



**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.

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- 95% of people who volunteer say they are helping to make their community a better place.

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

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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

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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

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



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.

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**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.

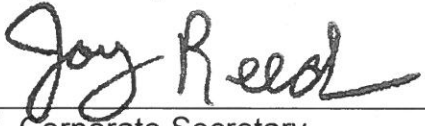
**EXECUTIVE DIRECTOR'S REPORT**

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.

A handwritten signature in cursive script that reads "Joy Reed". The signature is written in dark ink and is positioned above a horizontal line.

Joy Reed, Corporate Secretary  
GRF Board of Directors  
dfb