



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

FINANCE COMMITTEE

Agenda

Administration Conference Room
Monday, October 17, 2022 at 10:00 a.m.

To view the live Finance Committee meeting:

- Go to www.lwsb.com
- The tab will be active at 9:45 a.m. on the day of the meeting
- The live streaming uses YouTube Live and terminates at the close of the meeting

- 1. Call to Order/Pledge of Allegiance**
- 2. Roll Call**
- 3. Chairs Announcements**
 - Introduction of Guests and Staff
 - Jessica Sedgwick, Executive Director
 - Marsha Gerber, GRF President
 - Mallorie Hall, Director Finance
 - Tia Makakaufaki, Executive Coordinator
 - Rules of Order
 - Chair's Comments
- 4. Shareholder Comments** (*Limited to 3 minutes per person*)
- 5. Approval of Minutes**
 - Minutes of Regular Meeting, September 19, 2022
- 6. Staff Reports**
 - Purchasing Manager
 - Finance Director
- 7. Financials**
 - Acceptance of the September 2022 Financial Statements
- 8. New Business**
 - Investment Ladder
 - Reserve Funds Investment Purchase
 - Capital Funds Investment Purchase
 - Approve Refund to Mutual Two Unit 62C

- c. Approve The Friends of the Library Donation
- d. Approve The Women's Club Donation
- e. Copy and Supply Printer Lease Renewal
- f. NuVision Renewal

9. Unfinished Business N/A

10. Governing Documents N/A

11. Future Agenda Items

- a. Insurance Coverage and Cost
- b. New Folder Inserter Replacement

12. Next Meeting

Monday, November 21, 2022, 10:00 a.m. in Administration Conference Room/Virtual

13. Presidents Comment

14. Adjournment

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Finance Department – Cost Center 431:

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Expenses - Finance			
	Salaries & Wages Finance	531,753	540,033	8,280
	Employment Taxes Finance	40,901	41,276	375
6142000 431	Workers' Compensation - Finance	2,066	2,637	571
	Group Ins - Medical Finance	68,020	81,396	13,377
6143300 431	Group Insurance - Dental - Finance	1,528	1,278	(250)
6143500 431	Group Insurance - Vision - Finance	633	756	123
6144000 431	401(k) Match - Finance	13,651	14,277	626
6145000 431	Group Insurance - Life - Finance	2,060	2,340	280
6146000 431	Long Term Disability Insurance - Finance	1,873	2,736	863
6210005 431	Payroll Processing Fees - Finance	25,828	27,462	1,634
6211000 431	Continuing Education - Finance	579	1,800	1,221
6213100 431	Agency / Independent Contractor Fees - F	112,431	0	(112,431)
6214000 431	Meals & Special Events - Finance	546	0	(546)
6410000 431	Materials & Supplies - Finance	3,713	3,532	(181)
6410010 431	Hospitality - Finance	286	342	56
6410015 431	Computer Supplies - Finance	409	500	91
6410025 431	Lunch Room Supplies - Finance	77	152	75
6410030 431	Printer / Copier Supplies - Finance	3,200	2,250	(950)
6432100 431	Audit Fees - Finance	142,141	126,159	(15,982)
6435100 431	Bank Service Fees - Finance	1	36	35
6444000 431	Equipment Rental - Finance	4,119	4,099	(20)
6478000 431	Service Contracts - Finance	103	345	242
6481000 431	Computer Maintenance & Software - Financ	1,110	865	(245)
6482000 431	Dues, Memberships & Books - Finance	288	300	12
6483201 431	Mailouts - Periodic - Finance	1,250	1,275	25
6483202 431	Mailouts - Pymt Coupons - Finance	2,001	1,575	(426)
6485500 431	Records Retention - Finance	2,394	2,286	(108)
6710001 431	OC User Fees - Finance	258	960	702
	Total Expenses	963,219	860,667	(102,552)
	Other Cost Recovery			
5380310 431	Edison Pymt Processing - Finance	943	962	(19)
5385000 431	Other Income - Finance	158	0	158
5397100 431	Taxable Interest Income - Finance	59,553	12,868	46,685
5398000 431	Interest Income Allocation - Finance	(31,729)	(7,642)	(24,087)
5540000 431	Discounts Earned - Finance	2,246	1,952	294
	Total Other Cost Recovery	31,171	8,140	23,031
5330000 431	Income / Refund from Mutuals - Finance	896,806	896,806	0
	Total Cost Recovery	927,977	904,946	23,031
	Off Budget Items			
	Net Income / (Expense)	(35,242)	44,279	(79,521)

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

For Cost Center 431 – Finance Department, as of September 31, 2022, there was an overall unfavorable variance of (\$79,521). The major variances are the following:

Budget Variance Report - September 2022			
Finance Department - CC 431			
<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
6100000	Salaries & Wages, Taxes	8,655	Favorable: Staffing shortage
6143XXX	Group Insurance - Medical	15,019	Favorable: Lower rates than budgeted; less participants
6210005	Payroll Processing Fees	1,634	Favorable: Less processing fees due to lower FTE than budgeted
6213100	Agency / Contractor Fees	(112,431)	Unfavorable: Temp staff needed to fill vacant positions
6432100	Audit Fees	(15,982)	Unfavorable: Unexpected increase in audit fees due to increasing wage rates
5397100	Taxable Interest Income	46,685	Favorable: Increasing interest rates on investments
5398000	Interest Income Allocation	(24,087)	Unfavorable: Increasing interest rates of investments; More interest allocated to reserve funds
	Total Explained Variances	(80,507)	of (\$79,521)

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Onsite Sales Office – Cost Center 439:

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Expenses - Onsite Sales Office			
6420100 439	Electricity - Onsite Sales Office	6,033	3,915	(2,118)
6471000 439	Building Repair & Maintenance - Onsite S	1,458	0	(1,458)
6477210 439	Pest Control - Onsite Sales Office	450	450	0
6478000 439	Service Contracts - Onsite Sales Office	237	237	0
	Total Expenses	8,178	4,602	(3,576)
	Other Cost Recovery			
5395000 439	Rental Income - Onsite Sales Office	465,739	473,316	(7,577)
	Total Other Cost Recovery	465,739	473,316	(7,577)
5330000 439	Income / Refund from Mutuals - Onsite Sa	(482,778)	(482,778)	0
	Total Cost Recovery	(17,039)	(9,462)	(7,577)
	Off Budget Items			
	Net Income / (Expense)	(25,217)	(14,064)	(11,153)

For Cost Center 439 – Onsite Sales Office, as of September 30, 2022, there was an overall unfavorable variance of \$11,153..

Budget Variance Report - September 2022
Onsite Sales Office - CC 439

GL Code	Account Description	Variance	Explanation
6420100	Electricity	(2,118.00)	Unfavorable - rate increases
6471000	Building Repair	(1,458.00)	Unfavorable - unbudgeted repair
5395000	Rental Income	(7,577)	Unfavorable: YTD unit sales short of budget
	Total Explained Variances	(11,153)	of \$11,153

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Purchasing Department – Cost Center 432:

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Expenses - Purchasing			
	Salaries & Wages Purchasing	136,607	159,244	22,637
	Employment Taxes Purchasing	10,855	12,461	1,606
6142000 432	Workers' Compensation - Purchasing	3,675	4,689	1,014
	Group Ins - Medical Purchasing	14,713	27,297	12,584
6143300 432	Group Insurance - Dental - Purchasing	271	378	107
6143500 432	Group Insurance - Vision - Purchasing	190	279	89
6144000 432	401(k) Match - Purchasing	4,471	5,178	707
6145000 432	Group Insurance - Life - Purchasing	478	693	215
6146000 432	Long Term Disability Insurance - Purchas	430	810	380
6211000 432	Continuing Education - Purchasing	0	400	400
6212000 432	Employee Exams - Purchasing	25	0	(25)
6213100 432	Agency / Independent Contractor Fees - P	67,579	0	(67,579)
6214000 432	Meals & Special Events - Purchasing	42	0	(42)
6215000 432	Mileage - Purchasing	0	30	30
6217000 432	Uniforms & Laundry - Purchasing	627	585	(42)
6410000 432	Materials & Supplies - Purchasing	748	540	(208)
6410005 432	Building Supplies - Purchasing	0	225	225
6410010 432	Hospitality - Purchasing	88	450	362
6410015 432	Computer Supplies - Purchasing	0	800	800
6410020 432	Equipment Expense - Purchasing	0	675	675
6410030 432	Printer / Copier Supplies - Purchasing	326	540	214
6411000 432	Freight & Handling - Purchasing	2,086	4,500	2,415
6411001 432	Inventory Price Variances - Purchases	5,094	0	(5,094)
6435100 432	Bank Service Fees - Purchasing	883	900	17
6444000 432	Equipment Rental - Purchasing	2,158	2,088	(70)
6471000 432	Building Repair & Maintenance - Purchasi	816	225	(591)
6472000 432	Equipment Repair & Maintenance - Purchas	0	450	450
6478000 432	Service Contracts - Purchasing	253	237	(16)
6482000 432	Dues, Memberships & Books - Purchasing	60	60	0
6911500 432	Inventory Over / Short - Purchasing	1,066	1,503	437
	Total Expenses	253,541	225,237	(28,304)
	Other Cost Recovery			
5380320 432	Purchasing Processing Recovery - Purchas	47,459	39,150	8,309
5385000 432	Other Income - Purchasing	26	0	26
5540000 432	Discounts Earned - Purchasing	10,484	0	10,484
	Total Other Cost Recovery	57,968	39,150	18,818
5330000 432	Income / Refund from Mutuals - Purchasin	185,580	185,580	0

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Total Cost Recovery	243,548	224,730	18,818
	Net Income / (Expense) Before Off Budget	(9,992)	(507)	(9,485)
	Off Budget Items			
5990000 432	Materials Recovery - Purchasing	25,568	0	25,568
6415000 432	Materials Pass-Thru - Purchasing	24,799	0	(24,799)
	Total Off Budget Items	770	0	770
	Net Income / (Expense)	(9,223)	(507)	(8,716)

For Cost Center 432 – Purchasing Department, as of September 30, 2022, there was an overall unfavorable variance of \$8,716. The major variances are the following:

Budget Variance Report - September 2022			
Purchasing - CC 432			
<u>GL Code</u>	<u>Account Description</u>	<u>Variance</u>	<u>Explanation</u>
6100000	Salaries & Wages	\$ 24,243	Favorable - Open position
6142000	Workers Comp	\$ 1,014	Favorable - Open position
614XXXX	Employee Benefits	\$ 14,082	Favorable - Open position
621XXXX	Misc Supplies	\$ 2,276	Favorable - Less supply purchasing
6213100	Agency/Contractor Fees	\$ (67,579)	Unfavorable - Temporary Help
6411001	Inventory Price Variances	\$ (5,094)	Unfavorable - Inventory adjustments to billed amounts
6411000	Freight & Handling	\$ 2,415	Favorable - Reduced freight costs
5380320	Purchasing Process Recovery	\$ 8,309	Favorable - Increased sales
5540000	Discounts Earned	\$ 10,484	Favorable - Additional discounts earned through strategic buying practices
	Total Explained Variances	\$ (9,850)	of (\$8,716)

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Copy & Supply – Cost Center 544:

Acct #	Description	Y-T-D Actual	Y-T-D Budget	Budget Variance
	Expenses - Copy & Supply Center			
	Salaries & Wages Copy & Supply Center	36,222	63,561	27,339
	Employment Taxes Copy & Supply Center	2,869	5,172	2,303
6142000 544	Workers' Compensation - Copy & Supply Ce	243	315	72
	Group Ins - Medical Copy & Supply Center	5,284	5,643	359
6143300 544	Group Insurance - Dental - Copy & Supply	79	81	2
6143500 544	Group Insurance - Vision - Copy & Supply	57	63	6
6145000 544	Group Insurance - Life - Copy & Supply C	175	279	104
6146000 544	Long Term Disability Insurance - Copy &	157	324	167
6211000 544	Continuing Education - Copy & Supply Cen	614	0	(614)
6212000 544	Employee Exams - Copy & Supply Center	15	0	(15)
6213100 544	Agency / Independent Contractor Fees - C	28,220	0	(28,220)
6215000 544	Mileage - Copy & Supply Center	105	0	(105)
6217000 544	Uniforms & Laundry - Copy & Supply Cente	0	180	180
6410000 544	Materials & Supplies - Copy & Supply Cen	1,753	1,280	(473)
6410010 544	Hospitality - Copy & Supply	158	0	(158)
6410015 544	Computer Supplies - Copy & Supply Center	0	450	450
6410020 544	Equipment Expense - Copy & Supply Center	0	450	450
6410030 544	Printer / Copier Supplies - Copy & Suppl	6,771	6,300	(471)
6435100 544	Bank Service Fees - Copy & Supply Center	622	450	(172)
6444000 544	Equipment Rental - Copy & Supply Center	22,132	21,934	(198)
6472000 544	Equipment Repair & Maintenance - Copy &	0	675	675
6478000 544	Service Contracts - Copy & Supply Center	17,755	21,625	3,870
6482000 544	Dues, Memberships & Books - Copy & Suppl	170	0	(170)
6484500 544	Postage - Copy & Supply Center	15,060	25,200	10,140
6911500 544	Inventory Over / Short - Copy & Supply C	(1)	0	1
	Total Expenses	138,460	153,982	15,522
	Other Cost Recovery			
5380331 544	Copy Fee Income - Copy & Supply Center	11,990	9,450	2,540
5380337 544	Notary Fees - Copy & Supply Center	0	972	(972)
5380338 544	Passport Photo Fees - Copy & Supply Cent	450	360	90
5385000 544	Other Income - Copy & Supply Center	39	0	39
	Total Other Cost Recovery	12,479	10,782	1,697
5330000 544	Income / Refund from Mutuals - Copy & Su	144,144	144,144	0
	Total Cost Recovery	156,623	154,926	1,697
	Net Income / (Expense) Before Off Budget	18,163	944	17,219
	Off Budget Items			
5990000 544	Materials Recovery - Copy & Supply Cente	4,939	0	4,939
6415000 544	Materials Pass-Thru - Copy & Supply Cent	5,142	0	(5,142)
	Total Off Budget Items	(203)	0	(203)
	Net Income / (Expense)	17,960	944	17,016

For Cost Center 544 – Copy & Supply, as of September 30, 2022, there was an overall favorable variance of \$17,016. The major variances are the following:

Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Budget Variance Report - September 2022
Copy & Supply Center - CC 544

GL Code	Account Description	Variance	Explanation
6100000	Salaries & Wages, Taxes	\$ 29,642	Favorable - Staff shortage
6216100	Agency/Contractor Fees	(28,220)	Unfavorable - Temporary Help
6478000	Service Contracts	3,870	Favorable - Less copies due to YTD closures
6484500	Postage	10,140	Favorable - timing; expect additional mailouts later this year.
5380331	Copy Fee Income	2,540	Favorable - Additional copies sold
	Total Explained Variances	17,972	of \$17,016

2022 Budget Timeline

2023 GRF Budget Timeline	
April	Engage the services of a reserve study company. This has already been completed with the loyalty program.
May	Begin finalizing five-year plan to be submitted to the reserve study company. Managers/Supervisors to submit staffing plans
6/15/2022	Distribute operating budget input sheets to managers & supervisors.
6/30/2022	Finalize five-year plan to include in reserve study Financial data submitted to reserve study company.
July	Initial draft budgets presented to committees (including wages & benefit info). Request estimated premiums from master insurance company
August	Second iteration of draft budgets presented to committees. Review of draft reserve study.
September	Final draft budget reviewed by Finance Committee
October	Annual disclosure statements to be reviewed by corporate legal council. Final draft budget presented to the GRF board.
10/24/2022 to 11/10/2022	Copy the approved budgets for distribution in November. All budgets to <i>The News</i> by November 12.
11/17/2022	Distribute approved budgets in <i>LW Weekly</i> .



Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

Aged Receivables as of 09/30/2022

	Current	Over 30	Over 60	Over 90	Total	Change
Customers	1,838	2,677	75	-	4,590	(613)
Violations	-	-	-	2,780	2,780	(215)
RV Lot Leases	-	-	-	1,322	1,322	(574)
News Advertisers*	53,041	-	398	1,418	54,857	(7,452)
Total	54,880	2,677	473	5,520	63,549	(8,854)

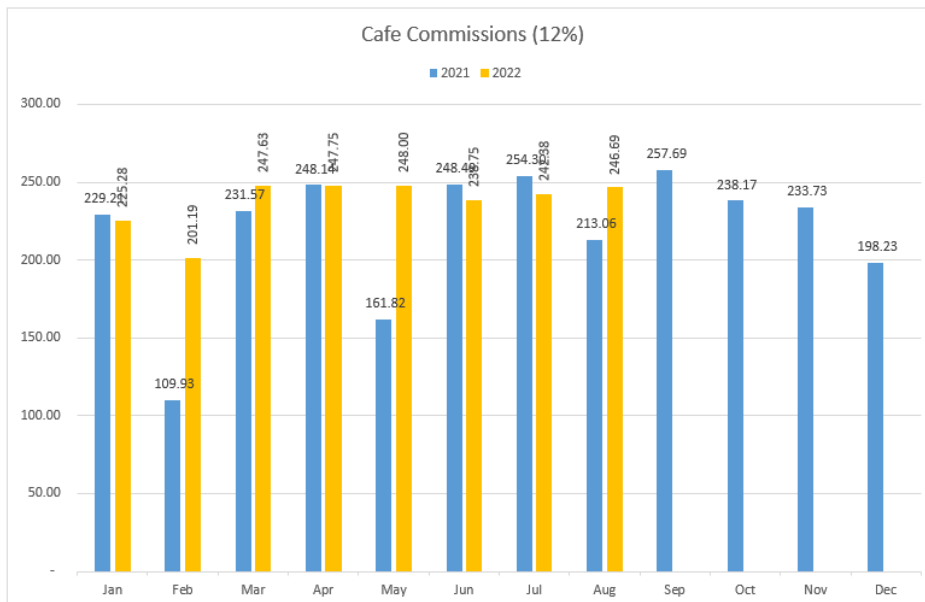
Change

	Current	Over 30	Over 60	Over 90	Total
Customers	(3,290)	2,602	75	-	(613)
Parking Violations	-	-	(800)	585	(215)
RV Lot Leases	-	-	-	(574)	(574)
News Advertisers	(3,395)	(3,610)	(585)	138	(7,452)
Total	(6,685)	(1,008)	(1,310)	149	(8,854)

Write-off Request

Café Commission Report

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	229.21	109.93	231.57	248.14	161.82	248.49	254.30	213.06	257.69	238.17	233.73	198.23	2,624.34
2022	225.28	201.19	247.63	247.75	248.00	238.75	242.38	246.69					1,897.67



Golden Rain Foundation
 October 17, 2022, Meeting of the Finance Committee
 Director of Finance Report

SRO Aging Recap:

Month SRO Created	Still Open As of Mar 2022	Still Open As of Apr 2022	Still Open As of May 2022	Still Open As of June 2022	Still Open As of July 2022	Still Open As of Aug 2022	Still Open As of Sep 2022
Jan-22	94	62	12	6	2	2	2
Feb-22	283	110	56	14	5	4	3
Mar-22	1,524	602	175	82	19	9	3
Apr-22	-	1,431	760	174	53	21	18
May-22	-	-	1,405	626	119	54	19
Jun-22	-	-	-	1,553	277	145	41
Jul-22	-	-	-	-	1,327	285	105
Aug-22	-	-	-	-	-	1,109	180
Aug-22	-	-	-	-	-	-	1,299
Total	1,933	2,222	2,415	2,456	1,803	1,629	1,670

Surplus Equipment

None

Contract Renewal Report (See attached)

**Golden Rain Foundation
Operating Expense Contracts - Finance Committee
As of 8/31/22**

Committee	Vendor	Name	Contract Amount		Contract Start Date	Contract End Date*
Finance	KONI01	Konica Minolta Business	21,000	**	8/23/17 & 9/21/18	8/23/22 & 10/14/22
Finance	KONI02	Konica Minolta QDS	22,397		8/23/17 & 9/21/18	8/23/22 & 10/14/22
Finance	DLDI01	DLD Insurance Brokers	626,810		12/1/2021	12/1/2022
Finance	CLIF01	CliftonLarsonAllen LLP	155,000		1/1/2015	12/31/2022
Finance	ASSO02	Association Reserves	9,500		3/29/2017	3/29/2022
Finance	UNIF01	UniFirst Uniform Company	18,200	**	1/8/2019	1/8/2024
Finance	KYOC01	Kyocera Maintenance	1,650	**	3/28/2019	7/31/2024
Finance	KYOC01	Kyocera Lease	33,434		3/28/2019	7/31/2024
Finance	CORO01	Corodata Records Management	2,800	**	9/26/2014	12/31/9999

* Expiration date of 12/31/9999 signifies a self-renewing contract after initial term.

** Estimated annual expense

Golden Rain Foundation
Revenue Contracts - Finance Committee
As of 8/31/22

Committee	Client	Name	Revenue		Contract	Expiration Date*
Finance	3NUVISION	NuVision Federal Credit Union	16,500		Trust Prop & Service Lease 5 yrs	11/7/2022
Finance		Superwire Telecom, Inc.	36,000	**	Telecommunication Services 3.5 yrs	12/31/2022
Finance	3SUPERWIRE	Superwire Telecom, Inc.	18,000		Trust Property Lease	12/31/2022
Finance	3RVCLUB	RV Club	1		Trust Property Lease 12 Month	12/31/2022
Finance	3GENE01	Genealogy Club	1		Trust Property Lease 12 Month	12/31/2022
Finance	3HIST01	Historical Society	1		Trust Property Lease 12 Month	12/31/2022
Finance	3RADI01	Radio Club	1		Trust Property Lease 12 Month	12/31/2022
Finance	3ROLLI01	Rolling Thunder	1		Trust Property Lease 12 Month	12/31/2022
Finance	3THEA01	Theater Club	1		Trust Property Lease 12 Month	12/31/2022
Finance	3VIDEO01	Video Producers Club	1		Trust Property Lease 12 Month	12/31/2022
Finance	1008	Seal Beach Mutual No. Eight	1		Trust Property Lease 12 Month	12/31/2022
Finance	3FRIENDSLIB	Friends of the Library	1		Trust Property Lease 12 Month	12/31/2022
Finance	3GAF	Golden Age Foundation	1		Trust Property Lease 12 Month	12/31/2022
Finance	3GAF	Golden Age Foundation -COA	1		Trust Property Lease 12 Month	12/31/2022
Finance		Optum Care	660,000		Trust Prop & Service Lease 5 yrs	9/30/2023
Finance	1014	Seal Beach Mutual No. Fourteen	1		Trust Property Lease 3 yrs	12/31/2024
Finance		Januszka Group	120,000	**	Trust Prop & Service Lease 5 yrs	12/31/2024
Finance		CARE	34,925		Trust Prop & Service Lease 5 yrs	5/31/2025
Finance		SCE Payment Processing	1,800	*	Revenue Lease- Updated 1/2021	12/31/9999

* Expiration date of 12/31/9999 signifies a self-renewing contract after initial term.

** Estimated annual revenue