

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



December 17, 2019

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President's Comments

MOVED and duly approved the placement of the Workers' Compensation Insurance, for the term of December 31, 2019 to December 31, 2020, on the December 17, 2019 Board agenda, as allowed within provisions of Civil Code §4930.

Approved Consent Agenda

MOVED and duly approved to adopt the Consent Agenda: Committee/Board meeting minutes for the month of November, as presented; minutes of the November 26, 2019 Golden Rain Foundation (GRF) Board of Directors (BOD), as amended; the December GRF Board Report as presented; and the financial statements, November 2019, for audit.

Communications/IT Committee – **TENTATIVE VOTE:** Adopt 20-2806-2, Community Publications - Fees

MOVED and duly approved to adopt 20-2806-2, Community Publications - Fees, which sets forth fees and guidelines for obituary submissions and articles from religious organizations, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on January 28, 2020.

Communications/IT Committee – Capital Funding Request – Main Gate and Yard Internet Upgrades – Ubiquiti

MOVED and duly approved internet upgrades for the main gate and yard, in an amount not to exceed \$16,500, Capital Funds, and authorize the President to sign any applicable contracts.

Executive Committee – **TENTATIVE VOTE:** Amend 30-5025-3, GRF Election Procedures

MOVED and duly approved to amend 30-5025-3, GRF Election Procedures, accepting the amendments recommended by corporate counsel and with the Executive Committee, as presented, pending a 28-day notification to the members, and a final decision by the GRF Board of Directors on January 28, 2020.

Executive Committee – **EMERGENCY ACTION:** Approve Renewal of Workers' Compensation Insurance

MOVED and duly approved renewal of our contract for Workers' Compensation Coverage, with Berkshire Hathaway Homestate Companies (BHHC), for the 2020 policy year, in the amount of \$225,812 and authorize the GRF President to sign the renewal.

Finance Committee – Exclusive Use of Trust Property, Annual Lease Agreements

MOVED and duly approved exclusive use of Trust Property, per the terms and conditions of the attached agreements and authorize the President to sign the agreements conditioned upon: Club/Organization Boards approval of the agreement as provided, annual lease payment and, any documentation required under the terms and condition of the agreement.

1. Approximately 543 sq. ft., within CH3, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by the Genealogy Club, from January 1, 2020, to December 31, 2020.
2. Exclusive use of approximately 320 sq. ft., within the upper amphitheater, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by the Video Producers Club, from January 1, 2020, to December 31, 2020.
3. Exclusive use of approximately 239 sq. ft., within the upper amphitheater, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by the Theater Club, from January 1, 2020, to December 31, 2020.
4. Exclusive use of approximately 434 sq. ft., within CH1, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by the Historical Society, from January 1, 2020, to December 31, 2020.
5. Exclusive use of approximately 910 sq. ft., within the 1.8 acres, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by Rolling Thunder, from January 1, 2020, to December 31, 2020.
6. Exclusive use of approximately 8,800 sq. ft., of exterior Trust Property located adjacent to the North/West perimeter wall off El Dorado, for one dollar (\$1.00) per year, paid in advance, under the terms and conditions per the attached agreement, for use by Mutual Eight, from January 1, 2020, to December 31, 2020.

Mutual Administration Committee – Capital Funding Request - Custom Programming for Mutual SRO Reports

MOVED and duly approved Capital funding, not to exceed \$5,000, for custom programming necessary to generate the Mutual monthly SRO reports (SROs by Bill Code), in an Excel sortable format, if a reasonable solution cannot be identified.

Mutual Administration Committee – Micro Trenching Machine, Service Maintenance

MOVED and duly approved to authorize the Executive Director to purchase the Barreto Micro Trencher for the Service Maintenance Department, from B & M Lawn and Garden Center, for a cost of \$9,007.15 plus \$500 for any contingencies, with a total cost not to exceed \$9,507.15, Capital funding.

Security, Bus & Traffic Committee – Amend 80-5538-1, Bus Safety Rules

MOVED and duly approved to refer 80-5538-1, Bus Safety Rules, back to the Security, Bus & Traffic Committee for further review.

**Recap of GRF Committees' Activity**

**December 2019**

**December 2, 2019, Recreation Committee**

- CONCURRED to request the Executive Director bring to the next Committee meeting documentation from Philadelphia Insurance Company regarding the instructor insurance requirements;

- CONCURRED to request the Executive Director and Recreation Director meet with Mr. Palladino to address a RV Lot variance request;
- CONCURRED to approve a \$70 refund to Mr. and Mrs. Hultquist for their tickets to the Museum of Tolerance;
- CONCURRED to request the Assistant Recreation Manager to bring back additional information regarding Clubhouse One divider screens to the next Committee meeting; in the interim divider screens have been moved from Clubhouse Two;
- CONCURRED to request the Assistant Recreation Manager to bring back additional information regarding the concessions review to the next Committee meeting;
- MOVED to approve a variance to policy 70-1403-1, Commercial Use, to allow the Rollin' Thunder Golf Cart Club to hold a one-time event permitting the club to charge for replacement tires and mounting services, contingent on providing proof of insurance naming GRF additional insured and signing an indemnity agreement;
- CONCURRED to request the Assistant Recreation Manager bring back additional information to the next Committee meeting.

#### **December 4, 2019, Governing Documents Committee**

- CONCURRED to request staff make changes to 40-2230-3, Authorized Signatories and send to the next scheduled Finance Committee meeting, for approval;
- MOVED to take amend 40-3325-3, Purchase of Non-Standard Items, by making a change on the document number (40-3325-1) and approved, as final;
- CONCURRED to take no action on and review at the next Committee meeting: Amend 40-2920-3, Budget Controls, Amend 40-3326-1, Purchasing Warehouse Guidelines for Inventory and Non-Inventory Purchases, Amend 40-5340-1, Capital Improvement Fund, Amend 40-5520-1, Reserves, Amend 40-5523-1, Accounts Receivable Collections, Amend 40-5528-1, Refund of Excess Income, Amend 40-5540-1, Contingency Operating Fund, Amend 40-5516-3, Committee Non-Budgeted Expense, and Amend 40-5061-2, Fees

#### **December 4, 2019, Physical Property Committee**

- MOVED to approve the Physical Property Department work with the Service Maintenance Department to modify the entrance lanes at the North Gate, from two lanes to one lane;
- MOVED to request a representative from the Orange County Registrar survey the proposed location for an onsite voting drop box, confirm the drop box specifications and request staff to bring additional information to the next Committee meeting.

#### **December 5, 2019, Architecture and Design Review Committee**

- MOVED to complete landscaping around Clubhouse Six, using 2019 Operation funds from cost center 101;
- MOVED to approve Acid Wash Finish Concrete, at the Golf Course area;
- CONCURRED to request the Communications and Technology Director, bring back additional artwork samples, based on the Committee's feedback, to the next scheduled meeting;
- CONCURRED to request staff, add dates to the murals in Clubhouse Four lobby;
- CONCURRED to address pot and plant selection at Veterans' Plaza at the next scheduled meeting;
- MOVED to approve Evolve Cube Slim Combo Station recycle bins for all Clubhouses and request purchasing department staff supply cost, based on total count provided by the Recreation department;

- MOVED to approve the sample entry pass, provided by the Communications and Technology Director, presented at the meeting;
- CONCURRED to address a new planter at Golden Rain and possible sculpture donation at the next scheduled meeting.

#### **December 9, 2019, Mutual Administration Committee**

- CONCURRED to review the Welcome Packet at the next Committee meeting;
- CONCURRED to discuss the corporate counsel opinion regarding the inclusion of printed GRF and Mutual documents upon review by corporate counsel;
- MOVED to accept the changes recommended by corporate counsel to the Power of Attorney Disclosure Form, and to forward to the Governing Documents Committee for assignment of a form number;
- CONCURRED to discussed take no action regarding the GRF Elections Timetable;
- CONCURRED to request the Communication and Technology Director to bring a mock-up of the Community Guide to the Communication;
- CONCURRED to authorize the Stock Transfer Office to accept the “red” envelope provided by the Onsite Home Sales office;
- CONCURRED to change the name of the Bereavement Workbook to “Planning Ahead for My Family”;
- MOVED to recommend the GRF Board authorize Capital Funds, not to exceed \$5,000, for the custom programming necessary to generate the Mutual monthly SRO reports (SROs by bill code), pending Finance Committee review;
- REVIEWED the Mutual Administration portion of services to the Mutuals report, prior to the GRF Board Meeting.

#### **December 11, 2019, Security, Bus & Traffic Committee**

- CONCURRED to request the Communications and Information Technology Director meet with Security, Bus & Traffic Committee member Janet Isom to update the entry pass;
- MOVED to recommend the GRF BOD amend 80-5538-1, Bus Safety Rules, as amended;
- CONCURRED to take no action regarding 50-5536.01-1, Guest Passes and review at the next Committee meeting.

#### **December 12, 2019, Communications & IT Committee**

- MOVED to approve the implementation of a new high-speed cable network by Spectrum for \$99 (installation) and \$65 (monthly costs) in Clubhouse Two to be charged to 6422000-679 (Telephone – Community Facilities) as non-budgeted expenses;
- CONCURRED to request the IT Supervisor provide an update on the phone system at the next Committee meeting;  
CONCURRED to request the Director of Communication & Technology put the 2019-2020 Publication Schedule and 2019-2020 Projects Schedule in one spreadsheet and present it for review at the next scheduled meeting;
- CONCURRED to request Ms. J. Isom and the Director of Communication & Technology review cover options and the draft of 2020 Community Guide (Mutual/Shareholders-related content), for a feedback, and present cover options for Committee’s review at the next scheduled meeting;
- CONCURRED to request the Director of Communications & Technology present website statistics in an easier to read format at the next scheduled meeting, along with the On-site Sales website clicks report;

- CONCURRED to take no action regarding the new On-Site Sales Contract: Potential Impact to Budget;
- CONCURRED to take no action regarding GRF Board Goals;
- CONCURRED to take no action the Use of LW Live by the Health Care Center;
- CONCURRED to take no action regarding Window 10 Upgrades;
- CONCURRED to take no action regarding the Elevator Phone System Update;
- CONCURRED to take no action regarding Jenark Fields for Community Demo;
- CONCURRED to request the IT Supervisor provide an update on the Jolli ID Cards Software at the next scheduled meeting;
- CONCURRED to request the Executive Director seek approval of the Executive Committee in terms of a license to use certain names for LW social media accounts and provide an update on this matter at the Communications/IT Committee meeting once the name rights have been resolved;
- CONCURRED to take no action regarding LW Seal Beach Community Online Reputation;
- CONCURRED to request the Recording Secretary collect feedback on the map redesign from Communications & IT Committee members and provide the results at the next Committee meeting;
- MOVED to recommend the GRF BOD adopt 20-2806-1, Service Fees, as presented;
- MOVED to accept 20-2841-2 Graphic Design Services, as amended, after formatting.

#### **December 13, 2019, Executive Committee**

- MOVED to recommend the GRF BOD approve the Workers' Compensation Insurance Renewal of the contract for Workers' Compensation Coverage, with Berkshire Hathaway Home-state Companies (BHHC), for the 2020 policy year, in the amount of \$225,812, and authorize the GRF President to sign the renewal;
- CONCURRED to request the Finance Manager draft a handout to seller shareholder members pertaining to the general timeline of receipt of repair and tax refunds upon close of escrow;
- MOVED to approve the amended position description 3194.6, Copy and Supply Team Lead;
- MOVED to recommend the GRF BOD approve 30-5025-3, GRF Election Procedures, as amended.

#### **December 16, 2019, Finance Committee**

- MOVED to authorize the Finance Director, write off \$438.40 of an uncollectible news advertiser account;
- MOVED to recommend the GRF Board accept for audit and forward to the GRF Board the financial statements for period ending November 2019, as presented by the Director of Finance and as reviewed by the Finance Committee;
- MOVED inform the GRF BOD that the Finance Committee has determined Capital Funds in the amount of \$16,500, are available and have placed a temporary hold on these funds, pending Board action on the proposed project, the upgrade of wireless antennas, to increase internet speed for staff, at the main gate and service maintenance yard, as being recommended to the Board by the Communications & IT Committee, per the Committees action request of November 14, 2019, main gate and yard internet upgrades – Ubiquiti;
- MOVED to inform the Board that the Finance Committee has determined Capital funds, in the amount of \$5,000, are available and have placed a temporary hold on these funds pending Board action on the proposed purchase as being recommended to the Board by the Mutual

Administration Committee, per the Committee's action request of December 9, 2019 for custom programming for Mutual SRO reports;

- MOVED to make no amendments to 40-5520-1, Reserves nor 40-5115-3, Finance Committee Charter.

**CANCELLED: December 17, 2019, Website Redesign Ad hoc Committee**

**CANCELLED: December 18, 2019, Strategic Planning Ad hoc Committee**

**CANCELLED: December 26, 2019, Management Services Review Ad hoc Committee**

## Financial Recap – November 2019

As of the eleven-month period ended November 2019, the draft financial reports indicate that GRF is in a favorable financial position with a surplus of \$562,551.

Major variances are:

Wages, Taxes & Benefits	575,792	Favorable: Wages \$254K; P/R Taxes \$29K; Workers' Comp \$36K; Group Ins \$231K; 401(k) Match \$25K
Temporary Agency Fees	(229,096)	Unfavorable: Temporary help for key positions.
Supplies	51,224	Favorable: Low requisitions YTD
Facilities Rentals & Maintenance	85,250	Favorable: Landscaping \$84K; Service Contracts \$17K
Interest Income	145,943	Favorable: Actual yields > planned
News Advertising	(223,000)	Unfavorable: Budget planned more aggressive sales
Other Income	104,617	Favorable: Purchasing Processing Recovery \$50K; Lost Member ID Card \$16K; Fees \$39K

	Fund Balance	Allocated For Current Projects	Allocated For Future Projects	For details, see page
<b>Reserve Funds</b>				
Repairs & Replacements	\$10,260,460	\$1,962,709	\$8,297,751	7

	Fund Balance	Allocated Funds	Unallocated Funds	For details, see page
<b>Capital Funds</b>				
Capital Improvements	\$2,257,505	\$226,057	\$2,031,448	8

Total year-to-date approved unbudgeted operating expenses are \$44,428.