

The Golden Rain
Foundation provides an
enhanced quality of life
for our active adult
community of Seal
Beach Leisure World.



February 26, 2019

Approved Minutes

MOVED and duly approved the minutes of the February 26, 2019 Golden Rain Foundation (GRF) Board of Directors (BOD) meeting and of March 18, 2019 Special meeting were approved, as presented.

General – Rescind GRF Board of Directors' Motion of August 28, 2018 re: Front Gate Delineators

MOVED and duly approved to rescind the GRF Board action of August 28, 2018, approving installation of Main Gate delineators, due to the fact that this equipment is no longer needed due to the proposed new access system.

General – Supplemental Request to the City of Seal Beach re: Exemption for Golf Carts

MOVED and duly approved to refer the item back to the Security, Bus & Traffic Committee, including determination of vehicles within the community that would not qualify as “carts”.

General – Approve March GRF Board Report

MOVED and duly approved the March GRF Board Report, as presented.

General – Ratify Emergency Replacement, Water Heater, Clubhouse Four

MOVED and duly approved to ratify the emergency actions and related Reserves expenditures, taken by the Executive Director, to replace the Clubhouse Four water heater, Reserve Asset ID 332.

Executive Committee – Non-budgeted Operating Funding Request - Employee Recognition Plaque

MOVED and duly approved non-budgeted Operating funding, cost center 20, Human Resources, not to exceed \$3,000, to purchase the materials for creating an Employee Recognition Display, as described above.

Finance Committee – Accept February Financial Statements

MOVED and duly approved to accept for audit the financial statements for the month of February 2019, for audit, as presented by the Director of Finance.

Finance Committee – Approve Funds Transfer Request – Reserve Funds

MOVED and duly approved a transfer of \$800,000 of reserve funds, from First Foundation Bank to US Bank, following the maturity of an \$800,000 CDAR on April 4, 2019, for the purposes of maximizing insured funds and to invest in higher yielding CDs with the US Bancorp.

Finance Committee – Acceptance of the Final Draft, 2018 Audited Financial Statements and Excess Income Distribution

MOVED and duly approved to accept the final draft 2018 Golden Rain Foundation Financial Statements, as of December 31, 2018, for the year then ended, and the proposed Independent Auditors' Report, as submitted by CliftonLarsonAllen LLP, hereby accepting the above mentioned Finance Statements and reports therein (Exhibit A in the agenda packet), reflecting excess income of \$41,026 to be distributed in its entirety to the Mutual Corporations, pursuant to Policy 5528-31, Refund of Excess Income, and to authorize the President to sign the management representation letter (Exhibit B in the agenda packet).

Finance Committee – Approve Investment Advisor

MOVED and duly approved to authorize the Finance Department to open an account, in the name of the Golden Rain Foundation, with Morgan Stanley, as represented by the Shadden Group, to invest reserve funds from CDARS held at First Foundation Bank, as they mature.

Mutual Administration Committee – Amend Policy 5-2114-4, Copy and Supply Center Fees

MOVED and duly approved to amend Policy 5-2114-4, Copy and Supply Center Fees, adding the service of passport photos, at \$10 for passport photos, as presented.

Mutual Administration Committee – FINAL VOTE: Amend Policy 1201-33, GRF Identification Cards

MOVED and duly approved to amend Policy 1201-33, GRF Identification Cards, changing the title of the policy to “GRF Identification Cards”, increasing the fee for the second and subsequent losses of ID cards to \$50, removing the reference to Policy 1801-33, amending the term “renter” to “renter/tenant”, and stating that the non-surrender fee “may” be waived, rather than “will” be waived in the case of a deceased member.

Physical Property Committee – Capital Funding Request – Reconfiguration, Building Five

MOVED and duly approved to award a contract to Custom Glass, for the installation of doors and windows as proposed on estimate #11718, at a cost of \$4,925, and authorize the Service Maintenance Department, to prep and finish the project, as proposed on two estimates dated 2-4-19, for a cost of \$4,800, (materials) and Talimar for work stations, as proposed on estimate dated 3-1-2019, for cost of \$5,998, adding a contingency of \$1,500, for a total cost not to exceed \$17,223, and authorize the President to sign any contracts and the Physical Property Chair authorize any contingency funds.

Physical Property Committee – Capital Funding Request – Improvements, Clubhouse Four

MOVED and duly approved to award a contract to Custom Glass, for the replacement of two side doors in the Clubhouse Four hallway, at a cost of \$3,450, and approve the purchase and installation of lockers and display cabinets, through the Service Maintenance Department, for a cost of \$15,900, adding a contingency of \$1,500, for a total cost not to exceed \$20,850, Capital funding, and authorize the President to sign the contract and the Physical Property Chair authorize any contingency funds.

Physical Property Committee – Reserve Funding Request – Phase 1 and 2, Slurry Seal and Crack Fill, Trust Streets

MOVED and duly approved to award a contract to MJ Jurado, to slurry seal and crack fill Phase One and Two of Trust Streets, for a cost not to exceed \$300,000, Reserve Funds, and authorize the President to sign the contract, and Physical Property Chair authorize any contingency funds.

Physical Property Committee – Capital/Operating Funding Request – Automatic Door, News Building

MOVED and duly approved to award a contract to Axxess Doors, for the installation of an automatic door opener at the News Office, for a cost not to exceed \$3,626, including \$500 contingencies, Capital/Operating funding, and authorize the President sign the contract.

Physical Property Committee – Reserve Funding Request – Replacement of Asphalt/Concrete, Trust Property

MOVED and duly approved to award a contract to MJ Jurado, for the repair and replacement of the existing asphalt at the Building Five and Clubhouse One locations, Fresh Meadow Lane area, and replace portions of Trust property in conjunction with the Mutual One project, pending Mutual

approval, for a cost not to exceed \$ 69,516, including \$4,000 contingencies, and authorize the President to sign the contract and the Physical Property Chair authorize any contingency funds.

Physical Property Committee – Operating Funding Request – Approve Elevator Maintenance Contract

MOVED and duly approved to award a contract to ThyssenKrupp Elevator, to service and maintain elevators at Building 5, Clubhouse 6 and the Administration Building, for a five-year period, at an annual cost of \$8,280, and authorize the President to sign the contract.

Recreation Committee – Reserves Funding Request – Window Blinds Replacement, Clubhouse Three

MOVED and duly approved the purchase and installation of new blinds, from Coast Factory Blinds, in all the rooms in Clubhouse Three, in an amount not to exceed \$8,296.23, Reserve funding, and to authorize the President to sign any applicable contracts.

Recreation Committee – Operating Funding Request – Approve Janitorial Contract

MOVED and duly approved to award a contract to Innovative Cleaning Services to provide community cleaning Services, for a cost not to exceed \$4,586,544.00, for a three-year period, Operating funding, and to authorize the President sign the contract.

Recreation Committee – Operating Funding Request – Contract for eBook Content

The motion to approve a contract with OverDrive, to add eBook content to the Library catalogue, at a cost not to exceed \$6,000, Operating funding budgeted in 2019, and authorize the GRF President to sign all applicable contracts, failed.

Recap of GRF Committees' Activity

February/March 2019

February 27, 2019, Architectural Design & Review Committee

- MOVED to approve the Career Fair Participation and Recruitment/Marketing Documents, as presented;
- MOVED approve the flower and plant list, as presented;
- CONCURRED to request the Executive Director to bring back a cost on planters at the Medical Center and the four corners at the traffic light at the next scheduled meeting;
- MOVED to have the Facilities Director request a bid from Anguiano Lawncare, on planting blue and yellow petunias, in a pattern sequence, at the sundial and bring back to the next scheduled meeting;
- CONCURRED the Facilities Director bring back a quote for the blue channel fencing at the traffic light, to the next scheduled meeting;
- CONCURRED to request the Recreation Manager request RFP's for one, two and three-year's contracts, on holiday decorations;
- MOVED to approve green color, for the outdoor Bulletin Board installation, at Mission Park;
- MOVED to approve the Employee Recognition Wall plaque selection image, location, to be placed in the administration building, first floor;
- MOVED to approve color navy blue, for the new Uniform Polo Shirts, for the Copy & Supply Center Staff, with the proper GRF name tags added;
- MOVED to approve color blue, for the lockers in Clubhouse Four.

March 4, 2019, Recreation Committee

- MOVED to recommend the purchase of a Rubbermaid storage shed, as submitted from Home Depot, in an amount not to exceed \$503, Non-Budgeted Operating expense, pending Finance Committee review;
- MOVED to request the Physical Property Committee obtain cost and layout specifications for a Learning Center to be located in Clubhouse Three and return the proposal back to the Recreation Committee for review
- MOVED to forward a request to the GRF Board to bring Overdrive eBook Services to the Leisure World Library for a cost not to exceed the approved budgeted amount of \$6,000;
- MOVED to approve the installation of all new blinds by Coast Factory Blinds in all the rooms in Clubhouse Three in an amount not to exceed \$8,296.23, pending Finance Committee approval;
- MOVED to continue Saturday Night Dances for the remainder of 2019, as approved within the budget;
- CONCURRED to schedule the Leisure World Olympic Medal Ceremony for Wednesday, June 5, 2019;
- MOVED to request staff bring back cost to replace all Golf Course T-Boxes at the Golf Course;
- MOVED to forward to the Physical Properties Committee the replacement of the lake's fountains/aerators for an estimated expense of \$7,500 (3 self-contained units to exceed \$2,500 each). Upon sourcing the pricing suitable fountains/aerator, forward a Capital/Reserve funding request to the Finance Committee, and upon funding approval forward the replacement of the fountains/aerators to the Board of Directors;
- MOVED to approve the Library's 2019 schedule of events, as presented;
- MOVED recommend the GRF Board approve the selection of Innovative Cleaning Services and authorize the Executive Director confirm costs with Innovative Cleaning Service.

March 6, 2019, Physical Property Committee

- MOVED to approve the completion of Bus Signs #885-18, Landscape Improvements – Medical Building #889-18, Administration Elevator #865-18;
- CONCURRED to request staff bring back cost for flashing speed limit signs;
- MOVED to recommend the GRF Board award a contract to Custom Glass for the installation of doors and windows as proposed on estimate #11718 at a cost of \$10,935 and authorize the Service Maintenance Department for a cost not to exceed \$4,800 as proposed on two estimates dated 2-4-19 and Talimar for work stations not to exceed \$5,998 adding a contingency of \$1,500 for a total cost not to exceed \$17,223, pending Finance Committee review;
- MOVED to recommend the GRF Board award a contract to Custom Glass for the replacement of eight (8) doors in Clubhouse Four at a cost of \$10,935 and approve the purchase of lockers and display cabinets through the Service Maintenance Department for a cost of \$15,900 adding a contingency of \$1,500 for a total cost not to exceed \$28,335, pending Finance Committee review;
- MOVED to recommend the GRF Board award a contract to MJ Jurado to Slurry Seal and Crack Fill phase one and two of Trust Property Streets for a cost not to exceed \$300,000 Reserve Funding, pending Finance Committee review;
- MOVED to recommend the GRF Board award a contract to ThyssenKrupp Elevator at a cost of \$8,280 a year for a five-year period, pending Finance Committee review;
- MOVED recommend the GRF Board award a contract to Axxess Door for the installation of an automatic door opener at the News Office for a cost not to exceed \$3,626 including \$500 contingencies, funding pending Finance Committee review;

- MOVED to recommend the GRF Board award a contract to MJ Jurado for the replacement of the existing asphalt at the Building Five (\$9,407) and Clubhouse One locations (\$14,965) and replace portions of Trust property in conjunction with the Mutual One project (\$19,230), pending approval by the Mutual One Board, as well as the repairs at Fresh Meadows (\$21,915) for a total cost not to exceed \$69,517 including \$4,000 contingencies, pending Finance Committee review.

March 8, 2019, Executive Committee

- MOVED to review the Handbook at the April meeting, after review by corporate counsel and incorporation of recommended changes received by the Committee;
- MOVED to forward a request for availability of funding to the Finance Committee, in an amount not to exceed \$3,000, Cost Center 20, non-budgeted Operating funds to purchase materials for creating an Employee Recognition Wall;
- MOVED to amend the position description 3194.1, Stock Transfer Assistant, as presented;
- MOVED to review the changes to the draft policy, External Communication, Authorized Spokesperson, recommended by the Committee, at the April meeting.

March 11, 2019, Mutual Administration Committee

- CONCURRED to schedule a work study meeting to review all changes to the Realtor Handout, at least two weeks prior to the March Committee meeting, when the Handout will be reviewed;
- MOVED to institute a passport photo service within the Copy & Supply Center and further moved to approve a fee of \$10 for passport photo services, to be reviewed annually;
- MOVED to approve the Copy and Supply Center expansion and forward the project to the Physical Properties Committee for final costing; upon securing final costs, forward a Capital funding request to the Finance Committee, and upon securing Capital funding, forward the action to the GRF Board for final approval.

March 12, Strategic Planning Ad hoc Committee

- CONCURRED to postpone the next Committee meeting by one month to allow the Facilities and Amenities Review (FAR) Ad Hoc Committee and Recreation Restaurant/Bar Sub-Committee additional time to review proposed 2020-2022 projects.

March 13, 2019, Security, Bus & Traffic Committee

- CONCURRED to request the Security Services Director and Committee member Mr. Gould draft a supplemental request to the GRF Board of Directors, action of February 2019, regarding CAMUTCD, City of Seal Beach, requesting an exemption from the applicable section of the code for golf carts and present to the next GRF Board Meeting;
- CONCURRED to recommend the GRF Board rescind the motion of August 28, 2018, for installation of main gate delineators.
- CONCURRED to request the Fleet Manager bring back a cost of fleet replacement and a timeline to the next scheduled meeting, in response of the Strategic Planning Ad Hoc correspondence;
- CONCURRED to request the Security Services Director to bring back a diagram of traffic flow at the front gate, and any and all additional costs we may have to bear; also the Security Services Director to confer with IT, to verify any and all infrastructure use is in place and bring this information to the next scheduled meeting;
- CONCURRED to request the Security Services Director present the new log recording/tracking shareholder lockouts data at the next meeting.

March 14, 2019, Communications Committee

- CONCURRED to request President Stone reach out to Ms. Gupton regarding re-working her letter to meet publication requirements (letter to the editor) and provide the Committee with an update on this matter at the next scheduled meeting;
- CONCURRED, at the recommendation of the Executive Director, to move forward with the new commission rate for a newly hired sales person.

March 15, 2019, Finance Committee

- MOVED to have the Purchasing Manager process via disposal, sale, or donation, the submitted surplus equipment. The Purchasing Manager was requested to outline issues and create the initial draft of a policy pertaining to the purchase and warehousing of non-inventory items under warranty;
- MOVED to recommend the GRF Board accept for audit, the financial statements for the month of February 2019, as presented by the Director of Finance and as reviewed by the Finance Committee;
- MOVED to recommend the GRF Board authorize the Finance Department to open an account in the name of the Golden Rain Foundation, to invest Reserve funds with the Shadden Group/Morgan Stanley as CDARs mature from First Foundation Bank;
- MOVED to recommend the GRF Board authorize the transfer of \$800,000 of reserve funds from First Foundation Bank to US Bank, following the maturity of a \$800,000 CDAR on April 4, 2019, for the purposes of maximizing insured funds and to invest with US Bancorp.;
- MOVED to recommend the GRF Board accept the final draft 2018 Golden Rain Foundation Financial Statements as of December 31, 2018, for the year then ended, and the proposed Independent Auditors' Report as submitted by CliftonLarsonAllen LLP, hereby accepting the above-mentioned Financial Statements and reports therein (Exhibit A), reflecting excess income of \$41,026;
- MOVED to recommend the GRF Board return the 2018 Excess Income to the Mutuals in accordance with Policy 5528-31, Refund of Excess Income.
- CONCURRED to request the Finance Director bring back more information on the discontinuation of lockbox services to the next scheduled meeting;
- MOVED to recommend the GRF Board allocate Capital funding, for Building Five Improvements, in an amount not to exceed \$17,223;
- MOVED to recommend the GRF Board allocate Capital funding, for the installation of an automatic entry door at the News Office, in an amount not to exceed \$3,626;
- MOVED to allocate non-budgeted Operating funding, for the Employee Recognition Wall Display, in an amount not to exceed \$3,000;
- MOVED to recommend the allocate Reserve funding, for Slurry Seal Coat and Crack Fill of Trust Streets, Phase One and Two, in an amount not to exceed \$300,000;
- MOVED to recommend the GRF Board allocate Reserve funding, for the removal and replacement of failing asphalt and concrete at the areas of Building Five Parking Lot, Clubhouse One Parking Lot, Fresh Meadows and Trust Property, adjacent to Mutual One in, an amount not to exceed \$69,516;
- MOVED to recommend the GRF Board allocate Capital funding, for Clubhouse Four Improvements in an amount not to exceed \$28,335;
- CONCURRED to request the Executive Director draft a letter to all Mutuals regarding moratorium, Non-budgeted expenses.

Financial Recap – February 2019

As of the two-month period ended February 2019, the draft financial reports indicate that GRF is in a favorable financial position with a surplus of \$145,033.

Major variances are:

Wages, Taxes & Benefits	120,310	Favorable: Wages \$28K; P/R Taxes \$8K; Workers' Comp \$4K; Group Ins \$13K; 401(k) Match \$5K
Temporary Agency Fees	(29,255)	Unfavorable: Temporary help for key positions.
Supplies	25,770	Favorable: Low requisitions in first quarter
Facilities Rentals & Maintenance	52,062	Favorable: \$25K Landscaping; \$22K Repairs & Maintenance
Rental Income	(81,674)	Unfavorable: Lower unit sales than planned
SRO Labor Recovery	37,486	Favorable: Recoveries exceeds budget

	Fund Balance	Allocated For Current Projects	Allocated For Future Projects	For details, see page
Reserve Funds				
Repairs & Replacements	\$9,690,274	\$1,911,921	\$7,778,353	7

	Fund Balance	Allocated Funds	Unallocated Funds	For details, see page
Capital Funds				
Capital Improvements	\$1,672,405	\$255,829	\$1,416,576	8

Total year-to-date approved unbudgeted operating expenses are \$5,000.