

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



May 28, 2019

Approved Minutes

MOVED and duly approved the minutes of the April 23, 2019 Golden Rain Foundation (GRF) Board of Directors (BOD) meeting were approved, as presented.

General – Adopt Policy 20-2841-2, Graphic Design Services (FINAL VOTE)

MOVED and duly approved to adopt 20-2841-2 Graphic Design Services, as presented.

General – Approve April GRF Board Report

MOVED and duly approved the April GRF Board Report, as amended.

General – Amend Telecommunications Services Agreement

MOVED and duly approved the Addendum to the Telecommunications Services Agreement between the Golden Rain Foundation, Seal Beach and Superwire Telecom Inc., amending telephony services from the terms and conditions, and authorize the President to sign the agreement.

General – Ratification of Emergency Session of the GRF Board of Directors re: Off-Property Bus Service

MOVED and duly approved to ratify the GRF Board's emergency action of May 10, 2019, of the cancelation of GRF Transportation Departments off-property bus services.

MOVED and duly approved to assign to the Security, Bus & Traffic Committee, in July, to seek alternative options to the off-property bus services and direct staff to begin the investigative process.

Architectural Design & Review Committee (ADRC) – Reserve Funding Request – Landscape Replacement, Health Care Center, Clubhouse Six and Administration Parking Lot

MOVED and duly approved to award a contract to Anguiano Lawn Care to replant the five islands in the Health Care Center and Clubhouse Six parking lot, at a cost not to exceed \$8,383, Reserve funding, and to authorize the President to sign the contract.

Facilities and Amenities Review (FAR) Ad hoc Committee – Committee Recommendations for Policy Amendment

MOVED and duly approved to forward to applicable committees the formulation of actions and/or the drafting or amendment of policies pertaining to whether there should be a fee structure for use of amenities, investigation of card reader-based clubhouse/room access systems, limiting the number of clubs participating in the same activity, upholding/enforcing Policy 1202-50, Club Membership (non-members prohibited from joining clubs, organizations, service organization or religious organizations that meet in Leisure World), establishing restrictions of use of Trust Property amenities by guests accompanied by Shareholder/Members, establishing reasonable policies for charging groups that profit from the use of GRF amenities, approval of all LW Clubs, organizations, service organizations or religious organizations by the GRF Recreation Committee, combination of duplicate amenities, based on usage, prohibiting organizations that have their own buildings from using GRF facilities, establishment of fees for large room set-ups, establishing

policy that includes penalties for abuse of amenities, facilities or policy and/or adoption of the Club category structure into policy.

MOVED and duly approved to forward the topic of designated hours and/or days for Shareholder/Members to invite non-members to use amenities, while accompanied by the Shareholder/Member, based upon statistical usage of amenities and procedures/expense to enforce limited usage of amenities by non-Shareholder/Members to the Recreation Committee.

Finance Committee – Accept April Financial Statements

MOVED and duly approved to accept the financial statements April 2019, for audit.

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 Morgan Stanley, for \$500,000 and to US Bank for \$300,000, following the maturity of an \$800,000 CDAR on June 13, 2019, for the purposes of maximizing insured funds and to invest with Morgan Stanley.

Finance Committee – Approve CD Purchase – Reserve Funds

MOVED and duly approved the purchase of multiple insured brokered CDs, from Morgan Stanley, totaling \$500,000 of reserve funds, with an 18-month term at the prevailing interest rates at the time of purchase.

Finance Committee – Adopt 40-3326-1, Purchasing Warehouse Guidelines for Inventory and Non-inventory Purchases

MOVED and duly approved to adopt 40-3326-1, Purchasing Warehouse Guidelines for Inventory and Non-inventory Purchases, as presented.

Finance Committee – Approve Exclusive Use of Trust Property Leases

MOVED and duly approved the 2nd Addendum for the lease agreements, (July 1, 2019 to December 31, 2019) for the exclusive use of Trust property, for the Friends of the Library, Genealogy Club, Golden Age Foundation, Historical Society, Radio Club, Theater Club, and Video Producers Club and authorize the President to sign the agreements.

Physical Property Committee – Reserve Funding Request – HVAC Replacements, Clubhouses Two and Four

MOVED and duly approved to award a contract to Greenwood Heating and Air, for a cost not to exceed \$13,800, to replace the heat pumps (one each) in Clubhouse Two, unit #4 and Clubhouse Four, unit #A-2, Reserves funding, and authorize the President to sign the contract.

Recreation Committee – Contract Approval – Sound System and Lighting, Amphitheater

MOVED and duly approved to award a contract to Mr. Cat Productions, to provide Amphitheater production services, for a cost not to exceed \$47,250, for a three-year period, Operating funding, and to authorize the President to sign the contract.

Recreation Committee – Approve Distribution of Questionnaires (Restaurant/Bar, Fitness, Learning Center)

MOVED and duly approved the distribution of the Restaurant/Bar, Fitness Center and Learning Center questionnaires, as presented, in LW Weekly and, following a thirty (30) day posting period, have staff compile results for Recreation Committee review.

Security, Bus & Traffic Committee – Approve Replacement of Visitor Access System

MOVED and duly approved the Visitors' Access System and contract with Intergrated Security and Communicaitons, for the replacement of the Visitors' Admission system, in an amount not to exceed \$69,533.39, authorize the President to sign the agreement, funding to be determined by the Treasurer, and further, authorize the Chairperson of the Security, Bus & Traffic Committee to approve any use of contingency funds.

Recap of GRF Committees' Activity

April/May 2019

April 27, 2019, Management Services Review Ad hoc Committee

- REVIEWED the final list of non-standard services for the Recreation Department. There were no changes at the time of the meeting;
- REVIEWED the Purchasing Department services and determined which items were standard and non-standard, and added comments as needed.

April 24, 2019, Architectural Design & Review Committee

- MOVED to approve Palette 3.2, column one, as presented on page eight on the agenda packet;
- MOVED to recommend the GRF Board award a contract to Anguiano Lawn Care, to install landscaping in the planters to all areas of the Healthcare Center, Clubhouse Six and Administration parking lot, in the amount not to exceed \$8,383, per proposal dated April 16, 2019, Reserve funding;
- MOVED to request the Recreation Committee, look at the three options selected: sail shade, vinyl shade and barrel shade structure for the Veteran's Plaza, select one and forward to the Physical Properties Department to send out requests for proposal (RFPs);
- MOVED to recommend the GRF Board award a contract to Magical Holiday Designs, in an amount not to exceed \$ 25,000, for a three-year contract, Operating funding;
- MOVED to approve option #2 as first choice and option #1 as second choice, on page twenty-two of the agenda packet, and send back to Communications for final review;
- MOVED to select slump stone block color gray, for the perimeter wall of the swimming pool.
- MOVED to approve the scope of work presented on page twenty-six of the agenda packet, for the healthcare center, pertaining to roofing and air conditioning;
- CONCURRED to request the Recreation Manager bring back a list of locations for the Veteran banners to be installed, to the next scheduled meeting;
- MOVED to allow Clubhouse One, ADA service animal signage at the door.

April 26, 2019, Facilities & Amenities Review Ad hoc Committee

- MOVED to recommend to the GRF board that no fee structure be established for individual shareholders/members for the use of GRF amenities;
- MOVED to recommend the GRF Board establish reasonable restrictions in the use of Trust Property amenities by guest while accompanied by a shareholder;
- MOVED to forward the following question to the GRF Board; should there be hours and/or days designated for Shareholders/Members to invite Non-Members to use amenities, as long as the Shareholder/Member is present with the Non-Member;
- MOVED to recommend the GRF Board establish reasonable categories for charging groups that profit from the use of GRF amenities;
- MOVED to recommend to the GRF Board that all LW Clubs, Organizations, Service Organization or Religious Organizations should be approved by the GRF Recreation Committee;

- MOVED to recommend to the GRF Board that the Recreation Committee combine duplicate amenities based on usage as needed;
- MOVED to recommend to the GRF Board that any organization with their own building should not be allowed to use GRF facilities;
- MOVED to recommend the GRF Board establish a fee for large room set-ups;
- MOVED to recommend to the GRF Board uphold policy 1202-50, Club Membership that Non-Members not be allowed to join Clubs, Organizations, Service Organizations, or Religious Organization that meet in Leisure World;
- MOVED to recommend the GRF Board establish a policy that includes penalties for Shareholder/Members, Non-Members, Clubs, Organizations, Service Organizations or Religious Organizations that abuse amenities, facilities or Policy;
- MOVED to recommend the GRF Board establish designated use areas for specific activities;
- MOVED to recommend the GRF Board request the Recreation Department research card reader systems;
- MOVED to recommend the GRF Board investigate the possibility of limiting the number of Clubs participating in the same activity;
- MOVED to recommend the GRF Board adopt the Club category structure, as amended.

May 1, 2019, Physical Property Committee

- MOVED to approve the completion of Automatic Doors – News Building project #904-19;
- MOVED to forward the channel fencing topic to the Strategic Planning Ad Hoc Committee for further review;
- CONCURRED to request staff bring back, to the next committee meeting, a scope of work and cost for the fiber optic conduit on Golden Rain;
- CONCURRED to table the topic of fuel cells until January or February 2020, pending the completion of current projects;
- MOVED to accept the new governing documents numbering system for the documents under the purview of the Physical Property Committee;
- MOVED to recommend the Board award a contract to Greenwood Heating and Air for a cost not to exceed \$13,800, Reserve Funding, to replace the heat pumps in Clubhouses Two and Four units #4 and #a-2 asset ID #303, pending Finance Committee review, and authorize the President to sign the contract.

May 6, 2019, Recreation Committee

- CONCURRED to recommend the GRF BOD approve donation of sound services to the American Legion for the 2019 Memorial Day celebration;
- CONCURRED to request the Recreation Department go out to bid for a new booking agent;
- CONCURRED to request the GRF BOD consider a variance to the RV lot policy pertaining to a camper van;
- MOVED to forward a request to the GRF Board to approve the distribution of the Adult Education Questionnaire, as amended;
- CONCURRED to request the Physical Property Committee obtain costs for Clubhouse Four, Phase IV; MOVED to recommend the GRF Board extend the leases of the Friends of the Library, Genealogy, Historical Society, Radio, Theater, Video Producers Clubs and the Golden Age Foundation and organizations from July 1, 2019 through December 31, 2019, pending Finance Committee review;

- MOVED to approve the general scope of phase one renovation of Pool/Golf Building area improvements and forward the project to the Physical Properties Committee to develop the costs, upon securing all relative cost the project is to be returned the Recreation Committee for final evaluation before seeking funding and recommendation to the Board;
- MOVED request the Physical Property Committee draft a complete scope of work and cost based on the Architectural Design and Review Committee approved options for the Veterans Plaza wind break and shade structure;
- CONCURRED to accept a \$5,000 donation to the Leisure World Library, from the Friends of the Library;
- MOVED to recommend the GRF Board award a contract to Mr. Cat Productions to provide Amphitheater Production services for a cost not to exceed \$47,250.00 for a three-year period funded by the Operating Budget, and to authorize the President to sign the contract;
- MOVED to approve the use of Clubhouse One two Sunday's a month to host Hometown Buffet;
- MOVED to forward a request to the GRF Board to approve the distribution of the Restaurant/Bar Questionnaire, as amended;
- MOVED to accept the new governing document numbering system for the documents under the purview of the Recreation Committee;
- CONCURRED to Committee to make no changes to the Pickleball Court hours of operation;
- MOVED to forward a request to the GRF Board to approve the distribution of the Fitness Center Questionnaire, as amended;
- MOVED to request staff bring back to the next committee meeting a proposed policy revision limiting advertising on the marque to Golden Rain Foundation and Mutual meetings and events.

May 7, 2019, Management Services Review Ad hoc Committee

- CONCURRED to add the additional service request from the Finance Department as a non-standard item.
- CONCURRED to request each department bring additional information to the next Committee meeting pertaining to services that have been marked non-standard.

May 8, 2019, Security, Bus & Traffic Committee

- CONCURRED to request the Fleet Manager to bring back a cost on 2019 bus access operational cost to the July meeting;
- MOVED to accept the new governing document numbering system, as presented.

May 9, 2019, Communications Committee

- CONCURRED up hold Policy 2806, News Coverage (all candidates for GRF BOD or public office must comply with the stated requirements);
- CONCURRED to amend Policy 2805, Communication Department Advertising.

May 10, 2019, Executive Committee

- CONCURRED to review amending the reporting structure of the Fleet Department at the July meeting;
- CONCURRED to review amending the Human Resources & Benefits Coordinator position description at the July meeting;
- MOVED to approve a sponsorship at the "Sergeant" level (\$1,000), at the annual Seal Beach Public Safety Awards Ceremony, discretionary funding from the Executive Committee;
- MOVED to approve distribution of a survey, to all GRF employees, as drafted;

- MOVED to forward Policy 1022-30, Petitions and proposed document Member Code of Conduct to the Governing Documents Committee, for amendment.

May 13, 2019, Mutual Administration Committee

- REQUESTED the Mutual Administration Department present the DMS policy flowchart at the July meeting; additionally, the Executive Director is requested to bring the Mutual Administration department, including the Stock Transfer office, organizational chart to the July meeting;
- MOVED to approve a one-year service agreement with Neopost, at a cost of \$3,720, from March 2019-March 2020, Operating funding, and budget for new equipment in the 2020 budget, pending review for non-budgeted Operating funds by the Finance Committee and recommend the GRF BOD approve the agreement;
- CONCURRED to review the topic at the July Committee meeting, for corporate imaging review;
- AWAITING the approved article from OCFA to be published in the LW Weekly, and, the following week, insert the Patient Information Form in the LW Weekly;
- CONCURRED to review new envelope text at the July meeting and make recommendation of several choices to the ADR Committee, indicating Mutual Administration Committee's preference;
- MOVED to accept the new governing document numbering system for the policies under the purview of the Mutual Administration Committee.

May 14, 2019, Strategic Planning Ad hoc Committee (cancelled)

May 20, 2019, Finance Committee

- MOVED to recommend the GRF Board accept, for audit, the financial statements for the month of April 2019, as presented by the Director of Finance and as reviewed by the Finance Committee;
- Committee requested the Finance Director to send new RFP's to CPA auditing firms, within 50-mile radius;
- MOVED to recommend the GRF Board authorize the transfer of \$800,000 of reserve funds, from First Foundation Bank, to Morgan Stanley, for \$500,000 and to US Bank for \$300,000, following the maturity of an \$800,000 CDAR on June 13, 2019, for the purposes of maximizing insured funds and to invest with Morgan Stanley;
- MOVED to recommend the GRF Board authorize the purchase of brokered CDs from Morgan Stanley totaling \$500,000 of reserve funds from First Foundation Bank, with term of 18-months at the prevailing interest rates at the time of purchase;
- MOVED to recommend the GRF Board approve the 2nd Addendum for the lease agreements (June 30, 2019 to December 31, 2019), for the exclusive use of Trust property, for the Friends of the Library, Genealogy Club, Golden Age Foundation, Historical Society, Radio Club, Theater Club, Video Producers Club;
- MOVED to recommend the GRF Board approve a lease agreement, upon receipt of the contract with Tahitian Herbal, for the exclusive use of approximately 2 square feet of Trust Property within the lower lobby for Building Five, for the sole purpose of vending machine operation in which GRF will receive a 20% commission on all products sold from the vending machine.

Financial Recap – April 2019

As of the four-month period ended April 2019, the draft financial reports indicate that GRF is in a favorable financial position with a surplus of \$228,412.

Major variances are:

Wages, Taxes & Benefits	213,055	Favorable: Wages \$73K; P/R Taxes \$18K; Workers' Comp \$17K; Group Ins \$94K; 401(k) Match \$12K
Temporary Agency Fees	(62,582)	Unfavorable: Temporary help for key positions.
Supplies	25,025	Favorable: Low requisitions in first quarter
Professional Services	18,356	Favorable: Less legal assistance than planned
Facilities Rentals & Maintenance	83,692	Favorable: \$47K Landscaping; \$20K Repairs & Maintenance; \$16K Service Contracts
Rental Income	(97,741)	Unfavorable: Lower unit sales than planned
Interest Income	46,591	Favorable: Actual yields > planned
News Advertising	(66,318)	Unfavorable: Budget planned more aggressive sales
SRO Labor Recovery	27,900	Favorable: Recoveries exceeds budget

	Fund Balance	Allocated For Current Projects	Allocated For Future Projects	For details, see page
Reserve Funds				
Repairs & Replacements	\$9,707,560	\$1,716,244	\$7,991,316	7

	Fund Balance	Allocated Funds	Unallocated Funds	For details, see page
Capital Funds				
Capital Improvements	\$1,742,091	\$186,317	\$1,555,774	8

Total year-to-date approved unbudgeted operating expenses are \$11,080.