



**BOARD OF DIRECTORS MEETING MINUTES
GOLDEN RAIN FOUNDATION
September 24, 2019**

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, September 24, 2019, in Clubhouse Four.

PLEDGE OF ALLEGIANCE

Thomas Moore, Mayor of the City of Seal Beach, led the Pledge of Allegiance.

ROLL CALL

Following the roll call, the Corporate Secretary reported that Directors Perrotti, Snowden, Pratt, L. Stone, Gerber, Thompson, Hopewell, Rapp, Fekjar, Doderer, Winkler, Heinrichs, Findlay, Lukoff, Friedman, Isom, and Massetti were present. The Executive Director and the Director of Finance were also present. Director St. Aubin was absent.

Seventeen Directors were present, with a quorum of the voting majority.

PRESIDENTS COMMENTS

Good evening and thank you for taking the time to spend the it with us. Tonight, I want to talk briefly about agenda item 11. c. FAR.

The Facilities and Amenities Review Ad hoc Committee (FAR) was first adopted by the BOD in May of 2015 and revitalized in October of 2018. Its mission is *"to establish the best use of all amenities and facilities of Trust property for the mutual benefit of the majority of the shareholders"*. Remember, FAR is an ad hoc committee and has no power to make decisions. They can make recommendations and then ask the Board for a decision pertaining to a specific item but only the Board will determine what is the best course of action.

FAR is currently reviewing:

1. CH 1 pool rooms, the Historical Society, Shuffleboard and the Woodshop.
2. CH 2 pool room and Woodshop.
3. CH 3 Video Producers room, Genealogy room and the Sewing room.
4. 1.8 Acres commonly referred to as the Mini Farms

You will hear rumors that we are closing the pool rooms, shutting down the Woodshops, plowing

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

over the mini farms, etc. FAR is evaluating the usage of many areas to determine if the amenity is still relevant to the changing population. What adjustments might need to be made to make sure that the areas are still the best use for the majority of residents. Because our population is changing as we speak!

- **The average age of our residents is 74.** (*That is quite different than a few years ago when it was 77. Our sister city of Rossmoor Walnut Creek is still 77.*)
- **The population of Leisure World has changed by 26% in the last 4 years.** (*2,500 membership certificates have changed due to turnover of units which means 95% of the time they are new to LW*)

The amenities with the most users are: (*a one-month period*) for August 2019)

- #1 – Gym = 8,379 users
- #2 – Pool = 5,734 users
- #3 – Library = 5,000 users
- #4 – Golf Course = 4,726 users

As you can see, a large portion of our residents use these amenities and facilities. These justify the large outlay of money to expand, refurbish or improve. Such as the \$750,000 being spent on the upgrading and refurbishing of the Pool area (including the restrooms, golf lobby area, outside patios, etc.). And the \$70,000 being spent on the new golf tee boxes. Soon we will be evaluating the gym for space, equipment demands and wishes, etc. If needed, the necessary money will be spent to make the gym a State-of-the-Art facility.

I get asked all the time why this BOD is making so many changes and the answer is that they should have been done all along. So much is necessary due to deferred maintenance from the past 50 years. The Board needs to continually evaluate the current facilities and amenities and anticipate the future needs in order to keep Leisure World Seal Beach the best game around and that means change.

George Barnard Shaw said, *“Progress is impossible without change and those who cannot change their minds cannot change anything”*.

And now on to the business at hand.

ANNOUNCEMENTS

The GRF Board held an Executive Session of the GRF Board on Friday, September 6, 2019.

SERVICE ANNIVERSARIES

The service awards were referred until the October 2019 meeting.

SEAL BEACH COUNCIL MEMBER’S REPORT

Seal Beach Mayor Thomas Moore and Council member Sandra Massa-Lavitt provided an update on the City of Seal Beach Council meeting.

HEALTH CARE CENTER ADVISORY BOARD UPDATE

Charity Kopp, Heath Care Center Administrator, presented a report on the major projects and renovation at the Health Care Center.

SHAREHOLDER/MEMBER COMMENTS

In accordance with Policy 5610, Participation by Foundation Members, members may enter into a comment period prior to the beginning of business. **NOTE:** Foundation members are permitted to make comments before the business of the Board begins. Requests must be registered in advance of the meeting. The Open Meeting Act allows boards of directors to establish reasonable time limits for the open forum and for speakers to address the board. ([Civ. Code §4925\(b\).](#)) Time limits, per speaker, are limited to:

- 4 minute limit per speaker, when there are no more than 15 speakers
- 3 minute limit per speaker, 16 - 25 speakers
- 2 minute limit per speaker, over 26 speakers

One 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 August 5, 2019
- Minutes of the Special Executive Committee Board Meeting of August 6, 2019
- Minutes of the Physical Property Committee Board Meeting of August 7, 2019
- Minutes of the Communications/IT Committee Board Meeting of August 8, 2019
- Minutes of the Executive Committee Board Meeting of August 9, 2019
- Minutes of the Security, Bus & Traffic Committee Board Meeting of August 14, 2019
- Minutes of the Finance Committee Board Meeting of August 19, 2019

APPROVAL OF BOARD MEETING MINUTES

The minutes of the August 28, 2019 meeting was approved, as presented.

REPORTS

The Chair of the Facilities and Amenities Review (FAR) Ad hoc Committee updated the audience on the Committee's last meeting.

The Chair of the Management Services Review Ad hoc Committee advised that there was no meeting this month and that it was rescheduled for September 26, 2019, in the Administration Conference room at 1:00 p.m.

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

The Chair of the Strategic Planning Ad hoc Committee updated the audience on the Committee's last meeting.

GRF President Stone informed attendees of the new Website Ad hoc Committee and the Chair of this Committee will present an update at the next scheduled meeting in October.

NEW BUSINESS

General

Approve September GRF Board Report

The monthly GRF Board report shall contain the GRF BOD meeting recap, GRF Committee and Ad hoc Committee monthly summaries of action and the Financial Recap page, as established by the Executive Committee on February 9, 2019.

Ms. Findlay MOVED, seconded by Ms. Hopewell and carried unanimously by the Directors present-

TO approve the September GRF Board Report, as presented.

Ratify Emergency Replacement – Water Line, North Gate Road

On August 28, 2019, the copper water supply line to North Gate incurred a substantial failure, requiring emergency actions to replace the water line to maintain operations of North Gate and protect the sub-structure of the roadway.

The emergency service expenses, including replacement of underground water line and required street pairs and associate's materials and fittings, was \$5,300 (Exhibit A in the agenda packet).

Ms. Rapp MOVED, seconded by Ms. Snowden and carried unanimously by the Directors present-

TO ratify the emergency actions and related Reserves expenditures
taken by the Executive Director to replace the underground copper
water line at North Gate.

Communications and ITS Committee

Amend 2-5125-3, Communications /IT Committee Charter

At its meeting on September 12, 2019, the Communications Committee recommended the GRF Board of Directors amend 20-5125-3, Communications/IT Committee Charter.

Mr. Massetti MOVED, seconded by Ms. Heinrichs-

TO amend 20-5125-3, Communications/IT Committee Charter,

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

incorporating the additional Committee goals approved by the GRF Board of Directors at the retreat held on June 27, 2019, and incorporating the purpose, duties and limitations of the IT Committee.

Two Directors spoke on the motion.

Ms. Hopewell MOVED, seconded by Ms. Snowden-

TO add keywords in the document history.

The motion was carried unanimously by the Board Directors present.

Rescind 20-5118-3, IT Services (ITS) Committee Charter

At its meeting on September 12, 2019, the Communications/IT Committee recommended the GRF Board of Directors rescind 20-5118-3, ITS Committee Charter.

Ms. Isom MOVED, seconded by Mr. Dodero and carried unanimously by the Directors present-

TO rescind 20-5118-3, ITS Committee Charter, as the purpose, duties and limitations of the Committee have been combined with the 20-5125-3, Communications/IT Committee Charter.

Facilities and Amenities Review Ad hoc Committee

TENTATIVE VOTE: Amend 70-1406-1, Limitations on Use

At its meeting on July 9, 2019, the Facilities and Amenities Review (FAR) Ad Hoc Committee recommended the GRF Board of Directors amend 70-1406-1, Limitations on Use, as amended by extraction of the fee schedule – 70-1406-2, Limitations on Use, Fees.

At its meeting of July 23, 2019, the Board of Directors voted to tentatively amend this document, pending a 28-day notice period to Foundation members. The document draft was published in the July 25 edition on 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 shareholders/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 correspondence was received, regarding amendment of 70-1406-1, Limitation on Use, during the 28-day notification to the membership period.

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

At its August 28, 2019 meeting, the Board of Directors moved to refer 70-1406-1, Limitation on Use, back to the FAR Ad hoc Committee for review and discussion.

At its meeting on September 10, 2019, the Facilities and Amenities Review (FAR) Ad Hoc Committee recommended the GRF Board of Directors amend 70-1406-1, Limitations on Use, as amended by extraction of the fee schedule – 70-1406-2, Limitations on Use, Fees., establishing criteria for who may use specified Trust Property, the addition of the Multi-use Court and Bocce Ball Court, and a reference to 70-1406-2, Limitations on Use, Fees, for fee information.

Mr. Lukoff MOVED, seconded by Ms. Fekjar-

TO amend 70-1406-1, Limitations on Use, as amended, pending a
28-day notification to the members, and a final decision by the GRF
Board of Directors on October 22, 2019.

Three Directors, the Recreation Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Board Directors present.

TENTATIVE VOTE: Adopt 70-1406-2, Limitations on Use, Fees

At its meeting on July 9, 2019, the Facilities and Amenities Review Ad Hoc Committee recommended the GRF Board of Directors extract the fee schedule from 70-1406-1, Limitations on Use, creating a new document 70-1406-2, Limitations on Use, Fees.

At its meeting of July 23, 2019, the Board of Directors voted to tentatively amend this document, pending a 28-day notice period to Foundation members. The document draft was published in the July 25 edition on 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 shareholders/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 correspondence was received, regarding adoption of 70-1406-2, Limitation on Use, Fees, during the 28-day notification to the membership period.

At its meeting on September 10, 2019, the Facilities and Amenities Review (FAR) Ad Hoc Committee recommended the GRF Board of Directors adopt 70-1406-2, Limitations on Use, Fees, establishing fees to organizations using Trust property.

Ms. Heinrichs MOVED, seconded by Ms. Gerber-

TO recommend the GRF Board adopt 70-1406-2, Limitations on
Use, Fee, as presented, pending a 28-day notification to the

members, and a final decision by the GRF Board of Directors on October 22, 2019.

Six Directors spoke on the motion.

Ms. Findlay MOVED, seconded by Mrs. Perrotti-

TO incorporate a required modification on section one.

The motion was carried unanimously by the Directors present.

Conceptual Approval – Trust Property, Mini-Farm

At the September 9, 2019 meeting of the Facilities and Amenities Ad hoc Committee, the Committee deliberated the use of Trust Property commonly referred to as the 1.8 acres. Of specific point of review by the Committee, under the Committee's Board directive: *To study and provide recommendations to the Board to support establishing and setting priorities for the preservation and improvement of Trust Property.*

Primary usage of this portion of Trust property is under the general oversight of the Mini Farm Club. During Committee deliberation, it was noted that the mini farms have been under the direct oversight of the Mini Farm Club since January 1, 1997, there exists a total of 182 plots currently, use of an assign plot carries no time restrictions, some plots have been used by the same assignee for more than 27 years, the average time on the waiting list for a plot is over 5 years, and current waiting list has over 236 Shareholders waiting for the opportunity for a plot.

Due to the limited availability of Trust Property, with a focus of the Committee to review and provide recommendations to the Board which represents the optimum use of Trust Property by a majority of the GRF Shareholders/Members, the Committee duly moved and approved to recommend to the Board conceptual approval to establish guidelines and practices to transfer oversight of the Mini Farms to GRF, per the terms and conditions of the Trust agreement.

Should the Board grant the conceptual approval, the Facilities and Amenities Committee shall provide general recommendations to applicable Committees to establish defined use of this portion of Trust property under the mission of GRF.

Mrs. Perrotti MOVED, seconded by Mr. Friedman-

TO conceptually approve GRF's direct oversight over Trust Property commonly identified as the 1.8 acres. Such conceptual approval is granted to provide Committee use of staff and general resources to draft a comprehensive plan covering the use of the 1.8 acres for the mutual benefit of a majority of GRF Shareholders/Members, for

Board review and approval.

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

Finance Committee

Accept Month of August Financial Statements for Audit

At the regularly scheduled meeting of the Finance Committee on September 16, 2019, the Committee, in accordance with Policy 40-5115-3 and all applicable sections of the civil code 5500, duly moved to recommend to the Golden Rain Foundation Board of Directors acceptance of the August 2019 financial statements for audit.

Ms. Winkler MOVED, seconded by Ms. Rapp–

TO accept the August 2019 financial statements for audit.

One Director spoke on the motion.

The motion was carried unanimously by the Directors present.

Selection of Audit Firm – Financial Audit and Tax Preparation Services for 2020-2022

At the regularly scheduled meeting of the Finance Committee on September 16, 2019, the Committee duly moved to recommend the Golden Rain Foundation Board of Directors accept the proposal from CliftonLarsonAllen (CLA), for annual financial audit and tax preparation services, for the fiscal years 2020 through 2022. A recap of pricing received during the proposal period is shown in Exhibit A in the agenda packet.

Mr. Friedman MOVED, seconded by Ms. Winkler and carried unanimously by the Directors present -

TO accept the proposal from CliftonLarsonAllen (CLA), for annual financial audit and tax preparation services, for the fiscal years 2020 through 2022.

Amend 40-5528-1, Refund of Excess Income

At its meeting on September 16, 2019, the Finance Committee recommended the GRF Board of Directors amend 40-5528-1, Refund of Excess Income.

Mr. Dodero MOVED, seconded by Ms. Fekjar-

TO amend 40-5528-1, Refund of Excess Income, clarifying “fiscal year, operations budget” income as the subject and amending the

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

approved methods to eliminate excess income, as presented.

Three Directors spoke on the motion.

The motion was carried unanimously by the Directors present.

Amend 40-5540-1, Contingency Operating Fund

At its meeting on September 16, 2019, the Finance Committee recommended the GRF Board of Directors amend 40-5540-1, Contingency Operating Fund.

Mr. Massetti MOVED, seconded by Ms. Rapp and carried unanimously by the Directors present-

TO amend 40-5540-1, Contingency Operating Fund, updating the authorized uses of the fund, increasing the maximum balance to \$1,000,000, directing the Finance Committee to make an annual recommendation to the GRF Board pertaining to the maximum balance, establishing levels of authority to draw on the fund and updating how the fund may be replenished, as presented.

TENTATIVE VOTE: Amend 40-5061-2, Fees

At its meeting on September 16, 2019, the Finance Committee recommended the GRF Board of Directors amend 40-5061-2, Fees.

Mr. Pratt MOVED, seconded by Mr. Friedman-

TO amend 40-5061-2, Fees, increasing the amenities fee to twenty-five (25) times the monthly GRF Assessment, updating the cost center numbers and including the cost center names, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on October 22, 2019.

Two Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Directors present.

Mutual Administration Committee

TENTATIVE VOTE: Adopt 50-1201-2, GRF Identification Cards, Fees

At its meeting on September 4, 2019, the Governing Documents Committee reviewed document 50-1201-1, GRF Identification Cards, adding keywords and section heading, and recommended the Mutual Administration further amend 50-1201-1 by adding verbiage in the Purpose section, as well as consider extracting fees referenced in the document and creating a new governing document, 50-1201-2, for adoption.

At its meeting on September 9, 2019, the Mutual Administration Committee moved to extract the fees referenced in the document and recommended the GRF Board of Directors adopt 50-1201-2, GRF Identification Cards, Fees.

Ms. Gerber MOVED, seconded by Mr. Dodero-

TO adopt 50-1201-2, GRF Identification Cards, Fees, as presented,
pending a 28-day notification to the members, and a final decision by
the GRF Board of Directors on October 22, 2019.

Three Directors spoke on the motion.

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

Physical Property Committee

Reserve Funding Request – Administration and Amphitheater Building Roofs

The Physical Property Department was tasked with obtaining cost to re-roof the Administration and Amphitheater Buildings, an estimated 29,400 square feet of total roofing. AWS Consultants provided specifications (Exhibit A in the agenda packet) for this task and the project was sent out to bid. A total of six roofing contractors attended the bidding conference and we received four bids (Exhibit B in the agenda packet):

CONTRACTOR	BASE BID	DAYS TO COMPLETE
Howard Roofing	\$431,687	45
Tecta America Corp.	\$573,300	75
OM Roofing Inc.	\$611,976	90
4 Seasons	\$987,930	125

Also required for this project will be the removal and re-installation of all HVAC equipment, including the replacement of one original unit. A cost was provided by Greenwood Heating and Air, our contractor of record, for a cost not to exceed \$12,800. Note: the reserve study only called out for resurfacing of the roofs (an additional layer of foam). The recommendation from our roofing consultant was complete removal and replacement (Exhibit C, Reserve Study Components, in the agenda packet).

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

Staff recommends a 10% contingency for any unseen items and wood replacement for this project.

At its meeting on September 4, 2019, the Physical Property Committee reviewed the scope of work, costs, and contractors for this project. The Committee unanimously moved to recommend the GRF Board award contracts to Howard Roofing and Greenwood Heating and Air, including contingencies, for a cost not to exceed \$500,000, after review by the Finance Committee.

Howard Roofing	\$431,687
Greenwood Heating and Air	\$ 12,800
Contingencies	\$ 55,513
Total Project Cost not to exceed	\$500,000

At its regularly scheduled meeting on September 16, 2019, the Finance Committee reviewed funding for this replacement and determined funding was available.

Ms. Rapp MOVED, seconded by Mr. Pratt and carried unanimously by the Directors present--

TO award contracts to Howard Roofing for the roof replacement at the Administration and Amphitheater buildings, for a base bid cost of \$431,687, and to Greenwood Heating and Air, for the removal and re-installation of all HVAC equipment on these roofs, for a cost of \$12,800 (including the replacement of one original unit), and contingency of \$55,513, for a total cost not to exceed \$500,000.

Recreation Committee

FINAL VOTE: Amend 70-1487.01-2, Recreational Vehicle Lot (RVL) – Schedule of Fees

In accordance with Civil Code §5600, **Boards** may impose fees in an amount necessary to defray the costs for which it is levied. As a part of the annual budgeting cycle, a general review of the expenses versus revenue received for Shareholder/Member leases of Trust Property associated with the operation of the area commonly referred to as the RV Lot, was performed (Exhibit A in agenda packet).

Based upon the current rates of:

- 20 foot or less space = \$120.00 per year (120 total spaces)
- 21 foot to 30-foot space = \$150.00 per year (133 total spaces)
- 31 foot and above = \$240.00 per year (86 total spaces)
- RV Club Lease space = \$1.00 per year (1 space)

There exists a revenue to expense gap of an estimated \$13,902. To offset this gap, increasing the annual space lease fee by \$50, as leases expire, is recommended.

Please note: Any fee increase would not have an immediate effect in balancing expenses to revenue as 70% plus of the spaces are still under the original 5-year agreement, which will be

expiring in 2 years.

At its meeting of July 23, 2019, the Board of Directors voted to tentatively amend this document, pending a 28-day notice period to Foundation members. The document draft was published in the July 25 edition on 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 shareholders/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 correspondence was received, regarding adoption of 70-1487.01-2, Recreational Vehicle Lots, Schedule of Fees, during the 28-day notification to the membership period.

Mrs. Perrotti MOVED, seconded by Ms. Isom-

TO amend Policy 70-1487-2, Recreational Vehicle Lots, Schedule
of Fees, as amended.

Three Directors, the Recreation Director, the Recreation Manager and the Executive Director spoke on the motion.

The motion was carried unanimously by the Directors present.

Conceptual Approval – Learning Center

At the September 3, 2019 meeting of the Recreation Committee, the Committee reviewed the Educational Class survey results (Exhibit A in the agenda packet).

After general review and discussion of the survey and the mission of GRF, it was the general position of the Committee that the survey results supported the need to allocate and to modify Trust Property amenities to accommodate various types of educational classes.

The general scope of a project to provide Educational and Instructional Classes would include, but not be limited to: Use of Trust Properties Amenities for educational and instructional classes, modification of Trust Property Clubhouse space, including equipment needs, cost estimated at \$75,000 to \$100,000, dependent upon final scope of work, Recreation Committee and staff interaction and support to provide instructors, provide the Golden Age Foundation the opportunity to review any reasonable proposal to provide financial support in the area of equipment needs in a Knowledge and Learning Center for the benefit of the communities' shareholder/members.

Ms. Snowden MOVED, seconded by Ms. Hopewell-

TO conceptually approve the modification of Trust Property to
provide the opportunity to provide a variety of general Educational
and Instructional classes for the benefit of the

Golden Rain Foundation Board Meeting Minutes, September 24, 2019

Shareholder/Members. The Recreation Committee is directed to finalize a general scope of modifications, furnishings and equipment needs to support the operations of ongoing education and instruction and provide all details and costs to the Board for final approval.

Five Directors and the Executive Director spoke on the motion.

The motion was carried unanimously by the Directors present.

Amend 70-1445-1, Mission Park

At its meeting on September 3, 2019, the Recreation Committee recommended the GRF Board of Directors amend 70-1445-1, Mission Park.

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

TO amend 70-1445-1, Mission Park, changing the beginning hour of operation to 8:00 a.m., from 9:00 a.m.

Security, Bus & Traffic Committee

Conceptual Approval – Contracted Off-Property Bus Service, Two Days per Week

At its meeting on September 12, 2019, the Security, Bus & Traffic Committee recommended the GRF Board of Directors award a contract to Complus Data Innovations, Inc. (COMPLUS) for citation services.

Mr. Pratt MOVED, seconded by Ms. Hopewell-

TO award a contract to Complus Data Innovations, Inc. (COMPLUS), for parking enforcement citation equipment and supplies, for a term of 3 years beginning at the end of a 90 day implementation period after the signing of the contract, with no upfront costs or fees, and authorize the President to sign the contract contingent upon the required modifications.

Seven Directors, the Security Services Director and the Executive Director spoke on the motion.

The motion was carried unanimously by the Directors present.

CONTROLLER'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

The Executive Director spoke throughout the proceedings. And informed the Board members on the Security Staff

BOARD MEMBER COMMENTS

Sixteen Board members spoke on the meeting proceedings.

ADJOURNMENT

The meeting was adjourned was at 8:13 pm.



Suzanne Fekjar
GRF Corporate Secretary
cm