	1,254.00	2,508.00
Yamaha Digital Snake input boxes 3224	1	6,110.00	6,110.00
Speaker Cable (sow min rated)	2,000	0.85	1,700.00
Speaker cable 4 pole connector	26	6.60	171.60
XLR Audio cable (custom length wiring in all racks)	1	450.00	450.00
Custom System Rack (console tilt racks)	2	1,895.00	3,790.00
Rackmounted storage drawer	4	72.00	288.00
Power line surge/voltage meter (needs 20 amp duplex)	2	315.00	630.00
Wireless Access point	2	240.00	480.00
Ethernet cables Cat 6 (custom made to lengths on site)	1	250.00	250.00
KitCurve12 2 way Passive Line Array Cabinet (NEW Accepted by All Groups) Clair Bros Brand	6	2,803.68	16,822.08
Array rigging bar single point	2	615.94	1,231.88
4 channel DSP amplifier 1200 w/ch	2	2,441.88	4,883.76
2 channel DSP-Dante amplifier	2	1,413.72	2,827.44
Line array coupling bracket	4	203.84	815.36
Rigging Shackles 1/2 "	2	37.40	74.80
Custom Fabrication Speaker array Building hang- TBD Actual	2	2,295.00	4,590.00
Costing (structural) estimated			
Subwoofer cabinet Kit 18" matching	2	2,219.415	4,438.83
Subwoofer Amplifier	1	6,132.11	6,132.11
Dolly for Subwoofer	2	229.71	459.42
QSYS Core digital mixer/ network control (for active audio for mic and movies with out use of "show" mixer)	1	2,288.50	2,288.50
LCD Touch screen remote 4" (one bk stage one in projection booth)	2	586.50	1,173.00
Shure ULXD4Q receiver Quad Channel	1	4,357.60	4,357.60
Shure Wireless Receiver Dual channel	1	2,173.60	2,173.60
Shure Handheld Transmitter B87A cap	6	540.75	3,244.50
Shure Wireless Body pac transmitter	2	379.04	758.08
This proposal is based off RFP Received. Specific questions and system configuration concerns listed.		<b>Total</b>	

To Accept this proposal please sign and return. Please note deposit and payment terms

Signature \_\_\_\_\_

TM Consulting

Timothy Metzger  
30828 VIA LAKISTAS  
LAKE ELSINORE  
CA 92530

# Estimate

Date	Estimate #
3/5/2018	2-Reccomend

Name / Address
Golden Rain Foundation Terry DeLeon PO Box 2069 Seal Beach CA 907340

Ship To
Golden Rain Foundation Terry DeLeon :Recreation Manager 13533 Seal Beach Blvd Seal Beach, CA 907340

P.O. No.	Terms	Project	Other
	10% upon signing ...		Payment schedule
Description	Qty	Rate	Total
Shure WL150 lav mic w/T4F	2	95.23	190.46
Sales Tax on Equipment	1	7,904.05	7,904.05
Installation of above specified equipment : all system tested, aligned and time aligned as needed. system training of 8 hours on site after system complete. On site first event support as needed. warranty of all equipment for manufacturer specified period. if any service needed within one year, no charge. subject to confirmation issue is not operator error.	1	9,350.00	9,350.00
This proposal is based off RFP Received. Specific questions and system configuration concerns listed.		<b>Total</b>	\$119,241.80

To Accept this proposal please sign and return. Please note deposit and payment terms

Signature \_\_\_\_\_

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**BOARD ACTION REQUEST**

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** RECREATION COMMITTEE (TD)  
**SUBJECT:** GOLF COURSE TREE TRIMMING  
**DATE:** MARCH 9, 2018  
**CC:** FILE

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The Physical Properties office sent out to bid requests for proposals for tree trimming the golf course.

Quotes have been solicited from the following companies:

BIDDER	YEAR ONE	YEAR TWO	YEAR THREE	TOTAL BID FOR THREE YEARS
BrightView Landscape Services	\$11,757.	\$10,684.	\$11,757.	\$34,198.
Great Scott Tree Service	\$	\$	\$	\$
Anguiano Lawn Care (John's)	\$7,280.	\$7,280.	\$7,280.	\$21,840.
Peterson's Tree Works	\$16,280.	\$17,280.	\$17,990.	\$51,550.
Tree Pros	\$11,185.	\$11,185.	\$11,185.	\$33,555.
Tree Smith Enterprises	\$	\$	\$	\$

At its regularly scheduled meeting on March 7, 2018, the Recreation Committee duly moved and approved to the GRF Board of Directors to contract with Anguiano Lawn Care, for three years, in the amount \$21,198.00, for the golf course tree trimming.

I move to approve Anguiano Lawn Care, for a three year contract, in the amount of \$21,198.00, budgeted Operating funds, for the golf course tree trimming, and authorize the President to sign the contract.

CONTRACTOR LICENSE NO. 863659 TYPE OF LICENSE C61/D49 C27

**FORM OF PROPOSAL  
2017-2020 TREE TRIMMING AND REMOVALS  
IN COMMUNITY FACILITIES & GOLF COURSE, PROJECT # 803-17  
AT LEISURE WORLD - SEAL BEACH**

P. O. Box 2069  
Seal Beach, CA 90740

Gentlemen:

The undersigned proposes to furnish all labor, material, and equipment as required to perform 2017 Tree Trimming and Removals in in Community Facilities and Golf Course, Project #803-17 at Leisure World - Seal Beach, as described in the Request for Proposal dated January October 3, 2017.

**GOLF COURSE - ZONE 2**

**YEAR - ONE**

TOTAL LUMP SUM BID: Eleven Thousand Seven Hundred and Fifty Seven Dollars  $\frac{00}{100}$   
Written in words

\$ 11,757.00

Written in figures

**YEAR - TWO**

TOTAL LUMP SUM BID: Ten Thousand Six Hundred and Eighty Four Dollars  $\frac{00}{100}$   
Written in words

\$ 10,684.00

Written in figures

**YEAR - THREE**

TOTAL LUMP SUM BID: Eleven Thousand Seven Hundred and Fifty Seven Dollars  $\frac{00}{100}$   
Written in words

\$ 11,757.00

Written in figures

10/03/17 2017 Tree Trimming Community Facilities & Golf Course, Project #803-17



## TIME OF COMPLETION:

Contractor proposes and promises to complete all work within 120 days of issuance of an effective Notice to Proceed.

DATE: 11/2/17

Proposed By:

FIRM NAME: Bright+View Tree Care

BY: Larry Martony

TITLE: Arborist

PHONE: (714) 476-3525

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**BOARD ACTION REQUEST**

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**TO:** GRF BOARD OF DIRECTORS  
**FROM:** SECURITY BUS AND TRAFFIC COMMITTEE  
**SUBJECT:** AMPHITHEATER CAMERA SYSTEM  
**DATE:** MARCH 20, 2018  
**CC:** FILE

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Given growing attendance at concerts and additional functions within the amphitheater complex, expansion of the surveillance system with remote monitoring and recording would greatly enhance the ability to investigate any incident that may occur.

The Security Department prepared a proposed camera placement plan (attached) and presented it to the IT Department for their input, hardware costs, as well as obtaining estimates from the Physical Properties department for installation (GRF Staff) and materials.

Cameras	\$4,488.11	Wire, conduit, fittings, etc. GRF, 110 hours @ \$42
Lenses	\$835.59	
Switches	\$279.00	
Materials	\$5,180.27	
Labor	\$4,620.00	
Total	\$15,402.97	

This project will be completed by Golden Rain Foundation (GRF) staff and includes a total of eleven (11) cameras. Video Management software and recording is also included.

At the regularly scheduled March 14, 2018 meeting of the Security Bus and Traffic Committee, the Committee reviewed plans for the expansion of the surveillance system and unanimously moved to forward a request to the Finance Committee for available Capital funding, and, upon securing funding, forward a request to the GRF Board.

At its regularly scheduled meeting on March 19, 2018, the Finance Committee determined Capital funding is available for the proposed project.

I move to approve the expansion of the surveillance system, in the amount of \$15,402.97, Capital funding, and authorize the Executive Director to initiate the purchases.

Index	
1	South West Looking North East
2	Center back pointing towards stage
3	North East Corner looking South West
4	News Building looking towards North West Dance area
5	News Building looking across South Rest Rooms
6	HCC North Corner looking South along alley
7	North corner of stage looking South
8	South Corner of stage looking north across stage front
9	South side of stage looking down towards stage right entrance
10	North side of stage looking down towards stage left entrance
11	North West corner of stage building looking South West across stage rear and parking

