



OPEN MEETING

**REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, September 4, 2018 - 9:30 a.m.
Laguna Woods Village Community Center Board Room 24351 El Toro Road**

NOTICE AND AGENDA

- 1. Call Meeting to Order / Establish Quorum—Thomas Sirkel, President**
- 2. Pledge of Allegiance – Director Palmer**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of Minutes of Meeting**
 - (a) August 7, 2018 – Regular Open Session Meeting
- 6. Report of Chair**
- 7. Update from VMS – Director Kenney**
- 8. CEO Report**
- 9. Open Forum (Three Minutes per Speaker)** - *At this time the Speakers may address the Board of Directors regarding items not on the agenda and within the jurisdiction of the Board of Directors of the Golden Rain Foundation. There is a maximum time limit of three minutes per speaker and a speaker may only address the Board once during this period. The Board reserves the right to limit the total amount of time allotted for the Open Forum.*
- 10. Responses to Open Forum Speakers**
- 11. Consent Calendar** - *All matters listed under the Consent Calendar are considered routine and will be enacted by the Board by one motion in the form listed below. In the event that an item is removed from the Consent Calendar by members of the Board, such item(s) shall be the subject of further discussion and action by the Board.*

- (a) Entertain a Motion to Approve & Sign a Sidewalk Lease Agreement with the Willows Foundation
- (b) Update GRF Committee Appointments

12. Unfinished Business

- (a) None

13. New Business

- (a) Entertain a Motion to Approve a Resolution Interpreting GRF Bylaw 2.1.4
- (b) Entertain a Motion to Approve a Supplemental Appropriation for Gate 10 Civil Work Project
- (c) Discuss and Consider Revisions to Trust Facility Fee Policy and Promissory Note **(September initial notification - must postpone to November to conform to the 30-day notification requirement)**
- (d) Entertain a Motion to Approve the 2019 GRF Business Plan
- (e) Entertain a Motion to Approve the 2019 GRF Reserves Funding Plan
- (f) Entertain a Motion to Approve the 2019 GRF Capital Plan
- (g) Entertain a Motion to Approve the Commercial Vehicle Storage Fee for RV Lot **(September initial notification - must postpone to November to conform to the 30-day notification requirement)**
- (h) Entertain a Motion to Recommend Fire Avert Pilot Program for Third Laguna Hills Mutual and United Laguna Woods Mutuals' Consideration

14. Committee Reports

- (a) Report of the Finance Committee/Financial Reports – Director Phelps. Next meeting October 24, 2018, at 1:30 p.m. in the Board Room.
- (b) Report of the Community Activities Committee – Director Perak. Next meeting September 13, 2018, at 1:30 p.m. in the Board Room.
- (c) Report of the Maintenance & Construction Committee – Director Matson. Next meeting October 10, 2018, at 9:30 a.m. in the Board Room.
 - Report of the Performing Arts Center (PAC) Renovation Ad Hoc Committee - Director Perak. Next meeting TBA.

- Report of Village Energy Task Force – Director Moldow. Next meeting September 12, 2018, at 9:30 a.m. in the Willow Room.
- (d) Report of the Media & Communications Committee – Director Milliman. Next meeting September 17, 2018, at 1:30 p.m. in the Board Room.
- (e) Report of the Mobility & Vehicles Committee – Director Troutman. Next meeting October 3, 2018, at 1:30 p.m. in the Board Room.
- (f) Report of the Security & Community Access Committee – Director Sabol Soule. Next meeting October 22, 2018, at 1:30 p.m. in the Board Room
- Report of the Traffic Hearings – Director Gros. Next meeting September 19, 2018, 9:00 a.m. in the Board Room & 1:00 p.m. in the Pine Room.
- Report of the Disaster Preparedness Task Force- Director Troutman. Next meeting September 25, 2018, 9:30 a.m. in the Cypress Room.
- (g) Report of the Landscape Committee – Director Moldow. Next meeting TBD.

- 15. Future Agenda Items** - *All matters listed under Future Agenda Items are Resolutions on 30-day public review or items for a future Board Meeting. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

None

- 16. Directors' Comments**

- 17. Recess** - *At this time, the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

Closed Executive Session Agenda

Approval of Agenda

Approval of Minutes

(a) August 7, 2018 – Regular Executive Session

Discuss and Consider Member Disciplinary Matters

Discuss and Consider Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

Discuss Litigation Report Summary

- 18. Adjournment**

Minutes of the Regular Meeting of the Golden Rain
Foundation Tuesday, August 7, 2018, 9:30 a.m.
24351 El Toro Road, Laguna Woods, California.

Directors Present: Thomas Sirkel, Beth Perak, Joan Milliman (via telephone),
Jim Matson, Richard Palmer, Annette Sabol Soule, Judith
Troutman, Bert Moldow, Ray Gros, Diane Phelps, and Jim Juhan

Directors Absent: None

Staff Present: Siobhan Foster, Eileen Paulin, Brian Gruner, Tim Moy,
Chris Spahr, and Whitney Thornton

Others Present: United Mutual: Juanita Skillman, Pat English
Third Mutual: Jim Frankel
VMS: Dick Rader and Mary Stone
Mutual 50: Ryna Rothberg

1. Call to Order

President Sirkel called the meeting to order at 9:30 a.m., and acknowledged that a quorum was present.

2. Pledge of Allegiance to the Flag

Director Juhan asked for a moment of silence for our veterans and led the meeting in the Pledge of Allegiance to the Flag.

3. Acknowledgment of Media

A representative of the Laguna Woods Globe (entered the meeting at 10:01 a.m.) and the Village Television Camera Crew, by way of remote cameras, were acknowledged.

4. Approval of Agenda

Director Perak made a motion to approve the Agenda as presented. Director Juhan seconded the motion and it passed by unanimous consent.

5. Approval of Minutes

Director Sabol Soule made a motion to approve the minutes of July 3, 2018. The motion was seconded by Director Perak and it passed by unanimous consent.

6. Report of the Chair

President Sirkel announced that he would not be running for re-election due to family matters and introduced Tim Moy who acknowledged the following community volunteers for their dedication and commitment to the Disaster Preparedness Task Force:

Trish Cassidy
Joanne Foster
Marie Gates

Doug Gibson
Lori Gibson
Kathleen Matthews
Jim Riedel
Tom Soule
Betty Rockefeller
Ernie Senser
Bob Tucker
Robert Yates
Paula Paige

President Sirkel thanked the community volunteers and introduced Brian Gruner, who presented a Recognition of Excellence award to lifeguard Emilio Basurto for saving two residents of Laguna Woods Village in separate incidents.

7. Update from VMS and CEO Report

CEO Hudson gave an update of the VMS meeting in the month of July and gave a report on upcoming community events and on current renovation and construction projects:

- Reviewing healthcare insurance costs
- Employee compensation
- Human Resources policies and procedures
- Strategic plan update
- Increase in communication with Board members and residents
- Notification about smoke from fire
- Budget hearings
- Grandparent's Fun Day
- Beat the heat movies
- Gatehouses 11 and 12 renovations completed
- Gatehouse 1, 2,3,4,7,8,9,14 plans have been submitted to city
- Gates at service center and RV lot
- Pickle Ball/Paddle Tennis plans submitted
- New kilns, paint, and roof at Clubhouse 4
- Clubhouse 3 was tented and fumigated
- Paving and seal coat projects throughout the community
- HVAC projects in Clubhouse 6 and Community Center
- Shuffleboard courts replaced with landscaping and picnic table
- Manor Alterations department will be moved to the Spruce Room
- Ridge Route area vegetation clearing project
- West edge of community vegetation clearing project
- Kudos to Third Board for addressing the vegetation clearing project
- City dog park construction

8. Open Forum (Three Minutes per Speaker)

Members spoke on the following topics: legacy funds, charging mobility scooters in garage or carport, size of dogs in dogs parks, commercial vehicle parking in the

community, appreciation of the Village Energy Task Force, electric vehicle charging at manors, bus routes, community center renovations, Tom Sirkel not seeking re-election, Alzheimer's disease awareness meeting, and strong leadership all Boards.

9. Response to Open Forum Speakers

Several Directors responded to and provided input regarding member comments.

10. Consent Calendar

(a) Update GRF Committee Appointments

RESOLUTION 90-18-32
GRF Committee Appointments

RESOLVED August 7, 2018, that the following persons are hereby appointed and ratified to serve on the Committees of this Corporation:

Business Planning

Diane Phelps, (GRF)
Tom Sirkel, (GRF)
Annette Sabol-Soule (GRF)
Rosemarie diLorenzo, (Third)
Steve Parsons, (Third)
Gary Morrison, (United)
Juanita Skillman, (United)
Al Amado, (Mutual 50)

Community Activities

Beth Perak, Chair (GRF)
Joan Milliman, Vice Chair (GRF)
Diane Phelps, (GRF)
Steve Parsons (Third)
Jules Zalon, (Third)
Jack Connelly, Alternate (Third)
Janey Dorrell, (United)
Juanita Skillman, (United)
Ryna Rothberg, (Mutual 50)
Non-Voting Advisers: Leon St. Hilaire, Jeff Shetler

Finance

Diane Phelps, Chair (GRF)
Annette Sabol Soule, Vice Chair (GRF)
Thomas Sirkel, (GRF)
Rosemarie diLorenzo, (Third)
Steve Parsons, (Third)

Bill Walsh, Alternate (Third)
Gary Morrison, (United)
Juanita Skillman, (United)
Al Amado, (Mutual 50)
Non-Voting Advisers: Alan Dickinson, Greg Corigliano, Diane Casey

Maintenance & Construction

Jim Matson, Chair (GRF)
Richard Palmer, Vice Chair (GRF)
Beth Perak, (GRF)
John Frankel, (Third)
Bunny Carpenter, (Third)
Bill Walsh, Alternate (Third)
Carl Randazzo, (United)
Don Tibbetts, (United)
Ryna Rothberg, (Mutual 50)
Non-Voting Advisers: John Luebbe, Ruth Matson

Media and Communications

Joan Milliman, Chair (GRF)
Beth Perak, Vice Chair (GRF)
Jim Juhan, (GRF)
Burt Baum, (Third)
Roy Bruninghaus, (Third)
Jack Connelly, Alternate (Third)
Maggie Blackwell, (United)
Juanita Skillman, (United)
Ryna Rothberg (Mutual 50)
Non-Voting Advisers: Steve Carman, John Perak, Lucy Parker

Mobility & Vehicles

Judith Troutman, Chair (GRF)
Ray Gros (GRF)
Bert Moldow, (GRF)
Roy Bruninghaus, (Third)
John Frankel, (Third)
Cash Achrekar, (United)
Reza Bastani, (United)
John Dalis, (Mutual 50)
Non-Voting Advisers: Shelva Linzki, vacant (1)

PAC Renovation Ad Hoc Committee

Beth Perak, Chair (GRF)
Joan Milliman, Vice Chair (GRF)
Richard Palmer, (GRF)
John Frankel, (Third)
Bill Walsh, (Third)

Don Tibbetts, (United)
Juanita Skillman, (United)
Irving Waaland, (Mutual 50)
Non-Voting Advisers: Sheila Bilaka, John Perak

Security and Community Access

Annette Sabol Soule, Chair (GRF)
Ray Gros, Vice Chair (GRF)
Jim Juhan, (GRF)
Roy Bruninghaus, (Third)
John Frankel, (Third)
Cush Bhada, Alternate (Third)
Pat English, (United)
Don Tibbetts, (United)
Non-Voting Advisers: Larry Cunningham, Frank Tybor

Disaster Preparedness Task Force

Judith Troutman (GRF)
Jim Juhan (GRF)
Roy Bruninghaus (Third)
John Frankel (Third)
Cash Achrekar (United)
Gary Morrison (United)
Inesa Nords-Leth (Mutual 50)

Laguna Woods Village Traffic Hearings

Ray Gros, (GRF)
Jules Zalon, (Third)
John Frankel, Alternate (Third)
Cash Achrekar, (United)
Board Members by Rotation (Mutual 50)

Energy and Technology Committee

Jim Juhan (GRF)
Bert Moldow (GRF)
Juanita Skillman (United)
Carl Randazzo (United)
Bill Wash, Chair (Third)
Burt Baum (Third)
John Frankel (Third)
Adviser: Steve Leonard

Board Members by Rotation (Mutual 50)

RESOLVED FURTHER, that Resolution 90-18-31 adopted June 5, 2018,
is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

- (b) Entertain a Motion to Approve an Inspector of Election for Special Elections

RESOLUTION 90-18-33

Approve Inspector of Election Appointment

WHEREAS, Corporations Code § 7614 authorizes boards to appoint an inspector of elections to act at meetings;

WHEREAS, an Inspector of Elections is used, among other tasks, to determine voting power, validate proxies, receive ballots, tabulate votes, and certify results; and,

WHEREAS, the appointment of a member of staff represents a cost savings to GRF.

NOW THEREFORE BE IT RESOLVED, August 7, 2018, that the Board of Directors of this Corporation hereby appoints Catherine Laster of Village Management Services, Inc. to perform Inspectors of Election services for the August 13, 2018, Meeting of the Corporate Members;

RESOLVED FURTHER, that the foregoing appointment is extended to other special corporate member meetings held throughout the year; and

RESOLVED FURTHER, that the officers and agents of this Corporation are directed on behalf of the Corporation to carry out this resolution.

Director Phelps made a motion to approve the Consent Calendar. Director Sabol Soule seconded the motion and it passed by unanimous consent.

11. Unfinished Business

- (a) Entertain a Motion to Introduce a Resolution to Amend the GRF Electronic Payment Policy

Director Troutman, in the absence of the Secretary of the Board, read the following:

RESOLUTION 90-18-34

ELECTRONIC PAYMENT POLICY

WHEREAS, Golden Rain Foundation of Laguna Woods Village (GRF) has adopted several electronic payment methods over the years; and

WHEREAS, credit card payments are accepted at several point-of-sale locations, such as those used at the Village Greens (Resolution 90-11-102), Broadband Services (Resolution 90-12-130), and the Performing Arts Center (90-14-01), with the associated merchant processing fees absorbed into operations at these revenue-generating operations; and

WHEREAS, GRF offers an electronic payment method for monthly assessments called EZPay and 70 percent of Laguna Woods Village members take advantage of this free auto-debit service to automatically deduct assessments from their bank account while other members use their own online banking service to generate electronic payments; both of these low-cost services continue without user fees; and

WHEREAS, GRF desires to increase electronic payment options for assessments and introduce options for chargeable services; and

WHEREAS, GRF has initiated a service agreement to process electronic payments via the Community's resident portal and in person at the Community Center, which will be activated once the technology infrastructure is in place;

NOW THEREFORE BE IT RESOLVED, on August 7, 2018, that GRF introduces the acceptance of electronic payments for assessments, fines, fees, and chargeable services; and

RESOLVED FURTHER, for assessments the payor will be charged a convenience fee equal to an amount necessary to offset all processing fees contracted with the merchant provider, currently 2.95% per credit card transaction; and

RESOLVED FURTHER, fees will be updated as needed based on contractual agreements and passed on to the payor without further resolution updates; and

RESOLVED FURTHER, that Resolution 90-18-21 adopted May 1, 2018, is hereby superseded and canceled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Director Troutman made a motion to approve an Electronic Payment Policy. Director Moldow seconded the motion and the motion passed by unanimous consent.

(b) Entertain a Motion to Introduce a Resolution for the Non-Return of ID Cards

Director Troutman, in the absence of the Secretary of the Board, read the following:

RESOLUTION 90-18-35

Non-Return Fee of Identification Card Fee (ID)

WHEREAS, the Golden Rain Foundation requires that all approved individuals to reside in the Village register and carry an ID card with them at all times; and

WHEREAS, the Resident Services Department issues ID cards and vehicle decals when a resident is approved to reside in the unit;

NOW THEREFORE BE IT RESOLVED, August 7, 2018, that the Board of Directors of this Corporation hereby establishes a fee for non-return of ID cards of \$125; and

RESOLVE FURTHER, that the Board of Directors of this Corporation reaffirms its non-return fee of \$125 for vehicle decals; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this resolution.

Director Troutman made a motion to approve a \$125 Fee for Non-Return of Identification Card. Director Phelps seconded the motion and discussion ensued among the Directors.

President Sirkel called for a vote and the motion passed by unanimous consent.

- (c) Entertain a Motion to Approve the Amended GRF Mobility & Vehicles Committee Charter

Director Troutman made a motion to waive the reading of the following Resolution. Director Milliman seconded the motion and it passed by unanimous consent.

RESOLUTION 90-18-36

Mobility and Vehicles Committee Charter

WHEREAS, the Bus Services Committee was established pursuant to Article 7, Section 7.1.1 of the Bylaws of this Corporation; and

WHEREAS, November 22, 2011, the Board of Directors agreed to change the name to the Laguna Woods Village Mobility and Vehicles Committee; and

WHEREAS, December 6, 2011, the Board of Directors assigned the general duties and responsibilities of the Laguna Woods Village Mobility and Vehicles Committee; and

WHEREAS, August 7, 2018, the Board of Directors has revised the general

duties and responsibilities of the Laguna Woods Village Mobility and Vehicles Committee;

NOW THEREFORE BE IT RESOLVED, that the Mobility and Vehicles Committee shall:

1. Perform the duties imposed upon all standing committees as set forth in the resolution entitled, "General Duties of Standing Committees".
2. Serve as liaison between the Golden Rain Foundation Board of Directors (GRF Board) and the Managing Agent for all transportation issues.
3. Develop policies and procedures for the GRF Transportation System that strives to meet the needs of the Laguna Woods Village Community.
4. Review long-range plans prepared by the Managing Agent to improve the efficiency and effectiveness of the GRF transportation system with an emphasis on new and emerging technology; focusing on operational and energy efficiency and make recommendations to the GRF Board for final approval.
5. Review major service modifications to the Laguna Woods Village transportation system that are proposed by the Managing Agent and present those modifications to the GRF Board for final approval.
6. Review the specifications recommended by the Managing Agent for the procurement of GRF vehicles.
7. Review requests submitted to the Committee by the Managing Agent for transportation services and vehicles that require supplemental funding and recommend appropriate action to the GRF Finance Committee.
8. Ensure that the transportation facilities, equipment, and fixtures owned or leased by the GRF Board are maintained by the Managing Agent to sustain a high level of efficient performance.
9. Review bus schedules, bus routing plans or other alternative transportation programs developed by the Managing Agent. Provide recommendations to the Managing Agent that will ensure both a high level of service to the Members and an efficient use of transportation resources. Present these modifications to the GRF Board for final approval.
10. Ensure that the Managing Agent develops and provides an effective Customer Service Program that includes educational literature, training classes, alternative transportation information and direct rider support.
11. Work together with the GRF Media and Communications Committee and the Managing Agent's Communications staff to keep residents informed of all matters

related to and affecting the GRF Transportation System.

RESOLVED FURTHER; that Resolution 90-11-146, adopted December 6, 2011, is hereby superseded and cancelled.

Director Sabol Soule made a motion to approve the amended Mobility and Vehicles Committee Charter. Director Moldow seconded the motion and it passed by unanimous consent.

(d) Entertain a Motion to Approve the Disaster Preparedness Task Force Charter

Director Troutman made a motion to waive the reading of the following Resolution. Director Sabol Soule seconded the motion and it passed by unanimous consent.

RESOLUTION 90-18-37

Disaster Preparedness Task Force

WHEREAS, a Disaster Preparedness Task Force was established on February 4, 1992, pursuant to Article VI, Section I, of the Bylaws of this corporation;

WHEREAS, the Task Force is comprised of Directors from the Golden Rain Foundation, all three Mutual's, Staff and residents who are experienced in emergency preparedness and who volunteer their time;

WHEREAS, the Task Force focus is to recruit and train Good Neighbor Building/Block Captains;

WHEREAS, the Task Force's purpose is to educate and train residents on disaster preparedness; and

NOW THEREFORE BE IT RESOLVED that the Disaster Preparedness Task Force shall be charged with the following duties and responsibilities:

1. Serve as liaison between the Security and Community Access Committee (SCAC) and Security Department regarding resident disaster preparedness;
2. Meet regularly where the Chief of Security, or designee, will act as Chair;
3. Encourage the continued communication between the Security Department and Laguna Woods residents concerning disaster policies, functions, operations and activities;
4. Inform the SCAC of the latest developments, trends and innovations in the field of disaster preparedness;

5. Promote and encourage continued communications and training between the SCAC, Good Neighbor Building / Block Captains, and residents on disaster preparedness issues affecting the general well-being of the Village;
6. Review, update, train, and evaluate regularly the Emergency Operations Plan and update the rosters of resident volunteer members of the Disaster Preparedness Task Force; and
7. Perform other tasks as may be assigned by the Chief of Security.

NOW THEREFORE BE IT RESOLVED, August 7, 2018, that the Board of Directors of this Corporation hereby adopts the Disaster Preparedness Task Force duties and responsibilities;

RESOLVED FURTHER, that Resolution 90-17-25 adopted June 6, 2017, is hereby superseded in its entirety and no longer in effect;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution as written

Director Moldow made a motion to approve Disaster Preparedness Task Force Charter. Director Troutman seconded the motion and it passed by unanimous consent.

12. New Business

- (a) Entertain a Motion to Approve the Art Affair Open to the Public

Director Perak made a motion to approve the Art Affair Open to the Public and Director Juhan seconded the motion and it passed by unanimous consent.

(b) Entertain a Motion to Approve the proposed Energy Task Force Charter
Director Troutman made a motion to waive the reading of the proposed Energy Task Force Charter. Director Phelps seconded the motion and it passed by unanimous consent.

Village Energy Task Force Charter and Mission

In July 2018, the Boards of Directors of the Third Laguna Hills Mutual, United Laguna Woods Mutual and the Golden Rain Foundation hereby assigns the duties and responsibilities of this Task Force, as follows:

The Village Energy Task Force will consist of two directors each from Third Mutual, United Mutual and the Golden Rain Foundation. Member Advisors as approved by the Task Force will be voting members.

The mission of the Village Energy Task Force is to identify and recommend to all Boards, investments in energy technologies that will address the safety, economic, environmental and aesthetic issues of Third and United Mutual and GRF (the Corporations) with the common goal to enhance the wellbeing of Laguna Woods Village residents.

1. Recommend to the respective Committees and Boards, for their approval, all actions that will result in energy savings for residents and an improved environment for the Community.
2. Review energy statements and other reports affecting the Corporations' energy usage and recommend actions.
3. Work closely with Staff and review all devices or systems that either generate, control or consume energy within the Corporations. Identify alternatives that would be beneficial, taking into consideration factors such as efficiency, reliability, sustainability, installation, cost, return on investment, carbon foot print, human factors, and operability. Propose priorities of actions.
4. Seek out energy incentive programs applicable to the Corporations.
5. Work with the respective Communications Committees to make residents aware of Task Force actions as well as actions they can take to reduce their own energy costs and improve the environment.
6. In conjunction with Staff, make progress reports to the respective corporate M&C Committees on investigation results, resident actions and comments, as well as M & C Committee-approved projects.
7. To improve familiarity with technology and products, the Task Force should arrange seminars and invite speakers from vendors, universities, trade groups or consultants.
8. Suggest actions the Boards can take with respect to the California Public Utility Commission or the California legislature regarding proposed tariff charges or energy related bills affecting the Corporations.
9. Meet and Confer with the City of Laguna Woods on energy saving initiatives offered to municipalities by the State of California through Investor Owned Utilities (IOU) such as Southern California Edison.
10. The Chair and Vice Chair of the Task Force will be elected by members of the Task Force.

Director Moldow made a motion to approve the proposed Energy Task Force Charter.
Director Troutman seconded the motion.

Discussion ensued among the Directors.

President Sirkel called for a vote and it passed by unanimous consent.

13. Committee Reports

- (a) Report of the Finance Committee/Financial Reports – Director Phelps.
Next meeting August 22, 2018, at 1:30 p.m. in the Board Room.
- (b) Report of the Community Activities Committee – Director Perak. Next
meeting September 13, 2018, at 2:00 p.m. in the Board Room.
- (c) Report of the Maintenance & Construction Committee – Director Matson.
Next meeting August 8, 2018, at 9:30 a.m. in the Board Room.
 - Report of the Performing Arts Center (PAC) Renovation Ad Hoc
Committee - Director Perak. Next meeting TBA

- Report of Village Energy Task Force – Director Moldow
- (d) Report of the Media & Communications Committee – Director Perak in Director Milliman’s absence. Next meeting August 20, 2018, at 1:30 p.m. in the Board Room.
- (e) Report of the Mobility & Vehicles Committee – Director Troutman. Next meeting October 3, 2018, at 1:30 p.m. in the Board Room.
- (f) Report of the Security & Community Access Committee – Director Sabol Soule. Next meeting August 27, 2018, at 1:30 p.m. in the Board Room
- Report of the Traffic Hearings and Golf Cart Security Update – Director Gros. Next meeting August 15, 2018, 9:00 a.m. in the Board Room & 1:00 p.m. in the Cypress Room.
- Report of the Disaster Preparedness Task Force- Director Troutman. Next meeting September 25, 2018, 9:30 a.m. in the Cypress Room.

14. Future Agenda Items

None

15. Director’s Comments

- Director Troutman announced that she had been a victim of mail theft, the suspect was identified, and that she is collecting signatures to run for Laguna Woods City Council;
- Director Phelps reminded residents that the budget meeting is tomorrow and commented on various 30 year plan matters;
- Director Juhan is impressed by the way the Board operates and Energy Task Force meeting was great;
- Director Matson commented it was a good meeting;
- Director Gros commented that Laguna Canyon Foundation information is available at the concierge desk (949-497- 8324);
- Director Perak commented that she was sad to hear that President Sirkel would not be running for re-election and gave kudos to the Staff;
- Director Sabol Soule stated that an email had been circulating about pesticides for use on the golf courses and noted that Maggie Blackwell was speaking on the subject with Ken Goldberg while encouraging residents to watch the video;
- Director Moldow stressed the importance of battery back-up for medical equipment and encouraged all to keep emergency ice for medications prepared;
- Director Milliman thanked Director Troutman for acting as Secretary in her

absence, praised Director Perak for giving the media update, and commented that it was a good meeting;

- President Sirkel thanked Director Troutman for acting as Secretary, inquired about her future Board plans, thanked all the Board members for their contributions and good work, and reiterated the Board's work is more important than individual issues.

16. **Recess** - *At this time the Meeting recessed for lunch to reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

The Board recessed to Closed Session at 11:48 a.m.

Closed Executive Session Agenda

Approval of Agenda

Approval of Minutes

(a) July 3, 2018 – Closed Executive Session

Discuss and Consider Member Disciplinary Matters

Discuss and Consider Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

Discuss Litigation Report Summary

Adjournment

Adjourn

The meeting was adjourned at 2:10 p.m.


Joan Milliman, Secretary of the Board
Golden Rain Foundation

ENDORSEMENT (to Finance & GRF Board)

Discuss & Consider a Supplemental Appropriation for adding Gate 10 to the Civil Work Improvement Project

Discussion ensued regarding gatehouse renovations, time frames for construction, a suggestion to combine Gates 10 and 11, and abandonment of the right of way along Santa Maria.

A motion was made to recommend the Board approve supplemental funding to add gate arms at Gate 10. This item will be added to the GRF Finance agenda.

By a vote of 6/1/0 (Director Tibbetts opposed), the motion carried.

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ENDORSEMENT (to GRF Board)

Sidewalk Lease Agreement with The Willows Foundation

The Willows Foundation (The Willows) desires to enter into an agreement to provide exclusive access and use of the respective sidewalk property to GRF. Due to the maintenance and repair responsibilities assumed by GRF through the lease agreement and the indemnification, GRF shall not be required to pay rent for the use of the sidewalk property during the term of the agreement.

The subject section of sidewalk, along Via Vista at Gate 8 is not used by The Willow's patrons and GRF has provided ongoing maintenance over the years.

This lease agreement has been vetted and approved by GRF's legal counsel. Also, the Laguna Woods Village Insurance & Risk Analyst has also verified with the Laguna Woods Village broker, that there is adequate coverage in the general liability insurance. The broker has agreed to the Additional Insured/Waiver of Subrogation endorsement and once the agreement is signed the broker will issue the endorsement.

GRF will continue to assume maintenance costs of the licensed sidewalk as stated in the lease agreement.

A motion was made and unanimously carried to recommend the Board approve and sign a lease agreement with The Willows Foundation, Inc. (The Willows) for Golden Rain Foundation's (GRF) exclusive sidewalk use.

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STAFF REPORT

DATE: August 8, 2018
FOR: Maintenance and Construction Committee
SUBJECT: Lease Agreement – Laguna Woods Village and The Willows Foundation Sidewalk

RECOMMENDATION

Approve and sign a lease agreement (Attachment 1) with The Willows Foundation, Inc. (The Willows) for Golden Rain Foundation's (GRF) exclusive sidewalk use.

BACKGROUND

The Willows is a senior community adjacent to Laguna Woods Village which owns a section of 4,314 square feet of certain sidewalk property. A portion of this sidewalk is physically located inside Laguna Woods Village and behind the security gate prohibiting access to The Willows residents. In March 2017, The Willows requested a sidewalk conveyance in the form of a Quit Claim to Laguna Woods Village for the sidewalk area not accessible to the Willows. Staff explored the Quit Claim option but legally couldn't Quit Claim a portion of a parcel. Subsequently, other alternatives were studied but were determined to be complex and financially unfeasible.

DISCUSSION

The Willows desires to enter into an agreement to provide exclusive access and use of the respective sidewalk property to GRF. Due to the maintenance and repair responsibilities assumed by GRF through the lease agreement and the indemnification, GRF shall not be required to pay rent for the use of the sidewalk property during the term of the agreement. The subject section of sidewalk, shown as Attachment 2 - Exhibit "A", is not used by The Willow's patrons and GRF has provided ongoing maintenance over the years.

This lease agreement has been vetted and approved by GRF's legal counsel. Also, the Laguna Woods Village Insurance & Risk Analyst has also verified with the Laguna Woods Village broker, that there is adequate coverage in the general liability insurance. The broker has agreed to the Additional Insured/Waiver of Subrogation endorsement and once the agreement is signed the broker will issue the endorsement.

FINANCIAL ANALYSIS

GRF will continue to assume maintenance costs of the licensed sidewalk as stated in the lease agreement.

Prepared By: Leslie Cameron, Projects Coordinator

Reviewed By: Guy West, Projects Division Manager
Ernesto Munoz, P.E., Maintenance and Construction Director

ATTACHMENT(S):

ATTACHMENT 1 – Lease Agreement

ATTACHMENT 2 – Exhibit “A” – Legal Description of Sidewalk Property

ATTACHMENT 3 – Exhibit “B” – Site Map of Sidewalk Property

ATTACHMENT 1 – Lease Agreement

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Agreement”) is made and entered into as of this 1st day of July, 2018 (“Effective Date”), by and between The Willows Foundation, a California nonprofit public benefit Corporation (hereinafter referred to as “**Willows Foundation**”) and Golden Rain Foundation, a California corporation (hereinafter referred to as “**Golden Rain**”). **Willows Foundation** and **Golden Rain** together shall be referred to herein as “Parties.”

WITNESSETH

WHEREAS, the **Willows Foundation** owns, operates, and maintains The Willows Foundation, located at 23871 Willows Drive, Laguna Hills, California, for the purpose of providing independent retirement living homes for persons over the age of 55 who are members of the Christian Science denomination (the “Premises”); and

WHEREAS, an approximate 4,314 square feet of the Premises consists of certain sidewalk property located immediately adjacent to and surrounded by property owned by **Golden Rain**, located in the City of Laguna Woods, as more particularly described in Exhibit "A" and depicted on Exhibit "B" attached herinto and incorporated herein by this reference (the "Sidewalk Property"); and

WHEREAS, a gate installed across Via Vista at the entrance of the **Golden Rain** property limits access to and use of the Sidewalk Property to the residents and visitors of the **Golden Rain** property; and

WHEREAS, the Parties desire to enter into an agreement to provide **Golden Rain** exclusive access and use of the Sidewalk Property; and

NOW, THEREFORE, the Parties hereto enter into this Agreement as a full statement of their respective responsibilities during the term of this Agreement and in consideration of the representations made above and covenants and conditions set forth herein, the Parties agree as follows:

1. Term and Commencement.

This Agreement shall be for a term commencing on the Effective Date and ending on June 30, 2023, unless sooner terminated as provided for hereinafter (“Initial Term”). The Agreement shall automatically renew for successive consecutive additional periods of five (5) years each (“Additional Term”), on the same terms and conditions set forth in this Agreement for the Initial Term. Prior to the expiration of the Initial Term or Additional Term then in effect, either Party may provide written notice to the other Party of its intent to terminate the Agreement not less than ninety (90) days prior to the expiration of the Term then in effect.

2. Use of Sidewalk Property

A. **Golden Rain** shall have the right to the exclusive use of the Sidewalk Property for ingress and egress purposes by the residents and visitors of the **Golden Rain** property.

B. **Golden Rain** agrees to maintain the Sidewalk Property in good condition at all times during the term of this Agreement consistent with Section 4 herein and shall comply with all local and state laws and regulations regarding the Sidewalk Property.

C. Upon the expiration or earlier termination of this Agreement, **Golden Rain** shall be solely responsible for the cost of and execution of the removal of all alterations or improvements which may be installed on the Sidewalk Property pursuant to the terms of Section

5 herein, and for any damage to the Sidewalk Property and improvements thereon, proximately caused by such removal.

3. Rent.

In consideration of the maintenance and repair responsibilities assumed by **Golden Rain** and the indemnification of the **Willows Foundation** for the use of the Sidewalk Property, **Golden Rain** shall not be required to pay rent for the use of the Sidewalk Property during the term of this Agreement.

4. Maintenance of Sidewalk Property.

Golden Rain shall, at all times during the term of this Agreement, at its sole cost and expense, keep and maintain the Sidewalk Property in good order and repair, including any alterations or improvements that may be approved pursuant to Section 5 below.

5. Alterations or Improvements.

A. **Golden Rain**, at its sole expense, shall have the right, upon obtaining the **Willows Foundation's** prior written consent, to construct alterations and improvements on or about the Sidewalk Property which may be desired by **Golden Rain** or required by local and state agencies. As a condition to obtaining such consent, the **Willows Foundation** may, among other things, require that **Golden Rain** agree to remove any such alterations, additions, or improvements upon the expiration or earlier termination of this Agreement and to restore the Sidewalk Property to the condition which existed prior to the construction of any such alteration, addition, or improvement.

B. Upon the expiration or earlier termination of the Agreement, unless the **Willows Foundation** requires removal of all alterations, additions and improvements which may

be made on the Sidewalk Property, such items shall, upon the expiration or termination of the Agreement, become the property of the **Willows Foundation**.

6. Willows Foundation's Non-Liability and Indemnity.

A. The **Willows Foundation** shall not be liable for any loss, damage or injury of any kind or character to any person or property caused by or arising from any act or omission of **Golden Rain**, or any of its agents, employees, licensees, or invitees, caused by or arising from any act or omission of **Golden Rain**, or any of its agents, employees, licensees, or invitees, except as occasioned by the sole negligence of the **Willows Foundation** or its employees.

B. **Golden Rain** shall indemnify and hold harmless the **Willows Foundation** and its officers, employees, residents, guests and invitees from and against any and all claims, actions, damages, liability, and expenses, including attorneys' fees, in connection with the loss of life, personal injury and/or damage to property arising from the occupancy or use by **Golden Rain** of the Sidewalk Property or any part thereof, or arising from or out of **Golden Rain's** failure to comply with any provision of this Agreement, or otherwise occasioned wholly or in part by any act or omission of **Golden Rain**, its agents, representative, employees, servants, invitees, or licensees. In case the **Willows Foundation** shall, without fault on its part, be made a party to any litigation commenced against **Golden Rain**, then **Golden Rain** shall protect and hold it harmless and shall pay all costs, expenses, and reasonable attorneys' fees incurred by the **Willows Foundation** in connection with any such litigation. The **Willows Foundation** may, at its option, require **Golden Rain** to assume the **Willows Foundation's** defense in any action covered by this Section through legal counsel satisfactory to the **Willows Foundation** and

Golden Rain's insurance carrier, with any such defense to be provided by insurance counsel, which shall not be unreasonably rejected.

7. Insurance.

A. **Golden Rain** agrees, at its own cost and expense, to maintain in full force during the term of this Agreement: (a) comprehensive public liability and property damage insurance, insuring against claims for injuries to persons or property occurring in, upon, or about the Sidewalk Property. Said liability policy shall have limits of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury, death and property damage liability; and (b) workers' compensation coverage as required by law, together with employer's liability coverage. All policies of insurance shall be written with responsible and solvent insurance companies authorized to do business in California with a policyholder's rating of "A" (Excellent) or better and financial rating of "X" or better in Bests' Insurance Reports-Property/Casualty.

B. Prior to the commencement of the term hereof, **Golden Rain** shall supply the **Willows Foundation** (and at all times during the term of the Agreement keep on file with the **Willows Foundation**) a true and correct copy of all policies or a certificate of insurance accurately reflecting the coverage required herein together with satisfactory evidence showing that all premiums thereon have been paid, and thereafter, as additional premiums become due, **Golden Rain** shall supply the **Willows Foundation**, if requested, with satisfactory evidence that said premiums have been paid. In the event that **Golden Rain** fails to procure, maintain and/or pay for at the times and for the durations specified in this Agreement, any insurance required by this Agreement, or fails to carry insurance required by law or governmental regulation, the **Willows Foundation** may, but without obligation to do so, at any time or from time to time, and

without notice, procure such insurance and pay the premiums therefor, in which event **Golden Rain** shall repay the **Willows Foundation** all sums so paid by the **Willows Foundation**, together with ten percent (10%) interest per annum or the maximum allowed by law, whichever is the lesser, thereon and any costs or expenses incurred by the **Willows Foundation** in connection therewith, within ten (10) calendar days following the **Willows Foundation's** written demand to **Golden Rain** for such payment.

C. **Golden Rain's** insurance company shall supply the **Willows Foundation** with a Certificate of Insurance of such liability policy and shall agree to provide an endorsement to such comprehensive liability policy or policies showing the **Willows Foundation** as an additional insured with respect to claims arising out of **Golden Rain's** occupancy and use of the Sidewalk Property. Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer shall provide the **Willows Foundation** with not less than thirty (30) calendar days' prior written notice.

D. Each policy evidencing insurance required to be carried by **Golden Rain** pursuant to this Section shall contain the following provisions and/or clauses: (a) a provision that such policy and the coverage evidenced thereby shall be primary and that any coverage carried by the **Willows Foundation** shall be noncontributing with respect to any policies carried by **Golden Rain**; and (b) a provision that **Golden Rain** will not cancel or change the coverage provided by such policy without first giving the **Willows Foundation** a minimum of thirty (30) calendar days prior written notice. **Golden Rain** shall pay any additional insurance premiums which may be required for the inclusion of such provisions. **Golden Rain** further agrees to provide the **Willows Foundation** with a written waiver of any right to subrogation against the **Willows Foundation**, its agents, employees, and representatives in connection with any damage

or injury covered by the liability insurance policy or policies required by this Section, except as occasioned by the sole negligence or willful misconduct of the **Willows Foundation** or its officers or employees. **Golden Rain** covenants that such written waiver will be provided to its insurance company issuing the insurance coverage required by this Section and that such insurance company will honor and acknowledge **Golden Rain's** waiver in writing.

8. Liens and Claims.

A. **Golden Rain** shall not suffer or permit to be enforced against the Sidewalk Property, or any part thereof, or any improvements thereon, any mechanics', materialmens', contractors', or subcontractors' liens arising from or any claim for damage growing out of the work of any construction, repair, restoration, replacement, or improvement prosecuted by or on behalf of **Golden Rain** upon the Sidewalk Property, or any other claim or demand that may arise due to **GOLDEN RAIN's** use and occupancy of the Sidewalk Property, but **Golden Rain** shall pay or cause to be paid all said liens, claims, or demands before any action is brought to enforce the same against the Sidewalk Property or improvements. **Golden Rain** agrees to indemnify and hold the **Willows Foundation** and Sidewalk Property free and harmless from any and all such liens, claims, demands, and actions (collectively, the "Liens") together with reasonable attorneys' fees and all costs and expenses in connection therewith.

B. Notwithstanding the foregoing Paragraph, if **Golden Rain** shall in good faith contest the validity of any such Lien, then **Golden Rain** shall, at its sole expense, defend itself and the **Willows Foundation** against the same and shall pay and satisfy any expense or cost and judgment that may be rendered thereon before the enforcement thereof against the **Willows Foundation** or the Sidewalk Property, upon the condition that, if the **Willows Foundation** shall require, **Golden Rain** shall furnish to the **Willows Foundation** a surety bond

satisfactory to the **Willows Foundation** in an amount at least equal to such contested Lien indemnifying the **Willows Foundation** against liability for the same and holding the Sidewalk Property free from the effect of such Lien or, if the **Willows Foundation** shall request, **Golden Rain** shall procure and record the bond provided for in the California Civil Code, or any comparable statute hereinafter enacted, providing for a bond freeing the Sidewalk Property from the effect of such a Lien.

9. Encumbrances.

A. As used in this Agreement, “Lender” shall mean any bank, savings and loan association, insurance company, trustees of a pension trust, or any other person or entity making a loan to **Golden Rain** secured, in whole or in part, by a Trust Deed; and “Trust Deed” shall mean any deed of trust, mortgage, or other security instrument imposing a first lien on **Golden Rain’s** leasehold estate and securing such loan.

B. **Golden Rain** shall not execute or make any Trust Deeds in favor of any Lender and shall not hypothecate or encumber **Golden Rain’s** leasehold estate in and to the Sidewalk Property in any manner or respect whatsoever, including, without limitation, allowing or creating any easements, liens, mortgages, or restrictions of any kind.

10. Possessory Interest.

Golden Rain expressly recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that **Golden Rain** may be subject to the payment of property taxes levied on such interest.

11. Right of Entry.

The **Willows Foundation**, or its authorized representatives, may, from time to time, at any reasonable hour after giving reasonable notice, enter upon and inspect the Sidewalk

Property, or any portion thereof, including the improvements thereon, to ascertain compliance with this Agreement, but without obligation to do so or liability therefor.

12. Communications.

A. The **Willows Foundation** and **Golden Rain** shall each designate a person or persons for communications, meetings, and resolution of any problems which may arise due to **Golden Rain's** occupancy and use of the Sidewalk Property.

B. The **Willows Foundation** initially designates Douglas L. Mayer, Executive Director, until July 9, 2018, and thereafter Todd Herzer, the new Executive Director, as its representative.

C. **Golden Rain** hereby designates Ernesto A. Munoz, P.E., Maintenance and Construction Director as its representative.

13. Not Agents.

Nothing contained in this Agreement shall be construed as creating a relationship of employer and employee, or principal and agent, between the **Willows Foundation** and **Golden Rain** or any of **Golden Rain's** agents or employees. **Golden Rain** assumes exclusively the responsibility for the acts of its employees or agents as they relate to services to be provided during the course and scope of their employment.

14. Assignment and Subletting.

Golden Rain will not assign, let, or sublet the whole or any part of its interest in this Agreement without the prior written consent of the **Willows Foundation**.

15. Termination.

A. In the event of any breach of this Agreement by **Golden Rain**, including not complying with the maintenance and repair requirements specified in Section 4 herein, the

Willows Foundation shall notify **Golden Rain** in writing of such breach, and **Golden Rain** shall have thirty (30) calendar days in which to cure said breach. Should any breach remain uncured, the **Willows Foundation** may, in its sole discretion, give written notice to **Golden Rain** and immediately terminate this Agreement.

B. This Agreement shall automatically be terminated without any further action required by either party in the event the **Willows Foundation** sells or otherwise conveys the Premises.

C. Notwithstanding Paragraphs A and B of this Section, either party may terminate this Agreement for any or no reason upon giving the other party at least ninety (90) calendar days prior written notice at the address set forth in Section 17 below.

D. Upon the termination or expiration of the term of this Agreement, **Golden Rain** shall immediately, peaceably, and quietly yield up to the **Willows Foundation** possession of the Sidewalk Property in good order and condition.

16. Waiver.

A. No delay or omission of the **Willows Foundation** to exercise any right or remedy shall be construed as a waiver of any such right or remedy or of any default by **Golden Rain** hereunder.

B. Any waiver by the **Willows Foundation** of any breach or default must be in writing and shall not be a waiver of any other breach or default concerning the same or any other provision of the Agreement.

17. Notices.

Any notice required to be served hereunder shall be in writing and shall be deemed given and served upon delivery if delivered personally, or three (3) calendar days after depositing in the United States mail, postage pre-paid, addressed to:

Willows Foundation:

The Willows Foundation
23871 Willows Drive
Laguna Hills, California 92653
Attention: Executive Director

Golden Rain:

Golden Rain Foundation
24351 El Toro Road
Laguna Woods, California 92637
Attention: Ernesto A. Munoz, P.E.
Maintenance and Construction Director

Any party may change the address or persons to which notices are to be sent to it by giving the written notice of such change of address or persons to the other party in the manner herein provided for giving notice.

18. California Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of California.

19. Time.

Time is of the essence of every provision of this Agreement in which time is an element.

20. Authority.

Each person executing this Agreement warrants that he or she has the authority to so execute this Agreement and that no further approval of any kind is necessary to bind the Parties hereto.

21. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

22. Entire Agreement; Amendments.

A. This Agreement, together with the exhibit hereto, constitute the entire Agreement between the **Willows Foundation** and **Golden Rain** relative to the Sidewalk Property. The **Willows Foundation** and **Golden Rain** agree that all prior or contemporaneous oral and written agreements between themselves or their agents and authorized representatives relative to the Sidewalk Property are revoked by this Agreement.

B. Any amendment or other modification of this Agreement must be in the form of a written amendment signed by both Parties.

23. Severability.

If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

24. Attorneys' Fees.

In the event that any action shall be instituted by either party hereto for the enforcement of any term or condition on the part of the other party arising out of this Agreement,

the prevailing party shall be entitled to recover from the other party all costs incurred by said prevailing party in said action, including reasonable attorneys' fees to the extent fixed by the court therein.

25. Interpretation.

All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions. The definitions contained in the Agreement shall be used to interpret this Agreement and, when required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine or the neuter.

IN WITNESS WHEREOF, the **Willows Foundation** and **Golden Rain** have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

THE WILLOWS FOUNDATION:

By: _____
Name: _____
Title: _____

GOLDEN RAIN:

By: _____
Name: _____
Title: _____

ATTACHMENT 2, Exhibit "A" - Legal Description of Sidewalk Property

EXHIBIT "A"
LEGAL DESCRIPTION
FOR SIDEWALK PURPOSES

THAT PORTION OF LOT 1 OF TRACT NO. 7621, IN THE CITY OF LAGUNA WOODS, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 291, PAGES 47 AND 48, OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY INCLUDED WITHIN A STRIP OF LAND, 6.00 FEET IN WIDTH, THE EASTERLY LINE OF SAID STRIP BEING DESCRIBED AS FOLLOWS:

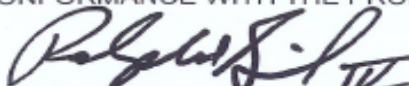
COMMENCING AT A POINT ON THE EASTERLY LINE OF SAID LOT 1, SAID POINT BEING THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE SHOWN AS "NORTH 21°17'51" WEST 178.02 FEET" FOR THE EASTERLY LINE OF SAID LOT 1; THENCE SOUTH 21°17'51" EAST 93.75 FEET ALONG SAID EASTERLY LINE TO THE **TRUE POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY LINE THE FOLLOWING COURSES: SOUTH 21°17'51" EAST 84.27 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 101.00 FEET, SOUTHEASTERLY 61.55' FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 34°54'55" TO THE BEGINNING OF REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 99.00 FEET, SOUTHEASTERLY 60.33 FEET THROUGH A CENTRAL ANGLE OF 34°54'55", SOUTH 21°17'51" EAST 115.21 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 621.00 FEET, SOUTHEASTERLY 364.31' FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°36'46" TO THE BEGINNING OF A REVERSE CURVE CONCAVE WESTERLY HAVING A RADIUS OF 24.00 FEET, AND SOUTHEASTERLY, SOUTHERLY AND SOUTHWESTERLY 36.02 FEET THROUGH A CENTRAL ANGLE OF 85°59'58".

THE ABOVE DESCRIBED PARCEL CONTAINS 4,314 SQUARE FEET OR 0.099 ACRES, MORE OR LESS.

SUBJECT TO COVENANTS, CONDITIONS, RESERVATIONS, RESTRICTIONS, RIGHTS OF WAY, AND EASEMENTS OF RECORD, IF ANY.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE A PART HEREOF.

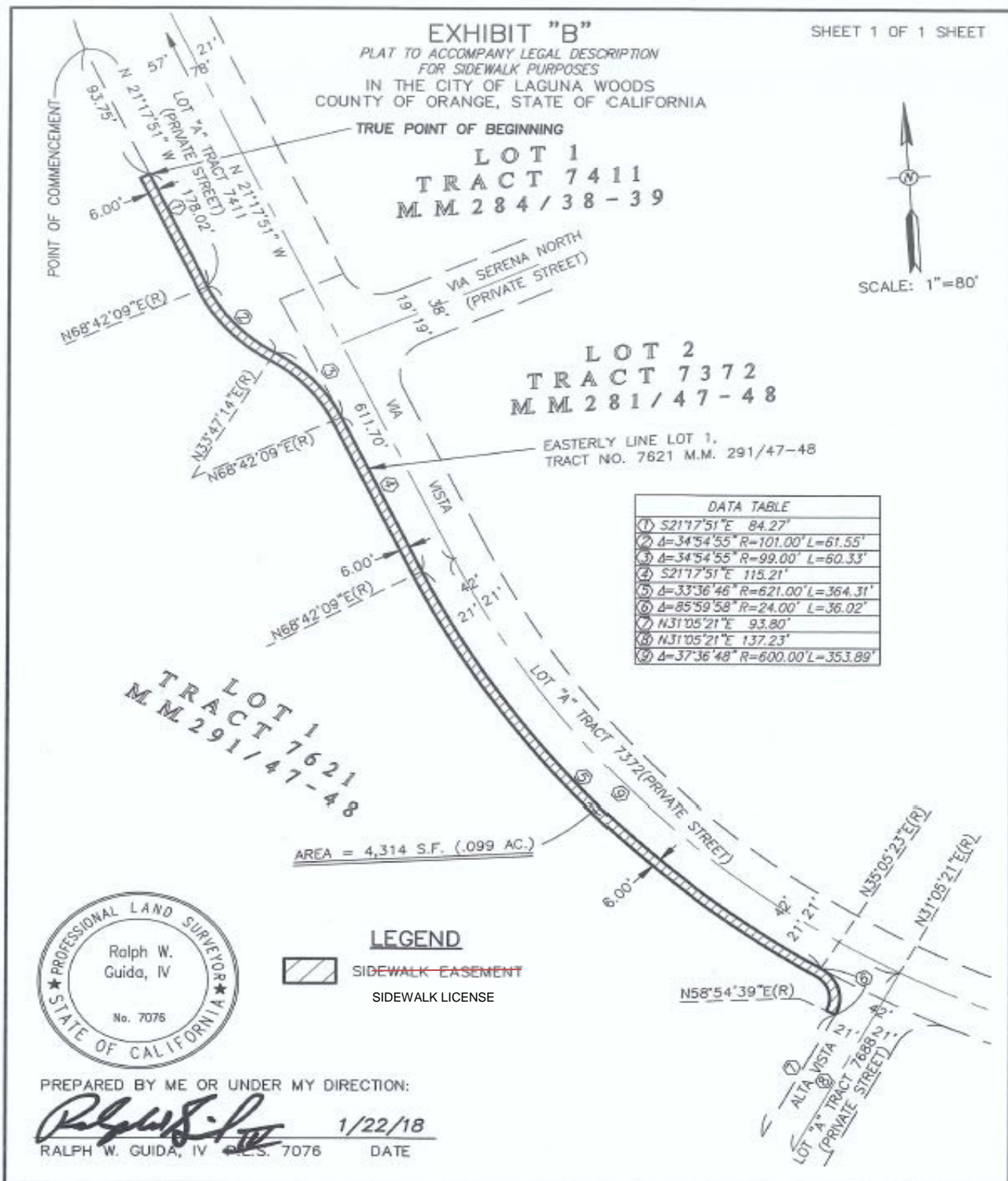
THIS DOCUMENT HAS BEEN PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.


RALPH W. GUIDA, IV, P.L.S. 7076

1/22/18
DATE



Attachment 3, Exhibit "B" - Site Map of Sidewalk Property



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STAFF REPORT

DATE: September 4, 2018
FOR: GRF Board of Directors
SUBJECT: GRF Committee Appointments

RECOMMENDATION

Approve a Resolution of the Committee Appointments for GRF Board Committees.

BACKGROUND

In August, the Board approved changes to the Mobility and Vehicle Committee and reestablished the Landscape Committee. The Board needs to approve the changes officially by resolution.

DISCUSSION

The GRF Board Committee Appointments (Attachment 1) has been updated.

FINANCIAL ANALYSIS

None.

Prepared By: Whitney Thornton, Assistant Corporate Secretary

Reviewed By: Siobhan Foster, COO

ATTACHMENT(S)

Attachment 1: GRF Committee Appointments Resolution

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RESOLUTION 90-18-xx
GRF Committee Appointments

RESOLVED September 4, 2018, that the following persons are hereby appointed and ratified to serve on the Committees of this Corporation:

Business Planning

Diane Phelps, (GRF)
Tom Sirkel, (GRF)
Annette Sabol-Soule (GRF)
Rosemarie diLorenzo, (Third)
Steve Parsons, (Third)
Gary Morrison, (United)
Juanita Skillman, (United)
Al Amado, (Mutual 50)

Community Activities

Beth Perak, Chair (GRF)
Joan Milliman, Vice Chair (GRF)
Diane Phelps, (GRF)
Steve Parsons (Third)
Jules Zalon, (Third)
Jack Connelly, Alternate (Third)
Janey Dorrell, (United)
Juanita Skillman, (United)
Ryna Rothberg, (Mutual 50)
Non-Voting Advisers: Leon St. Hilaire, Jeff Shetler

Finance

Diane Phelps, Chair (GRF)
Annette Sabol Soule, Vice Chair (GRF)
Thomas Sirkel, (GRF)
Rosemarie diLorenzo, (Third)
Steve Parsons, (Third)
Bill Walsh, Alternate (Third)
Gary Morrison, (United)
Juanita Skillman, (United)
Al Amado, (Mutual 50)
Non-Voting Advisers: Alan Dickinson, Greg Corigliano, Diane Casey

Landscape Committee

Burt Moldow, Chair (GRF)
Ray Gros (GRF)
Jim Maston (GRF)
Maggie Blackwell (United)
Manuel Armendarez (United)
Juanita Skillman, Alternate (United)
Jules Zalon (Third)
James Tung (Third)

Vacant (Mutual 50)

Maintenance & Construction

Jim Matson, Chair (GRF)
Richard Palmer, Vice Chair (GRF)
Beth Perak, (GRF)
John Frankel, (Third)
Bunny Carpenter, (Third)
Bill Walsh, Alternate (Third)
Carl Randazzo, (United)
Don Tibbetts, (United)
Ryna Rothberg, (Mutual 50)
Non-Voting Advisers: John Luebbe, Ruth Matson

Media and Communications

Joan Milliman, Chair (GRF)
Beth Perak, Vice Chair (GRF)
Jim Juhan, (GRF)
Burt Baum, (Third)
Roy Bruninghaus, (Third)
Jack Connelly, Alternate (Third)
Maggie Blackwell, (United)
Juanita Skillman, (United)
Ryna Rothberg (Mutual 50)
Non-Voting Advisers: Steve Carman, John Perak, Lucy Parker

Mobility & Vehicles

Judith Troutman, Chair (GRF)
Ray Gros (GRF)
Bert Moldow, (GRF)
Roy Bruninghaus, (Third)
John Frankel, (Third)
Cash Achrekar, (United)
Reza Bastani, (United)
John Dalis, (Mutual 50)
Non-Voting Advisers: Vashti Williams, vacant (1)

PAC Renovation Ad Hoc Committee

Beth Perak, Chair (GRF)
Joan Milliman, Vice Chair (GRF)
Richard Palmer, (GRF)
John Frankel, (Third)
Bill Walsh, (Third)
Don Tibbetts, (United)
Juanita Skillman, (United)
Irving Waaland, (Mutual 50)
Non-Voting Advisers: Sheila Bilaka, John Perak

Security and Community Access

Annette Sabol Soule, Chair (GRF)
Ray Gros, Vice Chair (GRF)
Jim Juhan, (GRF)
Roy Bruninghaus, (Third)
John Frankel, (Third)
Cush Bhada, Alternate (Third)
Pat English, (United)
Don Tibbetts, (United)
Non-Voting Advisers: Larry Cunningham, Frank Tybor

Disaster Preparedness Task Force

Judith Troutman (GRF)
Jim Juhan (GRF)
Roy Bruninghaus (Third)
John Frankel (Third)
Cash Achrekar (United)
Gary Morrison (United)
Inesa Nords-Leth (Mutual 50)

Laguna Woods Village Traffic Hearings

Ray Gros, (GRF)
Jules Zalon, (Third)
John Frankel, Alternate (Third)
Cash Achrekar, (United)
Board Members by Rotation (Mutual 50)

Energy and Technology Committee

Jim Juhan (GRF)
Bert Moldow (GRF)
Juanita Skillman (United)
Carl Randazzo (United)
Bill Wash, Chair (Third)
Burt Baum (Third)
John Frankel (Third)
Advisor: Steve Leonard

Board Members by Rotation (Mutual 50)

RESOLVED FURTHER, that Resolution 90-18-32 adopted August 7, 2018, is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution

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STAFF REPORT

DATE: September 4, 2018
FOR: Board of Directors
SUBJECT: Resolution Interpreting Golden Rain Foundation Bylaw 2.1.4

RECOMMENDATION

That the Board adopt the attached resolution interpreting Golden Rain Foundation Bylaw 2.1.4 and include the adoption of this resolution by the Corporate Members on the agenda for the annual meeting of the members.

BACKGROUND

At the January 30, 2018 meeting of the Corporate Members, counsel for United and GRF related concerns regarding undefined terms within of Bylaw 2.1.4. At this meeting the potential for inefficiency, waste and dispute was raised with respect to whether Corporate Member approval pursuant to Bylaw 2.1.5 would be required for a particular project. A resolution detailing a process for obtaining Corporate Member approval, defining the total project cost for determining when Bylaw 2.1.4 would be triggered and providing classes of projects that either do or do not require approval was proposed. Since then counsel for United, Third, and GRF have been working cooperatively and in conjunction with their respective Boards, and have now come to an agreement with respect to the attached resolution. The final resolution has been circulated for placement on the September agendas of each of the four corporations for adoption.

DISCUSSION

Following adoption by each of the four Boards, counsel recommends the Bylaw 2.1.4 resolution be placed on the agenda of the annual meeting of the members for adoption.

FINANCIAL ANALYSIS

There is no financial impact associated with the Board's adoption of the resolution.

Prepared By: Siobhan Foster, COO
Reviewed By: Brad Hudson, CEO
Robert A. Hartley, GRF Counsel

ATTACHMENTS

ATT 1: Resolution 90-18-xx

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RESOLUTION 90-18-xx

WHEREAS, GRF is required to obtain approval of the Corporate Members prior to engaging in any business or activity specified in Paragraph 2.1.4 of its Bylaws (Bylaw 2.1.5) not included in a previously approved budget; and

WHEREAS, GRF and the Housing Mutuals desire to create a routine process for presenting information to the Housing Mutuals relating to those facilities that do require approval and to confirm what does not require approval, in accordance with the express terms and spirit of Paragraph 2.1.4 of the GRF Bylaws; and

WHEREAS, the Bylaw Section 2.1.4(4) limits the discretion of the GRF Corporation as to either the construction of a new facility or an addition or expansion of or to an existing facility of at least one thousand (1,000) new or additional square feet and a cost of Five Hundred Thousand Dollars (\$500,000) or more; and

WHEREAS, the term “facilities” is defined in the GRF Trust Agreement Section VII(M)(4) (Bylaw 2.1.4(4)); and

WHEREAS, the GRF Trust Agreement Section VII(M)(4) defines “facilities” to mean a single Structure or addition to an existing Structure of a minimum cost or minimum size as stated in the Bylaws in total floor space and intended for office, residential, recreational or commercial use or any combination thereof; and

WHEREAS, the term “Structure” is not defined in either the GRF Bylaws, Articles of Incorporation or GRF Trust Agreement, rendering Bylaw Section 2.1.4 vague and ambiguous; and

WHEREAS, the vague and ambiguous term “Structure” introduces uncertainty as to whether certain GRF business or activity requires the approval of the Corporate Members under Bylaws Sections 2.1.4 and 2.1.5; and

WHEREAS, the uncertainty whether certain GRF business or activity requires approval of the Corporate Members introduces inefficiency, waste, delay and strife to the process of undertaking certain GRF business and activities; and

WHEREAS, GRF, in conjunction with the Housing Mutuals, as defined in the GRF Bylaws, desires to eliminate this potential for inefficiency, waste, delay and strife by defining the term “Structure” as it relates to GRF Bylaws Sections 2.1.4 and 2.1.5;

NOW THEREFORE BE IT RESOLVED, that a Special Meeting of the Corporate Members shall be held in or about July of each year so that GRF can present any business or activity projects that require approval by the Corporate Members. May it be resolved further that the Corporate Members shall be permitted to vote personally at such meeting, or by written ballot prior to such meeting, in the same manner that votes are solicited and cast at each Annual Meeting of the Corporate Members, and that the GRF Board may appoint a member of VMS staff to serve as inspector of election for all such Special Meetings of the Corporate Members.

NOW THEREFORE, BE IT FURTHER RESOLVED, that, for the purposes of this resolution, the term “**Total Project Cost**” shall be understood to refer to the aggregate expense associated with the construction of a building or recreational facility intended for use by GRF Members, including pre-construction costs, such as the cost of preliminary designs and concepts and cost appraisals. It is understood that costs may be incurred in the development of such preliminary designs and cost estimates before they are presented to and approved by the Corporate Members in order to develop a meaningful understanding of the cost and scope of a project, and that these preliminary costs shall be included in the **Total Project Cost**. The **Total Project Cost** shall include the cost of engineering to generate a final plan, as is typically associated with the process for obtaining City permits, as well as the estimated project cost, including the estimated construction cost, design costs, consultant costs, and construction support by architects and engineers. The **Total Project Cost** shall take into account the estimated costs of new equipment and refurbishments associated with such construction. In addition, the **Total Project Cost** shall include a ten percent (10%) contingency above the actual estimated cost for cost overruns. For example, a project that is expected to incur an aggregate expense of Four Hundred Seventy-Five Thousand Dollars (\$475,000) shall be understood and presented as having an expected Total Project Cost of Five Hundred Twenty-Two Thousand Five Hundred Dollars (\$522,500) (i.e. Four Hundred Seventy-Five Thousand Dollars (\$475,000) + Forty-Seven Thousand Five Hundred Dollars (\$47,500)).

NOW THEREFORE, BE IT FURTHER RESOLVED, that the following types of business and activities shall require the approval of the Corporate Members, as described in GRF Bylaws Sections 2.1.4 & 2.1.5:

1. **Construction of a new building** intended for use by GRF Members or VMS employees, agents or invitees. The following lists examples of buildings that would be considered Structures

requiring Corporate Member approval if they involve a Total Project Cost over Five Hundred Thousand Dollars (\$500,000):

- a. A new clubhouse;
- b. A new gym facility;
- c. A new office building.

2. **Construction of a new recreational facility** intended for use by GRF Members or GRF's employees, agents or invitees, which may be comprised of court surface areas, restrooms, seating areas, covered shade structures, etc. The following are examples of recreational facilities that would be considered Structures requiring Corporate Member approval if they involve a Total Project Cost over Five Hundred Thousand Dollars (\$500,000):

- a. A new Pickleball Court;
- b. A new Bocce Ball Court;
- c. A new Tennis Court;
- d. A new Lawn Bowling area.

3. **Construction of an addition** to an existing building or recreational facility that involves a Total Project Cost of Five Hundred Thousand Dollars (\$500,000) or more or that expands the total square footage of the building or recreational facility by more than one thousand (1,000) square feet.

4. **Modification or repurposing** of an existing building or recreational facility that involves a Total Project Cost of Five Hundred Thousand Dollars (\$500,000) or more. For the purposes of this Resolution, "modification or repurposing" refers to the modification or renovation of an existing facility from its original purpose or use to a significantly different purpose or use. For example, the following changes would be a "modification or repurposing":

- a. The removal of the Club 19 Restaurant and its replacement with meeting rooms;
- b. The removal of the community gym and its replacement with additional office space;
- c. The removal of open space park and its replacement with a golf facility;
- d. The renovation of Clubhouse 3 to serve a purpose other than its present purpose as a performing arts center; or
- e. The closure of a clubhouse.

The following changes would NOT be considered a "modification or replacement":

- a. The renovation of the Board Meeting Room;

- b. The relocation of the gym from the second floor to the first floor;
- c. The renovation of Clubhouse 3 in a manner where it retains its use as a performing arts center;
- d. The renovation of a gatehouse to incorporate cameras, computer equipment and programs associated with access control;
- e. The partial renovation of a clubhouse or other facility to bring it into compliance with ADA or with other City or State Code requirements (e.g. widening a door, expanding a bathroom; adding equipment for the vision impaired, etc.); or
- f.
- g. Replacement of existing equipment associated with a facility (e.g. air conditioners, boilers, camera systems, or alarm systems;

NOW THEREFORE, BE IT FURTHER RESOLVED, that the following types of business and activities shall **NOT** require the approval of the Corporate Members pursuant to GRF Bylaws Sections 2.1.4 & 2.1.5:

1. **Construction involving less than Five Hundred Thousand Dollars (\$500,000) in Total Project Cost for new buildings and recreational facilities.**
2. **Repair, replacement or maintenance of existing improvements, assets and/or vehicles.** For example, purchase, repair, replacement or maintenance of the following:
 - a. Streets & parking lots (i.e. resurfacing, slurry sealing and/or striping);
 - b. Street signs;
 - c. Exterior lighting;
 - d. Computer equipment and software;
 - e. Cameras and other surveillance equipment, whether located in the interior or exterior of buildings, in recreational facilities or at access gates;
 - f. Vehicles used by GRF or its agents (including, but not limited to, VMS employees) such as busses, vans, cars, golf carts, bull dozers, construction vehicles, boom trucks, etc.;
 - g. Landscaping (e.g. hydro-seeding, installation of straw waddles or the implementation of other anti-erosion measures);
 - h. Perimeter fencing/walls;
 - i. Air conditioning or heating units, water heaters and other associated plumbing;
 - j. Sewers;

- k. Irrigation pipes and controllers, including relocation;
- l. Equipment at Restaurant 19;
- m. Landscaping (i.e. non-building improvements) of the golf course;
- n. Sidewalks & other outdoor walking areas;
- o. Modifications or additions to existing buildings and recreational facilities required to bring the building or facility into compliance with the Americans with Disabilities Act, the Fair Housing Act, or any similar laws.

3. **Acquisitions that do not involve any expense to GRF** (e.g. by will, gift or otherwise gratuitously). For example:
- a. A bequest or donation from a member;
 - b. A conveyance of property from the City for general maintenance or for a specified purpose;
 - c. A grant of easement from a neighboring property owner for maintenance to be performed.

NOW THEREFORE, BE IT FURTHER RESOLVED, that the term “demolition” as used in Subparagraph 5, of Paragraph M, of Section VII of the Trust Agreement shall mean to completely remove a Facility (as that term is defined in Subparagraph 4, of Paragraph M, of Section VII of the Trust Agreement) and not replace it; that the term “rebuilding” refers to reconstruction of an existing facility after its “complete demolition”; and neither the term “demolition” nor “rebuilding” shall refer to the renovation of an existing facility that does not involve a complete demolition; and

NOW THEREFORE, BE IT FURTHER RESOLVED, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

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STAFF REPORT

DATE: September 4, 2018
FOR: Board of Directors
SUBJECT: Supplemental Appropriation for Gate 10 Renovations

RECOMMENDATION

Authorize Gate 10 to be added to the current scope of work for the Gatehouse Renovation Project. In addition, authorize a supplemental appropriation in the amount of \$110,000 from the Facilities Fund for Gate 10 Renovation and \$80,000 from the Equipment Fund for Gate Access System Technology, for a total of \$190,000 (Attachment 1).

BACKGROUND

At the August 8, 2018 GRF M&C Committee meeting a motion was made to recommend the Board approve supplemental funding to add gate arms at Gate 10. Staff was directed to have this item added to the GRF Finance agenda.

At the August 22, 2018 GRF Finance Committee meeting the Committee discussed an endorsement from the Maintenance & Construction meeting, recommending that the Finance Committee review of supplemental funding requirement for Gate 10, estimated at \$190,000.

A motion was made and seconded to approve supplemental funding for Gate 10 and include it with the current gate renovation project.

DISCUSSION

Gates 1, 2, 3, 4, 7, 8, 9, and 14 were approved as part of the 2018 Capital plan for Gate Renovations to address code upgrades, improved traffic flow, gate access, security, and aesthetics.

The Gate Access System Technology was also budgeted for these gates and includes underground power and camera cabling to communicate with gatehouses and Security staff and allow staff to manage and deter illegal occupancy by tracking guests, non-resident owners and annual pass holders and the number of times they are gaining access to the community.

FINANCIAL ANALYSIS

A supplemental appropriation in the amount of \$110,000 from the Facilities Fund for Gate 10 Renovation and \$80,000 from the Equipment Fund for Gate Access System Technology is required to fund this project.

Prepared By: Laurie Chavarria, Executive Assistan

Reviewed By: Ernesto Munoz, P.E., Maintenance & Construction Director

ATTACHMENT(S)

Attachment 1: Proposed Resolution 90-18-XX

Resolution 90-18-XX
Supplemental Appropriation for the
Gate 10 Gate Renovation & Civil Work Project

WHEREAS, Gates 1, 2, 3, 4, 7, 8, 9, and 14 were approved as part of the 2018 Capital plan for gatehouse renovations to address code upgrades, improved traffic flow, gate access, security cameras and aesthetics;

WHEREAS, the Gate Access System Technology was also budgeted for these gates and includes underground power and camera cabling to communicate with gatehouses and Security staff and allow staff to manage and deter illegal occupancy by tracking guests, non-resident owners and annual pass holders and the number of times they are gaining access to the community;

WHEREAS, the GRF M&C Committee and GRF Finance Committee recommend that Gate 10 be added to this project for gatehouse renovation and Gate Access System Technology; and

WHEREAS, the funding required to add Gate 10 to the scope of work for the Civil Work Project requires \$110,000 for gatehouse renovations and \$80,000 for equipment.

NOW THEREFORE IT BE RESOLVED, on September 4, 2018, the GRF Board of Directors authorizes Gate 10 to be added to the current scope of work for the gatehouse renovation project;

RESOLVED FURTHER, the Board authorizes a supplemental appropriation in the amount of \$110,000 from the Facilities Fund for Gate 10 Renovation and \$80,000 from the Equipment Fund for Gate Access System Technology, for a total of \$190,000; and

RESOLVED FURTHER, that the officers and agents of the Corporation are hereby authorized on behalf of the Golden Rain Foundation to carry out this Resolution effective immediately.

STAFF REPORT

DATE: September 4, 2018
FOR: Board of Directors
SUBJECT: Trust Facilities Fee Policy and Promissory Note

RECOMMENDATION

Approve a resolution to revise the Trust Facilities Fee Policy (Attachment 1) and Promissory Note (Attachment 2) by adding "Prepayment" and "Release of Promissory Note" clauses, replacing monthly handling fee with origination fee, updating the origination fee from \$252 to \$300, and charging interest at the maximum rate allowed by law.

BACKGROUND

In accordance with California Civil Code §4580, each new purchase of a separate interest that is required to pay the Trust Facilities Fee is offered the option of paying over time. On June 18, 2018, the GRF Finance Committee requested a review of the existing policy and promissory note to ensure consistency in language, to offer clarifying language that will address issues raised by members, and to update the fee amount if necessary.

On August 22, 2018, the GRF Finance Committee reviewed proposed revisions to the policy and recommended policy presented herein.

DISCUSSION

GRF offers a Trust Facilities Fee Payment Plan option to finance payments over 84 months, or seven years, inclusive of a handling fee and interest. The current policy and Promissory Note (version 01-01-2018) do not offer prepayment options nor do they state that the Payor(s) has the option to request a written receipt or release of liability upon completion of their payment obligation. The documents have been updated with additional clauses to offer residents the ability to prepay their note, to receive evidence their debt obligation has been fulfilled, and to update the fee amount to reflect current administrative costs.

FINANCIAL ANALYSIS

Since the last revision (version 01-01-2018), Staff analyzed the cost of administering the promissory notes and determined the current estimated cost is \$300 per transactions. Further, Staff has attributed these costs to initial preparation and processing of records, not ongoing costs over the duration of the note.

Prepared By: Steve Hormuth, Controller

Reviewed By: Betty Parker, Chief Financial Officer

ATTACHMENT(S)

ATT1 – Trust Facilities Fee Policy Resolution
ATT2 – Promissory Note

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RESOLUTION 90-18-XX

Trust Facilities Fee Policy

WHEREAS, as Trustee of the Golden Rain Foundation Trust, the Board of Directors of the Golden Rain Foundation is required to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village; and

WHEREAS, the Board of Directors finds that reinstatement of the capital contribution to the Trust originally required to be made for each manor sold will ensure the continuation of the amenities that make Laguna Woods Village unique;

NOW THEREFORE BE IT RESOLVED, November 6, 2018, that as Trustee of the Golden Rain Foundation Trust, a declaration of Trust recorded March 6, 1964, the Board will impose a fee, to be known as the "Trust Facilities Fee", in accordance with all terms and conditions contained in this policy statement and in California Civil Code §4580 (as amended by Senate Bill 1128, Stats 2010 Chapter 322, §2, effective January 1, 2011), on all transactions involving the purchase of a separate interest in any of the Trustors' common interest developments (United Laguna Woods Mutual, Third Laguna Hills Mutual and Mutual Fifty, each of which is hereinafter referred to as a "Trustor") within the City of Laguna Woods, as an obligation of the purchaser(s); ***effective January 1, 2019. For purposes of determining the Effective Date, purchase contracts entered prior to January 1, 2019, in which escrow opens before January 1, 2019 and closes on or before March 31, 2019, are deemed transactions occurring prior to the Effective Date:*** and

RESOLVED FURTHER, the Trust Facilities Fee will be a fixed amount, as provided herein and as determined from time to time by the Trustee of the Golden Rain Foundation Trust. The entirety of each such fee, when and as paid by the purchaser(s), shall be deposited into the Trust Facilities Fee Fund and shall be applicable to all such transactions, excluding the following transfers of a separate interest:

1. Where ownership of a separate interest is joined between a current beneficiary of a Trustor and a non-beneficiary spouse, domestic partner or other relative of such beneficiary;
2. Where ownership of a separate interest is transferred to a non-beneficiary of a Trustor by gift or through inheritance from a beneficiary of a Trustor;
3. Where ownership of a separate interest is transferred by a beneficiary of a Trustor to the current qualifying resident (as defined in the Bylaws of each Trustor) of the separate interest, where the transferor has never been a qualifying resident and has previously paid a Trust Facilities Fee; or
4. Where ownership of a separate interest is being transferred to a trust whose settlor or principal beneficiary is the transferor, or to another trust for estate planning purposes.

RESOLVED FURTHER, effective with escrows opened, or purchase contracts signed, on or after January 1, 2018, the Trust Facilities Fee shall be set at \$5,000 for units with a sales price of \$75,000 or higher and \$2,500 for units that sell below \$75,000, until modified by the Trustee; and

RESOLVED FURTHER, in accordance with California Civil Code §4580 each new purchase of a separate interest in any of the Trustors' common interest developments within the City of Laguna Woods to which this Trust Facilities Fee applies (i.e., all new purchases other than a transfer qualifying for any of the exclusions set forth in subparagraphs 1-4 above), shall in compliance with California Civil Code §4580 have the option to either:

- (i) pay the fee in its entirety at the time of transfer; or
- (ii) pay the fee amount pursuant to an installment payment plan for a period of seven years.

If the purchaser elects to pay the fee in installment payments under the second of the above statutorily permitted options, then the Trustee may also collect additional amounts not to exceed the actual costs for billing and financing on the amount owed (as set forth below, and in compliance with the Davis-Stirling Act, as the same may be amended from time to time), and if the purchaser sells their separate interest prior to the end of the installment payment plan period, he or she shall pay the remaining balance of the fee owed to the Trustee prior to transfer. A fee of \$10 will be imposed for any late payments.

The Golden Rain Foundation Board shall assess a one-time non-refundable origination fee of \$300 for the preparation of the promissory note and related records. The Golden Rain Foundation Board shall also assess interest not to exceed the maximum rate allowed by law. The Payor(s) of the note may prepay the note in whole prior to maturity date without penalty and may receive, at the request of the Payor(s), evidence of debt fulfillment. Payments received in excess of monthly note installment shall be applied to future Note installments and not a direct reduction of principal. The monthly payment of the Trust Facilities Fee, the origination fee and interest shall be due on the 1st day of each month; and

RESOLVED FURTHER, Resolution 90-17-35, adopted November 7, 2017 is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 30-days from the postponement to comply with Civil Code §4360.

RESOLUTION 90-18-XX

Trust Facilities Fee Policy

WHEREAS, as Trustee of the Golden Rain Foundation Trust, the Board of Directors of the Golden Rain Foundation is required to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village; and

WHEREAS, the Board of Directors finds that reinstatement of the capital contribution to the Trust originally required to be made for each manor sold will ensure the continuation of the amenities that make Laguna Woods Village unique;

NOW THEREFORE BE IT RESOLVED, November 6, 2018, that as Trustee of the Golden Rain Foundation Trust, a declaration of Trust recorded March 6, 1964, the Board will impose a fee, to be known as the "Trust Facilities Fee", in accordance with all terms and conditions contained in this policy statement and in California Civil Code §4580 (as amended by Senate Bill 1128, Stats 2010 Chapter 322, §2, effective January 1, 2011), on all transactions involving the purchase of a separate interest in any of the Trustors' common interest developments (United Laguna Woods Mutual, Third Laguna Hills Mutual and Mutual Fifty, each of which is hereinafter referred to as a "Trustor") within the City of Laguna Woods, as an obligation of the purchaser(s); ***effective January 1, 2019. For purposes of determining the Effective Date, purchase contracts entered prior to January 1, 2019, in which escrow opens before January 1, 2019 and closes on or before March 31, 2019, are deemed transactions occurring prior to the Effective Date:*** and

RESOLVED FURTHER, the Trust Facilities Fee will be a fixed amount, as provided herein and as determined from time to time by the Trustee of the Golden Rain Foundation Trust. The entirety of each such fee, when and as paid by the purchaser(s), shall be deposited into the Trust Facilities Fee Fund and shall be applicable to all such transactions, excluding the following transfers of a separate interest:

1. Where ownership of a separate interest is joined between a current beneficiary of a Trustor and a non-beneficiary spouse, domestic partner or other relative of such beneficiary;
2. Where ownership of a separate interest is transferred to a non-beneficiary of a Trustor by gift or through inheritance from a beneficiary of a Trustor;
3. Where ownership of a separate interest is transferred by a beneficiary of a Trustor to the current qualifying resident (as defined in the Bylaws of each Trustor) of the separate interest, where the transferor has never been a qualifying resident and has previously paid a Trust Facilities Fee; or
4. Where ownership of a separate interest is being transferred to a trust whose settlor or principal beneficiary is the transferor, or to another trust for estate planning purposes.

RESOLVED FURTHER, effective with escrows opened, or purchase contracts signed, on or after January 1, 2018, the Trust Facilities Fee shall be set at \$5,000 for units with a sales price of \$75,000 or higher and \$2,500 for units that sell below \$75,000, until modified by the Trustee; and

RESOLVED FURTHER, in accordance with California Civil Code §4580 each new purchase of a separate interest in any of the Trustors' common interest developments within the City of Laguna Woods to which this Trust Facilities Fee applies (i.e., all new purchases other than a transfer qualifying for any of the exclusions set forth in subparagraphs 1-4 above), shall in compliance with California Civil Code §4580 have the option to either:

- (i) pay the fee in its entirety at the time of transfer; or
- (ii) pay the fee amount pursuant to an installment payment plan for a period of seven years.

If the purchaser elects to pay the fee in installment payments under the second of the above statutorily permitted options, then the Trustee may also collect additional amounts not to exceed the actual costs for billing and financing on the amount owed (as set forth below, and in compliance with the Davis-Stirling Act, as the same may be amended from time to time), and if the purchaser sells their separate interest prior to the end of the installment payment plan period, he or she shall pay the remaining balance of the fee owed to the Trustee prior to transfer. A fee of \$10 will be imposed for any late payments.

The Golden Rain Foundation Board shall assess a one-time non-refundable origination fee of \$300 for the preparation of the promissory note and related records. The Golden Rain Foundation Board shall also assess interest not to exceed the maximum rate allowed by law. The Payor(s) of the note may prepay the note in whole prior to maturity date without penalty and may receive, at the request of the Payor(s), evidence of debt fulfillment. Payments received in excess of monthly note installment shall be applied to future Note installments and not a direct reduction of principal. The monthly payment of the Trust Facilities Fee, the origination fee and interest shall be due on the 1st day of each month; and

RESOLVED FURTHER, Resolution 90-17-35, adopted November 7, 2017 is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 30-days from the postponement to comply with Civil Code §4360.



PROMISSORY NOTE

Rev 11/6/18

Principal Amount: \$5,300.00

Date: _____

Principal Amount w/Interest: \$7,858.89

Unit #: _____

RECITALS

For value received, the undersigned payor(s), _____ ("Payor(s)"), promises to pay to the order of Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation ("Payee"), at 24351 El Toro Road, Laguna Woods, California, Attention: Accounts Receivable (or through a direct debit or similar ACH debit, if available), at the times and on the terms specified in this promissory note ("Note"), the sum of Fifty-Three Hundred Dollars (\$5,300.00) ("Principal"), together with interest thereon at the rate of twelve percent (12%) per annum (but in any event not to exceed the maximum rate permitted by law) ("Interest"), as payment of the Five Thousand Dollars (\$5,000.00) Facilities Fee, and one-time origination fee of Three Hundred Dollars (\$300.00), plus interest, all fully amortized over the seven (7) year term, as further set forth below.

Payor(s) acknowledges that Payor(s) has been given the opportunity to pay the Five Thousand Dollars (\$5,000.00) Facilities Fee all at once at the time of transfer, and so to avoid paying the interest and the non-refundable origination fee, but that Payor(s) has instead elected to enter into the seven (7) year payment plan, as authorized by California law, and to pay in accordance with all terms and conditions in this Note.

1. **Promise to Pay.** The Principal and interest shall be amortized over a period of seven (7) years, and all due and payable in seven (7) years, with eighty-four (84) consecutive monthly payments of Ninety-Three Dollars and Fifty-Six Cents (\$93.56) each. The first monthly payment shall be made on _____, 20_, and subsequent monthly payments shall be paid on or before the first day of each succeeding calendar month.
2. **Late Charge.** Payor(s) agrees that in the event that any payment due hereunder is in default for more than ten (10) days, it would be extremely difficult to fix the actual damages resulting to Payee. Therefore, Payor(s) agrees to pay to Payee the sum of Ten Dollars (\$10.00) upon each such default, as liquidated damages and not as a penalty, to compensate the Payee for the expenses of administering the default.
3. **Prepayment.** The Payor(s) of this Note may, at their option, repay the amount due in whole prior to maturity date without penalty. Repayment of principal in its entirety prior to maturity date shall eliminate future interest and will fulfill the debt obligation. Payments received in excess of monthly note installment shall be applied to future Note installments and not an accelerated reduction of principal.
4. **Acceleration.** The holder of this Note may, at its option, accelerate the maturity of all payments to become due hereunder upon the occurrence of any of the following events, in which event the unpaid balance of this Note shall become immediately due and payable without demand, presentment or notice, all of which are hereby expressly waived, and the holder may pursue collection through Small Claims Court or initiate any other appropriate legal proceeding to collect the outstanding amount owed under this Note:
 - (a) Failure to make any two (2) consecutive payments when due, (b) Insolvency of Payor(s), or filing by or against Payor(s) of a Petition of Bankruptcy, either voluntary or involuntary, (c) If Payor(s) sells his or her unit, or if Payor(s) dies, then the remaining outstanding balance of Principal hereunder at that time shall be due and payable in one lump sum and upon such payment, this Note shall be deemed paid in full.

5. **Release.** In consideration of full payment by the Payor(s), as set out in the terms of the Promissory Note hereof, the holder of this Note will furnish the Payor(s), at the request of the Payor(s), a written Release of Promissory Note acknowledging the fulfillment of their debt obligation.
6. **Attorney's Fees: Governing Law.** In the event of any controversy or dispute arising from non-payment this Note, the prevailing party shall be entitled to recover from the non-prevailing party or parties reasonable expenses including, without limitation, attorneys' fees and costs actually incurred. This Note shall be governed by and construed in accordance with, and all disputes hereunder shall be governed by, the internal laws of the State of California. This Note shall be binding on the Payor(s) successors and assigns.

IN WITNESS WHEREOF, Payor(s) has executed this Note as of the date first written above.

Payor:

Payor:



PROMISSORY NOTE

Rev 11/6/18

Principal Amount: **\$5,300.00**

Date: _____

Principal Amount w/Interest: **\$7,858.89**

Unit #: _____

RECITALS

For value received, the undersigned payor(s), _____ ("Payor(s)"), promises to pay to the order of Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation ("Payee"), at 24351 El Toro Road, Laguna Woods, California, Attention: Accounts Receivable (or through a direct debit or similar ACH debit, if available), at the times and on the terms specified in this promissory note ("Note"), the sum of Fifty-Three Hundred Dollars (\$5,300.00) ("Principal"), together with interest thereon at the rate of twelve percent (12%) per annum (but in any event not to exceed the maximum rate permitted by law) ("Interest"), as payment of the Five Thousand Dollars (\$5,000.00) Facilities Fee, and one-time origination fee of Three Hundred Dollars (\$300.00), plus interest, all fully amortized over the seven (7) year term, as further set forth below.

Payor(s) acknowledges that Payor(s) has been given the opportunity to pay the Five Thousand Dollars (\$5,000.00) Facilities Fee all at once at the time of transfer, and so to avoid paying the interest and the non-refundable origination fee, but that Payor(s) has instead elected to enter into the seven (7) year payment plan, as authorized by California law, and to pay in accordance with all terms and conditions in this Note.

1. **Promise to Pay.** The Principal and interest shall be amortized over a period of seven (7) years, and all due and payable in seven (7) years, with eighty-four (84) consecutive monthly payments of Ninety-Three Dollars and Fifty-Six Cents (\$93.56) each. The first monthly payment shall be made on _____, 20____, and subsequent monthly payments shall be paid on or before the first day of each succeeding calendar month.
2. **Late Charge.** Payor(s) agrees that in the event that any payment due hereunder is in default for more than ten (10) days, it would be extremely difficult to fix the actual damages resulting to Payee. Therefore, Payor(s) agrees to pay to Payee the sum of Ten Dollars (\$10.00) upon each such default, as liquidated damages and not as a penalty, to compensate the Payee for the expenses of administering the default.
3. **Prepayment.** The Payor(s) of this Note may, at their option, repay the amount due in whole prior to maturity date without penalty. Repayment of principal in its entirety prior to maturity date shall eliminate future interest and will fulfill the debt obligation. Payments received in excess of monthly note installment shall be applied to future Note installments and not an accelerated reduction of principal.
4. **Acceleration.** The holder of this Note may, at its option, accelerate the maturity of all payments to become due hereunder upon the occurrence of any of the following events, in which event the unpaid balance of this Note shall become immediately due and payable without demand, presentment or notice, all of which are hereby expressly waived, and the holder may pursue collection through Small Claims Court or initiate any other appropriate legal proceeding to collect the outstanding amount owed under this Note:
 - (a) Failure to make any two (2) consecutive payments when due, (b) Insolvency of Payor(s), or filing by or against Payor(s) of a Petition of Bankruptcy, either voluntary or involuntary, (c) If Payor(s) sells his or her unit, or if Payor(s) dies, then the remaining outstanding balance of Principal hereunder at that time shall be due and payable in one lump sum and upon such payment, this Note shall be deemed paid in full.

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5. **Release.** In consideration of full payment by the Payor(s), as set out in the terms of the Promissory Note hereof, the holder of this Note will furnish the Payor(s), at the request of the Payor(s), a written Release of Promissory Note acknowledging the fulfillment of their debt obligation.
6. **Attorney's Fees; Governing Law.** In the event of any controversy or dispute arising from non-payment this Note, the prevailing party shall be entitled to recover from the non-prevailing party or parties reasonable expenses including, without limitation, attorneys' fees and costs actually incurred. This Note shall be governed by and construed in accordance with, and all disputes hereunder shall be governed by, the internal laws of the State of California. This Note shall be binding on the Payor(s) successors and assigns.

IN WITNESS WHEREOF, Payor(s) has executed this Note as of the date first written above.

Payor:

Payor:

STAFF REPORT

DATE: September 4, 2018
FOR: GRF Board of Directors
SUBJECT: 2019 Business Plan - Version Final

RECOMMENDATION

Staff recommends the Board approve by resolution the 2019 Business Plan (Attachment 1) and the 2019 Reserve Funding Plan (Attachment 2) at the board meeting on September 4, 2018.

BACKGROUND

The proposed business plan for GRF was reviewed several times during June, July and August at special meetings of the Business Plan Committee and Board.

DISCUSSION

The proposed budget for the 2019 plan year is attached and reflects a net increase of \$651,092 or 2.1% when compared to prior year.

Brief notations for line items with significant change from current year are noted below as increases or (decreases) in the assessment, and listed in order of appearance on the proposed Business Plan (Attachment 3):

Line 1: Non-Assessment Revenue is favorable by \$539,783 primarily due to more planned revenue in Broadband Services for Internet and equipment rental based on trends in subscribership. Further, increased revenue is anticipated for RFID stickers for gate entry and from increased sales at the Golf Pro Shop.

Line 2: Employee Compensation increased by \$365,906 or 2.1% due to increased staffing and the inclusion of planned wage adjustments. Staffing levels increased by 14 FTE (Full Time Equivalents) community-wide, some of which relate directly to GRF operations including: Department of Security Services to provide increased compliance and enforcement and Office of the CEO for enhanced communication and records management programs.

Line 3: Expenses Related to Compensation decreased by (\$89,999) primarily due to a lower budget for workers compensation insurance; partially offset by taxes and benefits on additional staffing and wage adjustments.

Line 4: Materials and Supplies increased by \$77,973 due to planned purchase of additional RFID stickers, previously unbudgeted, and increased supplies for Community Center janitorial, carpentry, and golf course.

Line 5: Cost of Goods Sold increased by \$25,385 for higher projected sales at the Pro Shop.

- Line 6: Community Events increased by \$37,503 due to additional holiday lighting, village games, docent tours, and new resident orientations.
- Line 9: Water increased by \$12,614 based on based on historical consumption at projected rates. Further, fixed water meter charges increased per El Toro Water budget that went into effect July 1, 2018.
- Line 11: Natural Gas increased by \$19,997 to reflect recent trends in rates and usage.
- Line 12: Telephone increased by \$66,001 primarily due to expanded services using tablets and data plans for mobile operations.
- Line 13: Fuel and Oil increased by \$15,000 due to an upward trend in diesel and gas prices.
- Line 14: Legal Fees increased by \$127,500 to account for increased use of mediation and legal counsel for labor and corporate issues.
- Line 16: Professional Fees decreased by (\$95,270) primarily due to less use of consulting services for accounting, payroll and legacy software systems. Further, consulting budget for Mutual-specific projects were moved to United and Third.
- Line 17: Rentals decreased by (\$17,928) primarily due to less planned rental equipment, based on trends.
- Line 18: Outside Services increased by \$478,020 primarily due to line items moved from Cable Programming Fees, such as transmission costs and menu guides, to better categorize these as expenditures. The increase was furthered by higher contract costs for lifeguarding services, increased staff support, increased pest control expense and an added contingency for unanticipated resident services.
- Line 19: Repairs and Maintenance increased by \$132,111 due to higher service levels required for janitorial service and an increase in the contingency amount for repair of GRF buildings to reflect recent experience.
- Line 20: Other Operating Expense increased by \$166,122 due to a contingency for higher uniform and shoe requirements, increased employee recruitment stemming from turnover, and higher safety costs to provide required asbestos training
- Line 23: Income Taxes decreased by (\$125,000) due to a lower projected tax liability, based on recent filings.
- Line 26: Cable TV Programming increased by \$72,200 to include a contingency for higher programming costs and related franchise and copyright fees. Increase was mostly offset by a \$350K reclassification of certain line items, such as transmission costs and menu guides, moved to Outside Services.
- Line 28: Cost Allocation to Mutuals, the net result of inter-departmental allocations is lower in 2019 by \$104,479, providing less of an offset to the GRF Plan.
- Line 31: GRF Reserve Fund Contribution is budgeted to decrease from \$19.00 to \$17.00 per manor per month based on a revised 30-year expenditures plan and Board direction.
- Line 32: GRF Contingency Fund Contribution is proposed to increase from \$1.00 to \$2.00 per manor per month to replenish available funds for unexpected costs not included in the budget.

FINANCIAL ANALYSIS

The financial impact of this business plan results in a GRF assessment of \$202.83 per manor per month (PMPM), an increase of \$4.26 PMPM or 2.1% when compared to current year.

Prepared By: Jose Campos, Financial Services Manager
Betty Parker, Chief Financial Officer

Reviewed By: Siobhan Foster, Chief Operating Officer
Brad Hudson, Chief Executive Officer

ATTACHMENT(S)

ATT1: 2019 Business Plan Resolution
ATT2: 2019 Reserves Funding Plan Resolution
ATT3: 2019 GRF Business Plan – Version Final
ATT4: 2019 Revenue and Expenditure Report
ATT5: 2019 Reserves Plan

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**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2019 BUSINESS PLAN RESOLUTION**

RESOLUTION 90-18-XX

RESOLVED, September 4, 2018, that the Business Plan of this Corporation for the year 2019 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the sum of \$37,386,217 will be required by the Corporation to meet its annual expenses of operation, from which will be deducted \$9,291,861 in various sources of non-assessment revenue. Additionally, \$2,903,808 is planned for reserve contributions. The Board of Directors hereby estimates that the net sum of \$30,998,164 will be required to be paid by the Corporation members in accordance with the terms of that certain Trust Agreement dated March 2, 1964, as amended, and the bylaws of the Corporation; and

RESOLVED FURTHER, that this Corporation shall charge each member the sum of \$202.83 per month per membership of said Corporation, for its share of the aforesaid net expenses and reserve contributions for the year 2019; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2019 RESERVES FUNDING PLAN RESOLUTION**

RESOLUTION 90-18-XX

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for associations; and

WHEREAS, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to meet the association's obligations for repair and/or replacement of major components during the next 30 years;

NOW THEREFORE BE IT RESOLVED, September 4, 2018, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plan (attached) with the objective of maintaining replacement reserve balances at or above a threshold of \$7,000,000 while meeting its obligations to repair and/or replace major components; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Reserves 30-Year Funding Plan

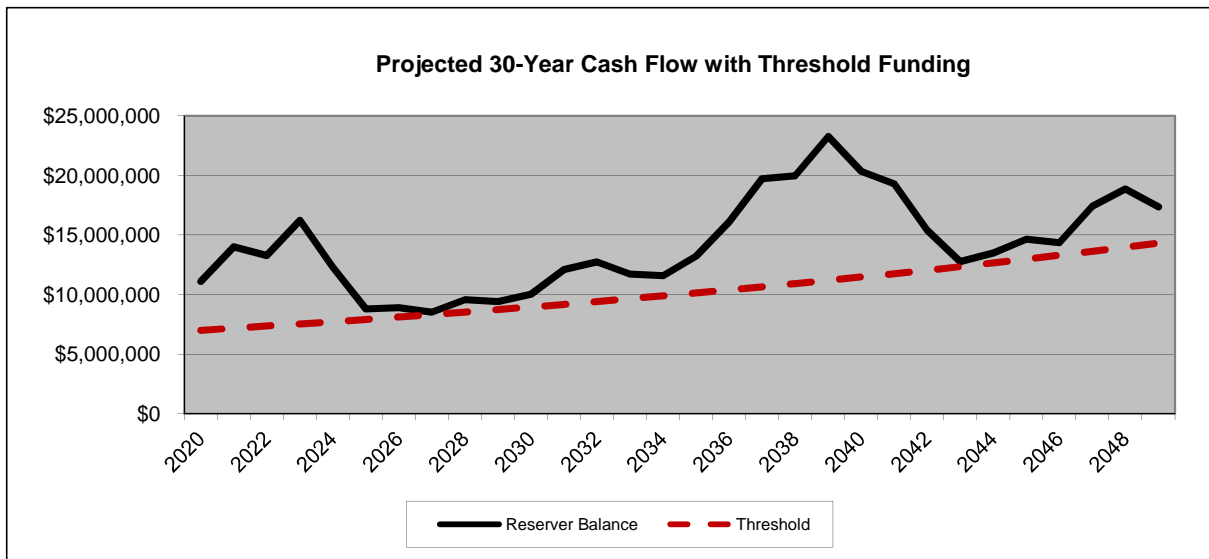
Threshold (Min Balance): \$7,000,000

Indexed for inflation

Year	Assessment		Interest Earnings	Facilities Fee ¹	Planned Expenditures ²	Reserve Balance
	Per Manor Per Month	Total Contributions				
2018	\$ 19.00	\$ 2,903,808	\$ 249,453	\$ 4,048,000	\$ (13,775,176)	\$ 14,655,867
2019	\$ 17.00	\$ 2,598,144	\$ 179,098	\$ 4,141,350	\$ (10,465,867)	\$ 11,108,592
2020	\$ 19.00	\$ 2,903,808	\$ 217,825	\$ 4,249,275	\$ (4,475,957)	\$ 14,003,543
2021	\$ 20.00	\$ 3,056,640	\$ 236,606	\$ 4,249,275	\$ (8,272,306)	\$ 13,273,758
2022	\$ 21.00	\$ 3,209,472	\$ 255,859	\$ 4,249,275	\$ (4,765,241)	\$ 16,223,123
2023	\$ 22.00	\$ 3,362,304	\$ 247,400	\$ 4,249,275	\$ (11,783,534)	\$ 12,298,568
2024	\$ 23.00	\$ 3,515,136	\$ 183,076	\$ 4,249,275	\$ (11,438,537)	\$ 8,807,518
2025	\$ 23.00	\$ 3,515,136	\$ 153,690	\$ 4,249,275	\$ (7,814,826)	\$ 8,910,793
2026	\$ 23.00	\$ 3,515,136	\$ 151,169	\$ 4,249,275	\$ (8,309,508)	\$ 8,516,865
2027	\$ 23.00	\$ 3,515,136	\$ 156,983	\$ 4,249,275	\$ (6,857,172)	\$ 9,581,087
2028	\$ 23.00	\$ 3,515,136	\$ 164,754	\$ 4,249,275	\$ (8,097,503)	\$ 9,412,749
2029	\$ 23.00	\$ 3,515,136	\$ 168,655	\$ 4,249,275	\$ (7,315,107)	\$ 10,030,708
2030	\$ 23.00	\$ 3,515,136	\$ 192,020	\$ 4,249,275	\$ (5,880,641)	\$ 12,106,498
2031	\$ 23.00	\$ 3,515,136	\$ 215,633	\$ 4,249,275	\$ (7,333,679)	\$ 12,752,863
2032	\$ 23.00	\$ 3,515,136	\$ 212,418	\$ 4,249,275	\$ (8,993,820)	\$ 11,735,872
2033	\$ 23.00	\$ 3,515,136	\$ 202,247	\$ 4,249,275	\$ (8,122,197)	\$ 11,580,333
2034	\$ 22.00	\$ 3,362,304	\$ 215,127	\$ 4,249,275	\$ (6,186,261)	\$ 13,220,778
2035	\$ 21.00	\$ 3,209,472	\$ 254,247	\$ 4,249,275	\$ (4,843,496)	\$ 16,090,276
2036	\$ 20.00	\$ 3,056,640	\$ 310,743	\$ 4,249,275	\$ (3,972,945)	\$ 19,733,989
2037	\$ 19.00	\$ 2,903,808	\$ 344,380	\$ 4,249,275	\$ (7,263,331)	\$ 19,968,121
2038	\$ 19.00	\$ 2,903,808	\$ 375,006	\$ 4,249,275	\$ (4,231,467)	\$ 23,264,743
2039	\$ 19.00	\$ 2,903,808	\$ 378,361	\$ 4,249,275	\$ (10,441,346)	\$ 20,354,841
2040	\$ 19.00	\$ 2,903,808	\$ 343,970	\$ 4,249,275	\$ (8,551,927)	\$ 19,299,967
2041	\$ 19.00	\$ 2,903,808	\$ 300,978	\$ 4,249,275	\$ (11,355,485)	\$ 15,398,543
2042	\$ 19.00	\$ 2,903,808	\$ 244,347	\$ 4,249,275	\$ (10,024,753)	\$ 12,771,220
2043	\$ 19.00	\$ 2,903,808	\$ 227,808	\$ 4,249,275	\$ (6,660,272)	\$ 13,491,839
2044	\$ 19.00	\$ 2,903,808	\$ 244,210	\$ 4,249,275	\$ (6,227,027)	\$ 14,662,105
2045	\$ 19.00	\$ 2,903,808	\$ 251,665	\$ 4,249,275	\$ (7,715,568)	\$ 14,351,285
2046	\$ 19.00	\$ 2,903,808	\$ 275,637	\$ 4,249,275	\$ (4,354,307)	\$ 17,425,698
2047	\$ 19.00	\$ 2,903,808	\$ 314,834	\$ 4,249,275	\$ (6,023,425)	\$ 18,870,190
2048	\$ 19.00	\$ 2,903,808	\$ 314,386	\$ 4,249,275	\$ (8,963,674)	\$ 17,373,985

¹ Facilities Fee assumes a transfer fee increase from \$2,500 to \$5,000 effective January 1, 2018

² Planned Expenditures include Capital Plan, supplemental appropriations, and carryover items from prior years.



**GOLDEN RAIN FOUNDATION & TRUST
2019 BUSINESS PLAN**

DESCRIPTION	2015 ACTUALS	2016 ACTUALS	2017 ACTUALS	2018 PLAN	2019 PLAN	Per Manor Per Month 2018 2019 ASSESSMENT	Assessment Increase/ (Decrease)
Revenues:							
1 Non Assessment Revenue	\$7,787,231	\$7,509,748	7,637,026	\$8,752,078	\$9,291,861	\$57.27	\$60.80 (\$3.53)
Total Revenue	\$7,787,231	\$7,509,748	\$7,637,026	\$8,752,078	\$9,291,861	\$57.27	\$60.80 (\$3.53)
Expenses:							
2 Employee Compensation	\$17,100,826	\$17,014,180	16,817,722	\$17,432,001	\$17,797,907	\$114.06	\$116.45 \$2.39
3 Exp. Related to Compensation	5,035,650	4,866,803	4,790,960	5,852,290	5,762,291	38.29	37.70 (0.59)
4 Materials and Supplies	1,803,159	1,717,137	1,941,717	1,767,551	1,845,524	11.57	12.08 0.51
5 Cost of Merchandise Sold	140,158	190,805	202,658	168,011	193,396	1.10	1.27 0.17
6 Community Events	275,533	336,348	425,255	385,442	422,945	2.52	2.77 0.25
7 Electricity	1,039,389	937,395	973,888	874,768	867,238	5.72	5.67 (0.05)
8 Sewer	73,563	85,212	84,469	84,487	85,025	0.55	0.56 0.01
9 Water	612,516	654,765	711,535	654,714	667,328	4.28	4.37 0.09
10 Trash	180,257	174,117	176,089	196,208	192,991	1.28	1.26 (0.02)
11 Natural Gas	160,239	179,211	219,145	168,683	188,680	1.10	1.23 0.13
12 Telephone	153,741	217,701	251,088	179,999	246,000	1.18	1.61 0.43
13 Fuel & Oil for Vehicles	516,987	443,229	436,786	425,000	440,000	2.78	2.88 0.10
14 Legal Fees	384,948	769,563	440,123	250,000	377,500	1.64	2.47 0.83
15 Management Fee	307,217	3,000	0	0	0	0.00	0.00 0.00
16 Professional Fees	1,384,821	121,476	566,021	801,637	706,367	5.25	4.62 (0.63)
17 Rentals	202,902	186,739	273,641	244,168	226,240	1.60	1.48 (0.12)
18 Outside Services	780,095	858,331	1,588,877	1,269,448	1,747,468	8.31	11.43 3.12
19 Repairs and Maintenance	849,195	695,915	694,089	798,998	931,109	5.23	6.09 0.86
20 Other Operating Expense	488,838	328,603	668,871	589,507	755,629	3.86	4.94 1.08
21 (Gain)/Loss on Sale Warehouse	(93,725)	(17,679)	(1,098)	(67,500)	(67,500)	(0.44)	(0.44) 0.00
22 Interest	81,298	47,229	13,732	0	0	0.00	0.00 0.00
23 Income Taxes	486,991	34,218	(22,686)	150,000	25,000	0.98	0.16 (0.82)
24 Property and Sales Tax	116,361	94,649	115,858	95,607	91,988	0.63	0.60 (0.03)
25 Insurance	1,195,800	1,193,427	1,237,090	1,331,694	1,324,865	8.71	8.67 (0.04)
26 Cable TV Programming	4,243,731	4,457,588	4,774,945	4,850,300	4,922,500	31.74	32.21 0.47
27 Uncollectible Accounts	14,391	16,397	20,933	33,500	25,250	0.22	0.17 (0.05)
28 Cost Allocation to Mutuals	(2,306,771)	(3,878,605)	(2,029,225)	(2,494,003)	(2,389,524)	(16.32)	(15.63) 0.69
Total Expenses	\$35,228,111	\$31,727,753	\$35,372,484	\$36,042,510	\$37,386,217	\$235.84	\$244.62 \$8.78
29 (Surplus)/Deficit Recovery				0	0	0.00	0.00 0.00
30 Net Operating	\$27,440,880	\$24,218,005	\$27,735,458	\$27,290,432	\$28,094,356	\$178.57	\$183.83 \$5.25
Fund Contributions:							
31 Reserve Funds	\$4,890,624	\$3,056,640	\$3,515,136	\$2,903,808	\$2,598,144	\$19.00	\$17.00 (\$2.00)
32 Contingency Fund	152,832	152,832	152,832	152,832	305,664	1.00	2.00 1.00
33 Total Fund Contributions	\$5,043,456	\$3,209,472	\$3,667,968	\$3,056,640	\$2,903,808	\$20.00	\$19.00 (\$1.00)
34 TOTAL BASIC ASSESSMENTS	\$32,484,336	\$27,427,477	\$31,403,426	\$30,347,072	\$30,998,164	\$198.57	\$202.83 \$4.26

2019 BUSINESS PLAN
Revenue and Expenditure Report
GOLDEN RAIN FOUNDATION

	2018 Budget	2019 Budget	VAR\$ B/(W)	VAR %
Non-Assessment Revenues:				
Trust Facilities Fees				
41006500 - Trust Facilities Fees	\$4,141,356	\$4,141,356		0%
Total Trust Facilities Fees	4,141,356	4,141,356		0%
Golf Green Fees				
42001000 - Golf Green Fees - Residents	1,111,854	1,364,600	252,746	23%
42001500 - Golf Green Fees - Guests	483,007	253,112	(229,895)	(48%)
Total Golf Green Fees	1,594,861	1,617,712	22,851	1%
Golf Operations				
42002000 - Golf Driving Range Fees	103,300	107,000	3,700	4%
42003000 - Golf Cart Use Fees	169,971	169,165	(806)	0%
42004000 - Golf Lesson Fees	30,000	25,000	(5,000)	(17%)
42005000 - Golf Club Storage Fees		2,400	2,400	0%
42005500 - Golf Club Rental Fees		65	65	0%
Total Golf Operations	303,271	303,630	359	0%
Merchandise Sales				
41501000 - Merchandise Sales - Pro Shop	143,000	175,000	32,000	22%
41502500 - Merchandise Sales - Fitness	715	1,526	811	113%
41503500 - Merchandise Sales - Broadband	21,396	25,000	3,604	17%
41504500 - Merchandise Sales - Nursery	5,000		(5,000)	(100%)
41505000 - Bar Sales	83,000	85,000	2,000	2%
Total Merchandise Sales	253,111	286,526	33,415	13%
Clubhouse Rentals and Event Fees				
42501000 - Clubhouse Room Rentals - Residents	535,333	538,240	2,907	1%
42501500 - Clubhouse Room Rentals - Exception Rate	86,898	88,075	1,177	1%
42502000 - Clubhouse Event Fees - Residents	386,840	371,362	(15,478)	(4%)
42503000 - Village Greens Room Rentals - Residents		6,719	6,719	0%
42503500 - Village Greens Room Rentals - Non Residents		2,940	2,940	0%
Total Clubhouse Rentals and Event Fees	1,009,071	1,007,336	(1,735)	0%
Rentals				
43001000 - Garden Plot Rental	48,000	52,000	4,000	8%
45506500 - Rental Fee	4,320		(4,320)	(100%)
48001500 - Lease Revenue	49,320	45,000	(4,320)	(9%)
Total Rentals	101,640	97,000	(4,640)	(5%)
Fees and Charges for Services to Residents				
46501000 - Permit Fee	206		(206)	(100%)
Total Fees and Charges for Services to Residents	206		(206)	(100%)
Broadband Services				
45001000 - Ad Insertion	650,000	650,000		0%
45001500 - Premium Channel	550,000	500,000	(50,000)	(9%)
45002000 - Cable Service Call	90,000	150,000	60,000	67%
45002500 - Cable Commission	43,000	50,000	7,000	16%
45003000 - High Speed Internet	1,351,327	1,600,000	248,673	18%
45003500 - Equipment Rental	1,564,000	1,721,000	157,000	10%
45004000 - Video Production	65,000	55,000	(10,000)	(15%)
45004500 - Video Re-Production	3,250	2,500	(750)	(23%)
45005000 - Message Board	20,000	19,000	(1,000)	(5%)
45005500 - Advertising	50,000	42,500	(7,500)	(15%)
Total Broadband Services	4,386,577	4,790,000	403,423	9%

Version Final

2019 BUSINESS PLAN
Revenue and Expenditure Report
GOLDEN RAIN FOUNDATION

	2018 Budget	2019 Budget	VAR\$ B/(W)	VAR %
Miscellaneous				
43501000 - Horse Boarding Fee	90,000	90,000		0%
43501500 - Horse Feed Fee	31,779	35,200	3,421	11%
43502000 - Horse Trailer Parking Fee	800	480	(320)	(40%)
43502500 - Horse Lesson Fee - Resident	28,130	30,500	2,370	8%
44001000 - Fitness Fee - Guests	530	800	270	51%
44001500 - Pool Fee - Guests	10,275	6,000	(4,275)	(42%)
44002000 - Bridge Room Fee - Guests	66,680	66,680		0%
44002500 - Parking Fees - Non Residents	58,110	60,000	1,890	3%
44003000 - Class Fees	124,000	126,990	2,990	2%
44003500 - Locker Rental Fee	4,787	5,034	247	5%
44004500 - Clubhouse Labor Fee	37,512	40,993	3,481	9%
44005000 - Clubhouse Equipment Fee	752		(752)	(100%)
44005500 - Clubhouse Catering Fee	28,097	26,880	(1,217)	(4%)
44006000 - Tickets Sales - Residents	15,100	1,050	(14,050)	(93%)
44006500 - Sponserhip Income	18,400	21,650	3,250	18%
46001000 - RV Storage Fee	100,000	100,000		0%
46002000 - Traffic Violation	62,400	57,000	(5,400)	(9%)
46003500 - Security Standby Fee	1,000	200	(800)	(80%)
46004000 - Estate Sale Fee		4,100	4,100	0%
46004500 - Resident Violations	10,000		(10,000)	(100%)
44501000 - Additional Occupant Fee	275,374	250,000	(25,374)	(9%)
44503500 - Resale Processing Fee	12,000	15,000	3,000	25%
44504000 - Resident Id Card Fee	26,824	28,000	1,176	4%
44504500 - Notary Fee	50	50		0%
44506000 - Photo Copy Fee	75,000	78,000	3,000	4%
44506500 - Auto Decal Fee	5,000	110,000	105,000	2100%
44507500 - Cartport Space Rental Fee		4,800	4,800	0%
47001500 - Late Fee Revenue	15,000	25,000	10,000	67%
46005500 - Disaster Task Force	4,000	4,000		0%
49009000 - Miscellaneous Revenue	1,741	1,250	(491)	(28%)
Total Miscellaneous	1,103,341	1,189,657	86,316	8%
Total Non-Assessment Revenue	12,893,434	13,433,217	539,783	4%
Expenses:				
51011000 - Salaries & Wages - Regular	12,434,448	12,904,407	(469,959)	(4%)
51021000 - Union Wages - Regular	3,659,275	3,699,596	(40,320)	(1%)
51041000 - Wages - Overtime	169,190	63,955	105,234	62%
51051000 - Union Wages - Overtime	64,430	58,804	5,626	9%
51061000 - Holiday & Vacation	553,666	566,803	(13,137)	(2%)
51071000 - Sick	451,676	462,393	(10,717)	(2%)
51081000 - Sick - Part Time	66,247	2,439	63,808	96%
51091000 - Missed Meal Penalty	13,628	9,647	3,981	29%
51101000 - Temporary Help	9,244	24,601	(15,357)	(166%)
51981000 - Compensation Accrual	10,197	5,262	4,935	48%
Total Employee Compensation	17,432,001	17,797,907	(365,906)	(2%)
52411000 - F.I.C.A.	1,294,929	1,337,562	(42,633)	(3%)
52421000 - F.U.I.	27,263	33,814	(6,551)	(24%)
52431000 - S.U.I.	134,935	140,575	(5,640)	(4%)
52441000 - Union Medical	1,278,476	1,243,793	34,683	3%
52451000 - Workers' Compensation Insurance	1,238,689	1,095,771	142,918	12%
52461000 - Non Union Medical & Life Insurance	1,235,007	1,261,089	(26,081)	(2%)
52471000 - Union Retirement Plan	208,933	203,265	5,668	3%
52481000 - Non-Union Retirement Plan	432,432	444,331	(11,900)	(3%)
52981000 - Compensation Related Accrual	1,626	2,091	(465)	(29%)

Version Final

2019 BUSINESS PLAN
Revenue and Expenditure Report
GOLDEN RAIN FOUNDATION

	2018 Budget	2019 Budget	VAR\$ B/(W)	VAR %
Total Expenses Related to Employee Compensation	5,852,290	5,762,290	90,000	2%
Materials and Supplies				
53001000 - Materials & Supplies	1,314,709	1,355,573	(40,864)	(3%)
53002500 - Printed Membership Materials	92		92	100%
53003500 - Materials Direct - Grf	423,391	450,766	(27,376)	(6%)
53004000 - Freight	29,359	39,185	(9,826)	(33%)
Total Materials and Supplies	1,767,551	1,845,524	(77,973)	(4%)
Cost of Goods Sold				
53101000 - Cost Of Sales - Warehouse	20,636	16,396	4,240	21%
53101500 - Cost Of Sales - Pro Shop	113,375	140,000	(26,625)	(23%)
53102000 - Cost Of Sales - Alcohol	20,000	22,000	(2,000)	(10%)
53103500 - Earthquake Materials	14,000	15,000	(1,000)	(7%)
Total Cost of Goods Sold	168,011	193,396	(25,385)	(15%)
Community Events				
53201000 - Community Events	385,442	422,945	(37,503)	(10%)
Total Community Events	385,442	422,945	(37,503)	(10%)
Utilities and Telephone				
53301000 - Electricity	874,768	867,238	7,530	1%
53301500 - Sewer	84,487	85,025	(538)	(1%)
53302000 - Water	654,714	667,328	(12,614)	(2%)
53302500 - Trash	196,208	192,991	3,216	2%
53303500 - Gas	168,683	188,680	(19,997)	(12%)
53304000 - Telephone	179,999	246,000	(66,001)	(37%)
Total Utilities and Telephone	2,158,858	2,247,262	(88,404)	(4%)
Fuel and Oil				
53304500 - Fuel & Oil For Vehicles	425,000	440,000	(15,000)	(4%)
Total Fuel and Oil	425,000	440,000	(15,000)	(4%)
Legal Fees				
53401500 - Legal Fees	250,000	377,500	(127,500)	(51%)
Total Legal Fees	250,000	377,500	(127,500)	(51%)
Professional Fees				
53402000 - Audit & Tax Preparation Fees	144,000	130,000	14,000	10%
53402500 - Payroll System Fees	168,150	147,000	21,150	13%
53403500 - Consulting Fees	486,487	424,367	62,120	13%
53404500 - Fees	3,000	5,000	(2,000)	(67%)
Total Professional Fees	801,637	706,367	95,270	12%
Equipment Rental				
53501000 - Space, Rent/Lease	800	800		0%
53501500 - Equipment Rental/Lease Fees	243,368	225,440	17,928	7%
Total Equipment Rental	244,168	226,240	17,928	7%
Outside Services				
53601000 - Bank Fees	87,000	87,000		0%
53601500 - Credit Card Transaction Fees	62,435	121,695	(59,260)	(95%)
53602000 - Merchant Account Fees	10,383	15,748	(5,365)	(52%)
53602500 - Licensing Fees	106,230	5,900	100,330	94%
53603000 - Permit Fees	3,500	7,000	(3,500)	(100%)
53603500 - Inspection Fees	280	280		0%
53604000 - Pest Control Fees	4,728	55,687	(50,959)	(1078%)

Version Final

2019 BUSINESS PLAN
Revenue and Expenditure Report
GOLDEN RAIN FOUNDATION

	2018 Budget	2019 Budget	VAR\$ B/(W)	VAR %
53704000 - Outside Services	949,620	1,454,158	(504,538)	(53%)
54603500 - Outside Services CC	50,000		50,000	100%
Total Outside Services	1,274,176	1,747,468	(473,292)	(37%)
Repairs and Maintenance				
53701000 - Equipment Repair & Maint	516,493	553,112	(36,619)	(7%)
53702000 - Street Repair & Maint	400	1,000	(600)	(150%)
53702500 - Building Repair & Maint	267,170	361,945	(94,775)	(35%)
53703000 - Elevator /Lift Maintenance	10,261	10,742	(481)	(5%)
53703500 - Water Softener	4,674	4,310	364	8%
Total Repairs and Maintenance	798,998	931,109	(132,111)	(17%)
Other Operating Expense				
53801000 - Mileage & Meal Allowance	20,254	16,140	4,114	20%
53801500 - Travel & Lodging	18,160	14,914	3,246	18%
53802000 - Uniforms	99,963	127,207	(27,243)	(27%)
53802500 - Dues & Memberships	18,707	15,404	3,303	18%
53803000 - Subscriptions & Books	12,620	9,408	3,211	25%
53803500 - Training & Education	85,095	92,267	(7,172)	(8%)
53804000 - Staff Support	50,000	61,858	(11,858)	(24%)
53901000 - Benefit Administrative Fees	4,000	4,000		0%
53901500 - Volunteer Support	17,289	16,149	1,140	7%
53902000 - Physical Examinations	34,190	41,120	(6,930)	(20%)
53902500 - Recruiting Fees	30,000	115,000	(85,000)	(283%)
53903000 - Safety	52,926	111,632	(58,706)	(111%)
54001000 - Board Relations	5,501	29,667	(24,167)	(439%)
54001500 - Public Relations	80,000	28,500	51,500	64%
54002000 - Postage	19,405	32,889	(13,484)	(69%)
54002500 - Filing Fees / Permits	33,169	35,974	(2,804)	(8%)
54502500 - Cable Promotions	3,500	3,500		0%
Total Other Operating Expense	584,780	755,629	(170,849)	(29%)
(Gain)/Loss on Sale or Trade Warehouse				
54101000 - (Gain)/Loss - Warehouse Sales	(67,500)	(67,500)		0%
Total (Gain)/Loss on Sale or Trade Warehouse	(67,500)	(67,500)		0%
Income Taxes				
54301000 - State & Federal Income Taxes	150,000	25,000	125,000	83%
Total Income Taxes	150,000	25,000	125,000	83%
Property and Sales Tax				
54301500 - State & Local Taxes	92,801	89,850	2,951	3%
54302000 - Property Taxes	2,806	2,138	668	24%
Total Property and Sales Tax	95,607	91,988	3,619	4%
Insurance				
54401000 - Hazard & Liability Insurance	1,164,404	1,167,946	(3,542)	0%
54401500 - D&O Liability	58,783	59,159	(376)	(1%)
54402000 - Property Insurance	71,907	71,160	746	1%
54402500 - Auto Liability Insurance	13,000	13,000		0%
54403000 - General Liability Insurance	3,600	3,600		0%
54403500 - Property Damage	20,000	10,000	10,000	50%
Total Insurance	1,331,694	1,324,866	6,828	1%
Cable Programming/Copyright/Franchise				
54501000 - Cable - Programming Fees	4,600,000	4,600,000		0%
54501500 - Cable - Copyright Fees	40,000	55,000	(15,000)	(38%)

Version Final

2019 BUSINESS PLAN
Revenue and Expenditure Report
GOLDEN RAIN FOUNDATION

	<u>2018 Budget</u>	<u>2019 Budget</u>	<u>VAR\$ B/(W)</u>	<u>VAR %</u>
54502000 - Cable - City of Laguna Woods Franchise Fees	<u>210,300</u>	<u>267,500</u>	<u>(57,200)</u>	<u>(27%)</u>
Total Cable Programming/Copyright/Franchise	<u>4,850,300</u>	<u>4,922,500</u>	<u>(72,200)</u>	<u>(1%)</u>
Uncollectible Accounts				
54602000 - Bad Debt Expense	<u>33,500</u>	<u>25,250</u>	<u>8,250</u>	<u>25%</u>
Total Uncollectible Accounts	<u>33,500</u>	<u>25,250</u>	<u>8,250</u>	<u>25%</u>
Total Expenses	<u>38,536,513</u>	<u>39,775,740</u>	<u>(1,239,227)</u>	<u>(3%)</u>
Unallocated Revenue / (Expense)	<u>(\$25,643,080)</u>	<u>(\$26,342,523)</u>	<u>(\$699,444)</u>	<u>(3%)</u>
Allocated Expenses				
Allocated To Departments	<u>(6,371,107)</u>	<u>(6,164,916)</u>	<u>(206,191)</u>	<u>(3%)</u>
Allocated From Departments	<u>3,877,104</u>	<u>3,775,392</u>	<u>101,712</u>	<u>3%</u>
Total Allocated Expenses	<u>(2,494,003)</u>	<u>(2,389,525)</u>	<u>(104,479)</u>	<u>(4%)</u>
Net Revenue / (Expense)	<u>(\$23,149,076)</u>	<u>(\$23,952,999)</u>	<u>(\$803,922)</u>	<u>(3%)</u>

GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Fund Balances

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Expenditures*</i>	<i>ENDING BALANCE</i>
RESERVE FUNDS	2018	\$ 21,229,782	\$ 249,453	\$ 6,951,808	\$ 19.00	\$ (13,775,176)	\$ 14,655,867
	2019	\$ 14,655,867	\$ 179,098	\$ 6,739,494	\$ 17.00	\$ (10,465,867)	\$ 11,108,592
	2020	\$ 11,108,592	\$ 217,826	\$ 7,153,083	\$ 19.00	\$ (4,475,957)	\$ 14,003,545
	2021	\$ 14,003,545	\$ 236,606	\$ 7,305,915	\$ 20.00	\$ (8,272,306)	\$ 13,273,760
	2022	\$ 13,273,760	\$ 255,859	\$ 7,458,747	\$ 21.00	\$ (4,765,241)	\$ 16,223,124
CONTINGENCY FUND	2018	\$ 732,821	\$ 8,358	\$ 152,832	\$ 1.00	\$ (424,430)	\$ 469,581
	2019	\$ 469,581	\$ 6,964	\$ 305,664	\$ 2.00	\$ (250,000)	\$ 532,209
	2020	\$ 532,209	\$ 9,748	\$ 305,664	\$ 2.00	\$ (256,000)	\$ 591,621
	2021	\$ 591,621	\$ 10,735	\$ 305,664	\$ 2.00	\$ (262,000)	\$ 646,020
	2022	\$ 646,020	\$ 11,626	\$ 305,664	\$ 2.00	\$ (269,000)	\$ 694,310
TOTAL	2018	\$ 21,962,603	\$ 257,811	\$ 7,104,640	\$ 20.00	\$ (14,199,606)	\$ 15,125,448
	2019	\$ 15,125,448	\$ 186,062	\$ 7,045,158	\$ 19.00	\$ (10,715,867)	\$ 11,640,801
	2020	\$ 11,640,801	\$ 227,574	\$ 7,458,747	\$ 21.00	\$ (4,731,957)	\$ 14,595,166
	2021	\$ 14,595,166	\$ 247,341	\$ 7,611,579	\$ 22.00	\$ (8,534,306)	\$ 13,919,780
	2022	\$ 13,919,780	\$ 267,485	\$ 7,764,411	\$ 23.00	\$ (5,034,241)	\$ 16,917,435

* Planned Expenditures include Capital Plan items, supplemental appropriations, and carryover items from prior years.

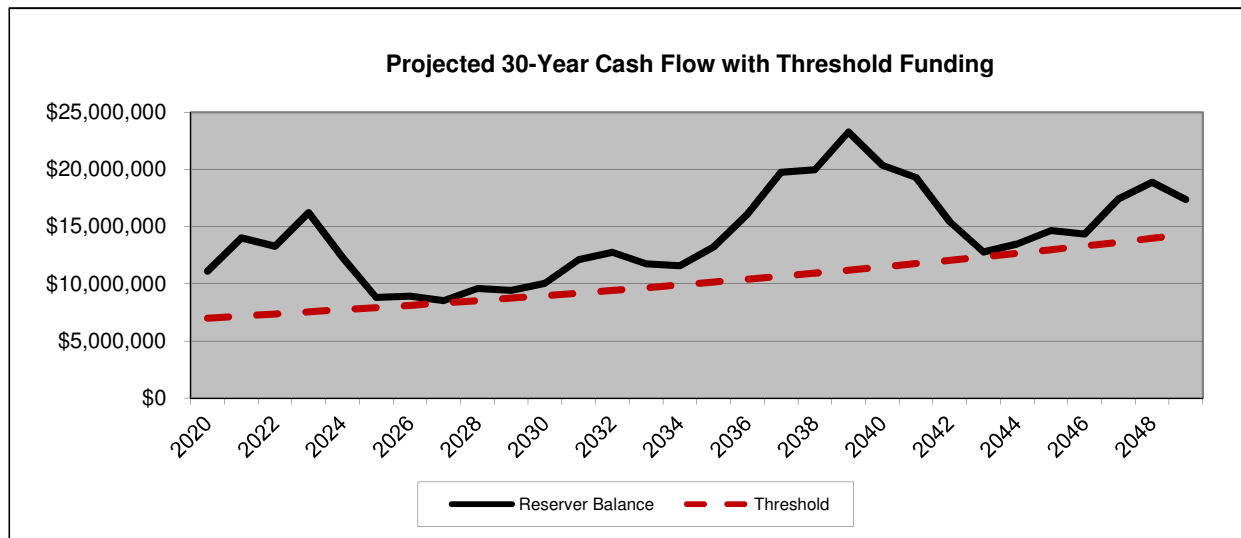
GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Reserves 30-Year Funding Plan

Threshold (Min Balance): \$7,000,000
 Indexed for inflation

Year	Assessment		Interest Earnings	Facilities Fee ¹	Planned Expenditures ²	Reserve Balance
	Per Manor Per Month	Total Contributions				
2018	\$ 19.00	\$ 2,903,808	\$ 249,453	\$ 4,048,000	\$ (13,775,176)	\$ 14,655,867
2019	\$ 17.00	\$ 2,598,144	\$ 179,098	\$ 4,141,350	\$ (10,465,867)	\$ 11,108,592
2020	\$ 19.00	\$ 2,903,808	\$ 217,825	\$ 4,249,275	\$ (4,475,957)	\$ 14,003,543
2021	\$ 20.00	\$ 3,056,640	\$ 236,606	\$ 4,249,275	\$ (8,272,306)	\$ 13,273,758
2022	\$ 21.00	\$ 3,209,472	\$ 255,859	\$ 4,249,275	\$ (4,765,241)	\$ 16,223,123
2023	\$ 22.00	\$ 3,362,304	\$ 247,400	\$ 4,249,275	\$ (11,783,534)	\$ 12,298,568
2024	\$ 23.00	\$ 3,515,136	\$ 183,076	\$ 4,249,275	\$ (11,438,537)	\$ 8,807,518
2025	\$ 23.00	\$ 3,515,136	\$ 153,690	\$ 4,249,275	\$ (7,814,826)	\$ 8,910,793
2026	\$ 23.00	\$ 3,515,136	\$ 151,169	\$ 4,249,275	\$ (8,309,508)	\$ 8,516,865
2027	\$ 23.00	\$ 3,515,136	\$ 156,983	\$ 4,249,275	\$ (6,857,172)	\$ 9,581,087
2028	\$ 23.00	\$ 3,515,136	\$ 164,754	\$ 4,249,275	\$ (8,097,503)	\$ 9,412,749
2029	\$ 23.00	\$ 3,515,136	\$ 168,655	\$ 4,249,275	\$ (7,315,107)	\$ 10,030,708
2030	\$ 23.00	\$ 3,515,136	\$ 192,020	\$ 4,249,275	\$ (5,880,641)	\$ 12,106,498
2031	\$ 23.00	\$ 3,515,136	\$ 215,633	\$ 4,249,275	\$ (7,333,679)	\$ 12,752,863
2032	\$ 23.00	\$ 3,515,136	\$ 212,418	\$ 4,249,275	\$ (8,993,820)	\$ 11,735,872
2033	\$ 23.00	\$ 3,515,136	\$ 202,247	\$ 4,249,275	\$ (8,122,197)	\$ 11,580,333
2034	\$ 22.00	\$ 3,362,304	\$ 215,127	\$ 4,249,275	\$ (6,186,261)	\$ 13,220,778
2035	\$ 21.00	\$ 3,209,472	\$ 254,247	\$ 4,249,275	\$ (4,843,496)	\$ 16,090,276
2036	\$ 20.00	\$ 3,056,640	\$ 310,743	\$ 4,249,275	\$ (3,972,945)	\$ 19,733,989
2037	\$ 19.00	\$ 2,903,808	\$ 344,380	\$ 4,249,275	\$ (7,263,331)	\$ 19,968,121
2038	\$ 19.00	\$ 2,903,808	\$ 375,006	\$ 4,249,275	\$ (4,231,467)	\$ 23,264,743
2039	\$ 19.00	\$ 2,903,808	\$ 378,361	\$ 4,249,275	\$ (10,441,346)	\$ 20,354,841
2040	\$ 19.00	\$ 2,903,808	\$ 343,970	\$ 4,249,275	\$ (8,551,927)	\$ 19,299,967
2041	\$ 19.00	\$ 2,903,808	\$ 300,978	\$ 4,249,275	\$ (11,355,485)	\$ 15,398,543
2042	\$ 19.00	\$ 2,903,808	\$ 244,347	\$ 4,249,275	\$ (10,024,753)	\$ 12,771,220
2043	\$ 19.00	\$ 2,903,808	\$ 227,808	\$ 4,249,275	\$ (6,660,272)	\$ 13,491,839
2044	\$ 19.00	\$ 2,903,808	\$ 244,210	\$ 4,249,275	\$ (6,227,027)	\$ 14,662,105
2045	\$ 19.00	\$ 2,903,808	\$ 251,665	\$ 4,249,275	\$ (7,715,568)	\$ 14,351,285
2046	\$ 19.00	\$ 2,903,808	\$ 275,637	\$ 4,249,275	\$ (4,354,307)	\$ 17,425,698
2047	\$ 19.00	\$ 2,903,808	\$ 314,834	\$ 4,249,275	\$ (6,023,425)	\$ 18,870,190
2048	\$ 19.00	\$ 2,903,808	\$ 314,386	\$ 4,249,275	\$ (8,963,674)	\$ 17,373,985

¹ Facilities Fee assumes a transfer fee increase from \$2,500 to \$5,000 effective January 1, 2018

² Planned Expenditures include Capital Plan, supplemental appropriations, and carryover items from prior years.



GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Equipment Planned Expenditures

	Broadband Services										Other			Service Center	Vehicles	Total
	Aquatics	Services	Clubhouses	Computers	Fitness	Facilities	Landscape	Equipment	Security							
2019	\$ 166,000	\$ 325,000	\$ 77,000	\$ 60,000	\$ 0	\$ 510,500	\$ 90,000	\$ 100,000	\$ 105,000	\$ 150,000	\$ 1,787,550	\$ 3,371,050				
2020	\$ 0	\$ 350,000	\$ 246,887	\$ 0	\$ 0	\$ 136,500	\$ 178,200	\$ 100,000	\$ 5,000	\$ 0	\$ 1,522,000	\$ 2,538,587				
2021	\$ 6,500	\$ 300,000	\$ 203,000	\$ 728,000	\$ 27,000	\$ 141,000	\$ 37,200	\$ 110,000	\$ 0	\$ 0	\$ 1,444,000	\$ 2,996,700				
2022	\$ 0	\$ 322,000	\$ 15,000	\$ 500,000	\$ 27,000	\$ 230,000	\$ 0	\$ 130,000	\$ 0	\$ 0	\$ 1,333,000	\$ 2,557,000				
2023	\$ 0	\$ 400,000	\$ 60,000	\$ 80,000	\$ 44,000	\$ 40,000	\$ 260,000	\$ 100,000	\$ 0	\$ 0	\$ 1,275,000	\$ 2,259,000				
2024	\$ 18,000	\$ 300,000	\$ 0	\$ 1,008,000	\$ 27,000	\$ 72,000	\$ 200,000	\$ 100,000	\$ 0	\$ 0	\$ 1,230,000	\$ 2,955,000				
2025	\$ 0	\$ 652,000	\$ 15,000	\$ 100,000	\$ 34,300	\$ 45,000	\$ 329,200	\$ 168,000	\$ 5,000	\$ 0	\$ 1,268,000	\$ 2,616,500				
2026	\$ 18,000	\$ 300,000	\$ 76,000	\$ 439,000	\$ 112,000	\$ 130,500	\$ 290,000	\$ 100,000	\$ 0	\$ 0	\$ 1,465,500	\$ 2,146,500				
2027	\$ 0	\$ 537,000	\$ 59,000	\$ 500,000	\$ 77,000	\$ 25,000	\$ 228,000	\$ 125,000	\$ 0	\$ 0	\$ 0	\$ 1,551,000				
2028	\$ 36,500	\$ 300,000	\$ 292,000	\$ 20,000	\$ 27,000	\$ 172,000	\$ 95,000	\$ 120,100	\$ 0	\$ 0	\$ 0	\$ 1,062,600				
2029	\$ 11,000	\$ 325,000	\$ 16,000	\$ 378,000	\$ 27,000	\$ 297,000	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 1,787,550	\$ 2,941,550				
2030	\$ 0	\$ 395,000	\$ 440,000	\$ 0	\$ 44,000	\$ 259,500	\$ 229,400	\$ 100,000	\$ 5,000	\$ 0	\$ 1,522,000	\$ 2,994,900				
2031	\$ 18,000	\$ 300,000	\$ 39,000	\$ 580,000	\$ 27,000	\$ 0	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 1,444,000	\$ 2,508,000				
2032	\$ 0	\$ 536,000	\$ 53,000	\$ 1,500,000	\$ 34,300	\$ 55,000	\$ 0	\$ 230,000	\$ 0	\$ 0	\$ 1,383,000	\$ 3,791,300				
2033	\$ 48,000	\$ 500,000	\$ 129,000	\$ 950,000	\$ 27,000	\$ 154,000	\$ 150,000	\$ 101,100	\$ 0	\$ 0	\$ 1,225,000	\$ 3,284,100				
2034	\$ 130,000	\$ 315,000	\$ 15,000	\$ 97,000	\$ 27,000	\$ 53,000	\$ 28,000	\$ 110,000	\$ 0	\$ 0	\$ 1,230,000	\$ 2,005,000				
2035	\$ 6,500	\$ 390,000	\$ 195,000	\$ 0	\$ 27,000	\$ 13,000	\$ 129,200	\$ 168,000	\$ 5,000	\$ 0	\$ 1,268,000	\$ 2,201,700				
2036	\$ 18,000	\$ 300,000	\$ 113,000	\$ 470,000	\$ 112,000	\$ 32,000	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 1,145,000				
2037	\$ 0	\$ 522,000	\$ 45,000	\$ 920,000	\$ 94,000	\$ 220,000	\$ 0	\$ 122,000	\$ 0	\$ 0	\$ 0	\$ 1,923,000				
2038	\$ 12,000	\$ 300,000	\$ 320,000	\$ 20,000	\$ 177,000	\$ 102,500	\$ 95,000	\$ 120,100	\$ 0	\$ 0	\$ 0	\$ 1,146,600				
2039	\$ 0	\$ 337,000	\$ 6,000	\$ 68,000	\$ 34,300	\$ 787,000	\$ 237,200	\$ 100,000	\$ 0	\$ 150,000	\$ 1,787,550	\$ 3,507,050				
2040	\$ 36,000	\$ 395,000	\$ 380,000	\$ 1,000,000	\$ 27,000	\$ 114,500	\$ 482,200	\$ 100,000	\$ 5,000	\$ 0	\$ 1,522,000	\$ 4,061,700				
2041	\$ 11,000	\$ 315,000	\$ 6,000	\$ 570,000	\$ 27,000	\$ 150,000	\$ 228,000	\$ 100,000	\$ 0	\$ 0	\$ 1,494,000	\$ 2,901,000				
2042	\$ 6,500	\$ 322,000	\$ 45,000	\$ 589,000	\$ 27,000	\$ 59,000	\$ 200,000	\$ 135,000	\$ 0	\$ 0	\$ 1,333,000	\$ 2,716,500				
2043	\$ 18,000	\$ 400,000	\$ 25,000	\$ 70,000	\$ 27,000	\$ 45,000	\$ 260,000	\$ 100,000	\$ 0	\$ 0	\$ 1,225,000	\$ 2,170,000				
2044	\$ 0	\$ 300,000	\$ 40,000	\$ 8,000	\$ 44,000	\$ 68,000	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 1,230,000	\$ 1,790,000				
2045	\$ 0	\$ 390,000	\$ 112,000	\$ 370,000	\$ 27,000	\$ 35,000	\$ 129,200	\$ 168,000	\$ 5,000	\$ 0	\$ 1,268,000	\$ 2,504,200				
2046	\$ 0	\$ 312,000	\$ 61,000	\$ 470,000	\$ 119,300	\$ 45,000	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 1,107,300				
2047	\$ 18,000	\$ 724,000	\$ 38,000	\$ 560,000	\$ 77,000	\$ 25,000	\$ 90,000	\$ 210,000	\$ 0	\$ 0	\$ 0	\$ 1,742,000				
2048	\$ 30,000	\$ 415,000	\$ 169,000	\$ 1,830,000	\$ 27,000	\$ 325,000	\$ 160,200	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 3,056,200				
Total	\$ 608,000	\$ 11,579,000	\$ 3,290,887	\$ 13,885,000	\$ 1,408,200	\$ 4,342,000	\$ 4,126,000	\$ 3,617,300	\$ 135,000	\$ 300,000	\$ 29,578,650	\$ 72,870,037				

Figures represent 2019 dollars and do not include inflation or carryover items, which are considered on the 30-year Funding Plan.

GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Facilities Planned Expenditures

	Aquatics	Broadband Services	Clubhouses	Fitness	Golf Facilities	Other GRF Facilities	Paving	Security	Service Center	Total
2019	\$ 0	\$ 105,000	\$ 2,025,000	\$ 0	\$ 650,000	\$ 325,000	\$ 1,040,000	\$ 1,246,400	\$ 135,000	\$ 5,526,400
2020	\$ 105,000	\$ 250,000	\$ 183,200	\$ 0	\$ 0	\$ 600,000	\$ 650,000	\$ 40,000	\$ 0	\$ 1,828,200
2021	\$ 55,000	\$ 250,000	\$ 2,810,000	\$ 65,000	\$ 30,000	\$ 830,000	\$ 650,000	\$ 0	\$ 187,000	\$ 4,877,000
2022	\$ 0	\$ 340,000	\$ 125,000	\$ 0	\$ 200,000	\$ 428,000	\$ 650,000	\$ 65,000	\$ 60,000	\$ 1,868,000
2023	\$ 210,000	\$ 250,000	\$ 5,145,000	\$ 0	\$ 0	\$ 2,161,300	\$ 650,000	\$ 0	\$ 0	\$ 8,416,300
2024	\$ 20,000	\$ 355,000	\$ 5,180,000	\$ 0	\$ 600,000	\$ 350,000	\$ 650,000	\$ 0	\$ 0	\$ 7,155,000
2025	\$ 55,000	\$ 250,000	\$ 2,482,200	\$ 0	\$ 20,000	\$ 340,000	\$ 650,000	\$ 325,000	\$ 0	\$ 4,122,200
2026	\$ 0	\$ 250,000	\$ 4,210,000	\$ 0	\$ 115,000	\$ 300,000	\$ 650,000	\$ 0	\$ 0	\$ 5,525,000
2027	\$ 80,000	\$ 250,000	\$ 2,016,000	\$ 120,000	\$ 0	\$ 738,000	\$ 650,000	\$ 0	\$ 223,000	\$ 4,077,000
2028	\$ 0	\$ 250,000	\$ 28,300	\$ 5,000	\$ 138,000	\$ 250,000	\$ 650,000	\$ 0	\$ 4,100,000	\$ 5,421,300
2029	\$ 105,000	\$ 128,000	\$ 1,140,000	\$ 0	\$ 0	\$ 250,000	\$ 650,000	\$ 0	\$ 500,000	\$ 2,773,000
2030	\$ 55,000	\$ 0	\$ 380,000	\$ 0	\$ 52,000	\$ 350,000	\$ 650,000	\$ 0	\$ 0	\$ 1,487,000
2031	\$ 0	\$ 0	\$ 2,020,000	\$ 0	\$ 0	\$ 275,000	\$ 650,000	\$ 0	\$ 0	\$ 2,945,000
2032	\$ 0	\$ 0	\$ 50,000	\$ 45,000	\$ 50,000	\$ 1,938,000	\$ 650,000	\$ 0	\$ 0	\$ 2,733,000
2033	\$ 0	\$ 12,000	\$ 740,200	\$ 0	\$ 0	\$ 737,000	\$ 650,000	\$ 325,000	\$ 0	\$ 2,464,200
2034	\$ 75,000	\$ 195,000	\$ 495,000	\$ 6,400	\$ 0	\$ 250,000	\$ 650,000	\$ 65,000	\$ 530,000	\$ 2,266,400
2035	\$ 0	\$ 0	\$ 56,000	\$ 45,000	\$ 0	\$ 310,000	\$ 650,000	\$ 0	\$ 0	\$ 1,061,000
2036	\$ 80,000	\$ 0	\$ 416,000	\$ 0	\$ 20,000	\$ 300,000	\$ 650,000	\$ 0	\$ 0	\$ 1,466,000
2037	\$ 0	\$ 0	\$ 1,456,000	\$ 0	\$ 0	\$ 628,000	\$ 650,000	\$ 0	\$ 0	\$ 2,734,000
2038	\$ 105,000	\$ 0	\$ 101,000	\$ 5,000	\$ 138,000	\$ 501,300	\$ 650,000	\$ 0	\$ 0	\$ 1,500,300
2039	\$ 55,000	\$ 105,000	\$ 1,140,000	\$ 0	\$ 600,000	\$ 315,000	\$ 650,000	\$ 0	\$ 0	\$ 2,865,000
2040	\$ 0	\$ 0	\$ 80,000	\$ 0	\$ 0	\$ 300,000	\$ 650,000	\$ 0	\$ 0	\$ 1,030,000
2041	\$ 0	\$ 0	\$ 2,005,000	\$ 0	\$ 115,000	\$ 575,000	\$ 650,000	\$ 325,000	\$ 25,000	\$ 3,695,000
2042	\$ 0	\$ 0	\$ 50,000	\$ 120,000	\$ 0	\$ 2,144,500	\$ 650,000	\$ 0	\$ 0	\$ 2,964,500
2043	\$ 55,000	\$ 0	\$ 289,300	\$ 0	\$ 0	\$ 405,000	\$ 650,000	\$ 63,000	\$ 50,000	\$ 1,512,300
2044	\$ 20,000	\$ 128,000	\$ 0	\$ 20,000	\$ 0	\$ 280,800	\$ 650,000	\$ 0	\$ 470,000	\$ 1,568,800
2045	\$ 80,000	\$ 0	\$ 536,000	\$ 0	\$ 0	\$ 250,000	\$ 650,000	\$ 40,000	\$ 0	\$ 1,556,000
2046	\$ 0	\$ 0	\$ 128,200	\$ 0	\$ 0	\$ 350,000	\$ 650,000	\$ 0	\$ 0	\$ 1,128,200
2047	\$ 105,000	\$ 0	\$ 31,000	\$ 25,000	\$ 20,000	\$ 444,000	\$ 650,000	\$ 0	\$ 0	\$ 1,275,000
2048	\$ 55,000	\$ 12,000	\$ 714,000	\$ 5,000	\$ 138,000	\$ 250,000	\$ 150,000	\$ 0	\$ 0	\$ 1,324,000
Total	\$ 1,315,000	\$ 3,130,000	\$ 36,032,400	\$ 461,400	\$ 2,886,000	\$ 17,175,900	\$ 19,390,000	\$ 2,494,400	\$ 6,280,000	\$ 89,165,100

Figures represent 2018 dollars and do not include inflation or carryover items, which are considered on the 30-year Funding Plan.

GOLDEN RAIN FOUNDATION & TRUST
2019 RESERVES PLAN
Reserves Component Schedule

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
Equipment							
Equipment						\$ 33,512,373	\$ 24,951,984
Furniture & Equipment	3,335	EA	\$1 to \$737K	2 to 20	0 to 14	\$ 15,949,771	\$ 12,970,444
Computer Hardware	1,042	EA	\$20 to \$483K	3 to 10	0 to 7	\$ 4,838,674	\$ 3,558,312
Computer Software	156	EA	\$95 to \$1,081K	1 to 10	0 to 9	\$ 2,504,697	\$ 1,513,880
Vehicles	429	EA	\$240 to \$246K	1 to 15	0 to 11	\$ 10,219,232	\$ 6,909,348
Facilities							
Broadband Services						\$ 19,060,000	\$ 10,220,040
Head-End Facility	1	EA	\$ 1,260,000	30	14	\$ 1,260,000	\$ 714,840
Cable TV System	1	EA	\$ 17,800,000	30	15	\$ 17,800,000	\$ 9,505,200
Clubhouses						\$ 58,620,000	\$ 22,359,310
Clubhouse 1 Facility	1	EA	\$ 13,670,000	40	26	\$ 13,670,000	\$ 5,133,085
Clubhouse 2 Facility	1	EA	\$ 5,050,000	40	38	\$ 5,050,000	\$ 381,275
Village Greens Building	1	EA	\$ 6,000,000	40	32	\$ 6,000,000	\$ 1,353,000
Clubhouse 3 Facility	1	EA	\$ 9,600,000	40	22	\$ 9,600,000	\$ 4,564,800
Clubhouse 4 Facility	1	EA	\$ 10,700,000	40	22	\$ 10,700,000	\$ 5,087,850
Clubhouse 5 Facility	1	EA	\$ 7,100,000	40	23	\$ 7,100,000	\$ 3,198,550
Clubhouse 6 Facility	1	EA	\$ 1,600,000	40	21	\$ 1,600,000	\$ 800,800
Clubhouse 7 Facility	1	EA	\$ 4,900,000	40	26	\$ 4,900,000	\$ 1,839,950
Equestrian						\$ 2,000,000	\$ 1,700,667
Equestrian Facility	1	EA	\$ 2,000,000	60	10	\$ 2,000,000	\$ 1,700,667
Aquatics						\$ 2,350,000	\$ 1,438,444
Refurbish Pools	5	EA	\$ 400,000	40	15	\$ 2,000,000	\$ 1,321,000
Replaster Pools	5	EA	\$ 70,000	9	7	\$ 350,000	\$ 117,444
Other						\$ 35,374,000	\$ 21,608,387
Community Center Facility	1	EA	\$ 21,500,000	40	23	\$ 21,500,000	\$ 9,685,750
Historical Society Facility	1	EA	\$ 800,000	40	16	\$ 800,000	\$ 500,400
Library Facility	1	EA	\$ 1,590,000	40	5	\$ 1,590,000	\$ 1,431,795
Perimeter Walls	7,000	LF	\$ 200	60	15	\$ 1,400,000	\$ 1,073,800
Security/Landscape Facility	1	EA	\$ 1,881,000	40	2	\$ 1,881,000	\$ 1,834,916
Tennis Facility	1	EA	\$ 250,000	40	22	\$ 250,000	\$ 118,875
Vehicle Maintenance Facility	1	EA	\$ 2,343,000	40	6	\$ 2,343,000	\$ 2,051,297
Warehouse Facility	1	EA	\$ 5,610,000	40	6	\$ 5,610,000	\$ 4,911,555
GRAND TOTAL						\$ 150,916,373	\$ 82,278,832

Projected Reserves Balance: \$ 11,108,592
Fully Funded Balance: \$ 82,278,832
Percent Funded: 14%
Projected Reserves Deficiency: \$ (71,170,240)
Deficiency Per Unit: \$ (5,589)



STAFF REPORT

DATE: September 4, 2018
FOR: GRF Board of Directors
SUBJECT: 2019 Capital Plan Proposals

RECOMMENDATION

Staff recommends the Board approve by resolution the 2019 Capital Reserve Expenditures Plan (Attachment 1) at the board meeting on September 4, 2018.

BACKGROUND

The Capital Reserve Expenditures Plan of this Corporation reflects the funding necessary to maintain, repair, replace or restore major common-area components with funding provided from the Equipment Reserve Fund and Facilities Reserve Fund.

The Equipment Reserve Fund is used for the purchase of new and replacement equipment, including but not limited to vehicles, machinery, office equipment, and furniture. This fund receives monies through assessments, interest earnings, and a transfer of operating surplus if directed by the Board.

The Facilities Reserve Fund is used for the acquisition, addition, replacement or improvement of Foundation and Trust facilities and their components. This fund receives monies through assessments, interest earnings, and a transfer of operating surplus if directed by the Board.

The Capital Reserve Expenditures Plan is also funded from the Trust Facilities Fee, an amount charged at the time of title transfer, generating revenue to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village. These monies are transferred by the Board, as needed, to fund projects included in this Plan.

Annually the Capital Reserve Expenditures Plan is divided into the categories commensurate with the location of the projects. Typical categories include Aquatics, Broadband, Clubhouses, Community Center, Computers, Golf Facilities, Miscellaneous Projects/Equipment, Other GRF Facilities, Paving, and Vehicles. Other categories are utilized on an as-needed basis. This report provides a description of each project proposed for funding in 2019.

Approval of the Capital Reserve Expenditures Plan commences in June of every year with a review of proposed projects for the purpose of prioritizing the equipment and project requests. In July, the capital requirements including reserve contributions were presented as part of the 2019 business planning meetings. The Capital Plan is then adopted in September as part of the annual Business Plan.

In April, Staff presented a Five-Year Capital Improvement Plan (CIP) with a summary of all the larger capital improvement projects and recommendations for funding for those projects. Funding for the CIP will occur each year as part of the business planning process.

At the Special Meeting of the Board of Directors on June 11, Special Meeting of the Business Planning Committee on July 9, Special Meeting of the Board of Directors on July 11, and Special Meeting of the Board of Directors on August 8, updated versions of the Capital Plan were presented, and recommendations for funding those projects. Based on input received at the Capital Review Meeting and subsequent discussions, Staff refined the CIP as reflected in this report.

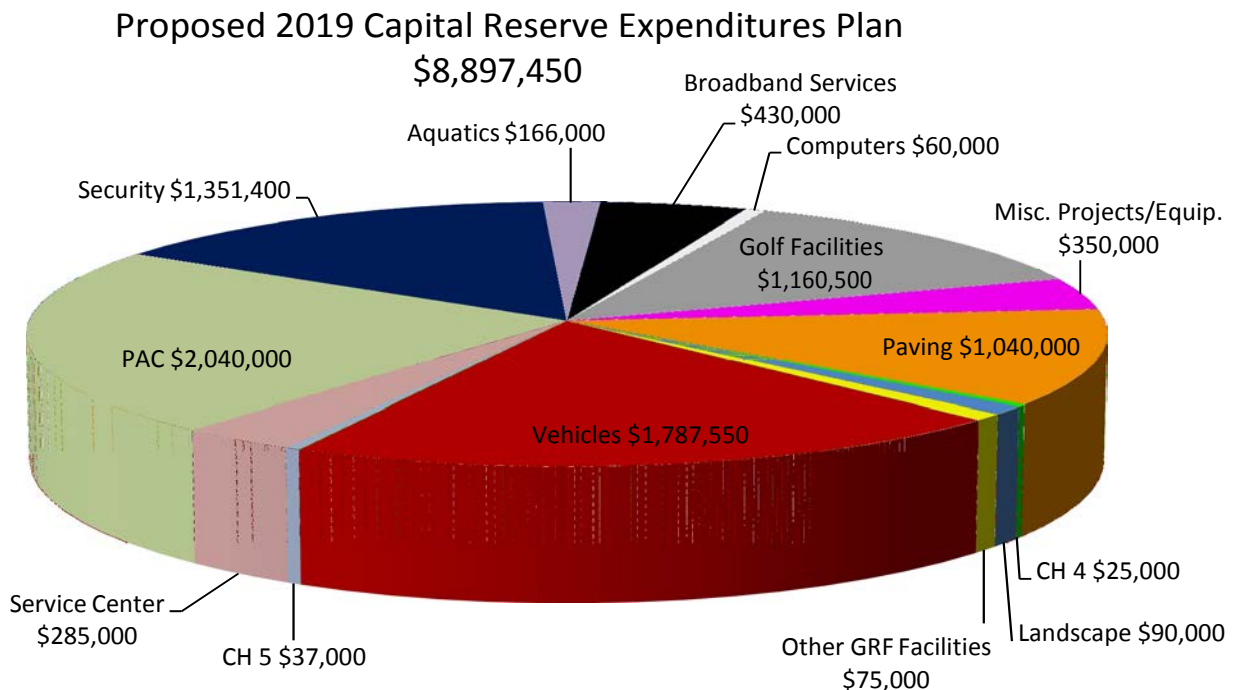
The Five-Year Capital Reserve Expenditures Plan is reflected in Table 1.

Table 1

	Approved 2018	Proposed 2019	Estimated 2020	Estimated 2021	Estimated 2022
Capital Reserve Expenditure Plan	\$8,337,000	\$8,897,450	\$4,366,787	\$7,873,700	\$4,425,000

DISCUSSION

The proposed 2019 Capital Reserve Expenditures Plan totals \$8,897,450 and anticipates funding of \$3,371,050 from the Equipment Fund and \$5,526,400 from the Facilities Fund. The categories of the proposed expenditures are shown in Chart 1.



The proposed funding is \$3,074,771 less than the \$11,972,221 (with inflation) projected for 2019 in the current year reserves plan, primarily attributable to deferral of Clubhouse 1 improvements to reflect a more realistic timeline.

The following are descriptions of the proposed projects by category in descending cost order.

Description	Equipment	Facilities	Total
Performing Arts Center			\$2,040,000
PAC Renovation – Phase 1	--	\$2,000,000	\$2,000,000
PAC Sound Mixer	\$25,000	--	\$25,000
PAC Wireless Communications	\$15,000	--	\$15,000

The PAC is a 29,000 square foot building featuring theater facilities, including an 814-seat auditorium offering level and riser mounted theater-style seating. The venue hosts special events, musicals, seminars, and theatrical performances. The PAC also has two dining rooms with fully equipped kitchens, billiard room, main lobby, ticket booth, offices, and a rehearsal room. The PAC was constructed in 1971 and has only received minor renovations.

GRF has previously approved a total of \$1,778,000 for a collection of projects at the PAC, including furniture replacement, lobby upgrades and HVAC upgrades. Approximately \$1.6 million is available from these appropriations for the upcoming PAC renovation.

In December 2016, SVA Architects was retained to work with staff and the PAC Renovation Ad-hoc Committee (RAHC) to develop a schematic design and provide design development for the future renovation of the facility. The contract scope of work provided an assessment of the existing building, prepared schematic designs, and design development plans to renovate both the interior and exterior of the PAC.

On March 23, 2018, SVA presented findings of the schematic design phase to the RAHC. The presentation included a discussion on the roughly \$15 million estimated construction costs. The RAHC requested a value engineering analysis be conducted in an effort to lower the project cost to approximately \$10 million.

The value engineering analysis yielded a base upgrade project with an estimated cost of \$10,620,000, and six possible additive upgrades with an all-in estimated cost of \$12,804,000. All estimates include the complete preparation of construction documents, permit costs, contingencies, and construction management services.

The original recommended project phasing included:

- ☐ Preparation of construction documents including alternates for permit issuance. (2018)
- ☐ Advertising for contractor bids including bid alternates and contract award. (2019)
- ☐ Mobilize and begin construction. (2020)

After further review in June/July by Staff, the Board, and Ad Hoc Committee, additional funding for PAC Renovation – Phase 1 is proposed at \$2,000,000 for implementation of the PAC's necessary maintenance project, along with equipment upgrades identified in prior year

budgets, and in the SVA's Facility Assessment Report. The immediate maintenance and equipment upgrades identified for the PAC include:

- ☐ Replacement and reconfiguration of the HVAC System
- ☐ Addressing ADA accessibility, fire, life and safety components
- ☐ Addressing deficiencies in the theatrical equipment, including video/audio
- ☐ Lobby and dining room upgrades including: furniture and window coverings, flooring and paint

Industry standards for live sound mixing specify an independent mix position on stage for the purpose of controlling the monitor sound which the artist hears during the performances. The monitor sound is vital to the quality of the artists' performances. Currently the PAC does not provide an independent mixer which limits the types of performances that can be held at the PAC. It also compromises the sound quality for all live musical performances. Funding for a sound mixer is recommended at \$25,000.

Further, the stage crew currently is rendered immobile by the wired communication headsets they wear during shows. Wireless headset systems are an industry standard and allow the staff the freedom of movement to comprehensively manage the operations on stage without losing the ability to communicate with the rest of the crew throughout the building. Funding for the wireless headset system is recommended at \$15,000.

Description	Equipment	Facilities	Total
Vehicles			\$1,787,550
Replacement:			
Transit Cargo Vans (7)	\$301,800	--	\$301,800
Pickups (9)	\$370,800	--	\$370,800
Bus - ADA (4)	\$440,000	--	\$440,000
Utility Vehicles (9)	\$150,750	--	\$150,750
Transit Passenger Van	\$43,200	--	\$43,200
Subtotal			\$1,306,550
Added:			
Transit Passenger Vans (4)	\$172,400	--	\$172,400
Pickups (2)	\$82,400	--	\$82,400
Telescopic Boom Lift	\$90,000	--	\$90,000
Scrubber	\$70,000	--	\$70,000
Flat Bed Truck	\$66,200	--	\$66,200
Subtotal			\$481,000

Vehicle Maintenance is responsible for maintenance and repair of the entire Laguna Woods Village vehicle and special mobile equipment fleet. Staff strives to extend serviceable life where possible by providing preventive maintenance on equipment. However, as equipment ages, repairs can become more frequent and costly. To minimize expense and downtime, replacement of certain equipment is necessary.

REPLACEMENTS: Staff evaluated the fleet and recommends funding of \$1,306,550 for the list of vehicle replacements noted above. The replacement vans, pickups, and utility vehicles

are used by Recreation, Landscape and Maintenance to transport crews and equipment to job sites. The replacement buses will accommodate seven passengers and two wheelchairs, and the smaller size allows for service in the cul-de-sacs.

Because the funding is appropriated well in advance of the actual purchase, Vehicle Maintenance Staff will reevaluate utilization and repair costs prior to purchase to ensure that the appropriate individual vehicle is selected for replacement.

ADDITIONS: Funding of \$481,000 is proposed for new vehicles to support improved service levels in the paint program, carpentry, and landscape operations.

Description	Equipment	Facilities	Total
Security			\$1,351,400
Security Operations/Dispatch/EOC	--	\$1,000,000	\$1,000,000
Security Equipment	\$105,000	--	\$105,000
Gate Replacements – Main Svc Center Gate		\$92,000	\$92,000
Gate Replacements – RV Lot B		\$92,000	\$92,000
Gate Replacements – El Toro Road Access		\$62,400	\$62,400

The Community Center is a 57,800 sq. ft. three-story building in operation since 2002 and houses resident service centers, administrative functions, and several recreational amenities.

Phase 1 of a multi-year project for improved customer service at the Community Center included a relocation of the fitness facility to the first floor, which was opened in late 2017. Phase 2 includes a remodel of the first floor resident services center, already funded with an expected completion date of December 2018.

Phase 3 includes the proposed relocation of Security Services to the third floor in 2019, with funding proposed at \$1,000,000 for necessary consultant services, tenant improvements and furnishings. Security Services, consisting of the Operations (uniformed security patrol, traffic enforcement, gate ambassadors, security inspectors, and dispatch), Compliance, and Social Services Divisions, are located in different office locations, resulting in communication challenges and lost productivity associated with traveling between facilities.

Moving Operations to the third floor of the Community Center (former fitness center location) will enable Operations and Compliance to be in the same facility, enhancing communication, productivity, and efficiency. This will also allow Operations to be in the same building as the Emergency Operations Center (EOC), critical in times of emergency. The co-location of Security Dispatch with Resident Services in the Community Center will enhance productivity and customer service.

Additionally, \$105,000 is recommended for the purchase of replacement Security Dispatch Center radio consoles and workstations that will allow more radio channels to be available at each workstation, hold and call queue times be reduced, and the center more compatible to use in a major event or situation. Security Dispatch is a 24/7 operation that handled approximately 34,000 calls for service in 2017.

Description	Equipment	Facilities	Total
Gate 16 Driving Range Improvements	--	\$500,000	\$500,000
Irrigation Head Replacement	\$275,000	--	\$275,000
Golf Facility Renovation	--	\$150,000	\$150,000
Rough Mower (2)	\$127,000	--	\$127,000
Fairway Mower	\$85,000	--	\$85,000
Golf Course Yardage Markers	\$15,000	--	\$15,000
Golf Course Tee Signs	\$8,500	--	\$8,500

The 27-Hole Golf Course is one of the most widely used amenities at Laguna Woods Village, with approximately 125,000 rounds of golf played each year. The practice areas are comprised of a 17-stall driving range, six-stall teaching area, small short game area at the main range and a large putting green near the main clubhouse. The areas are heavily used and are a key amenity for residents. The proposed improvements would enhance service to residents and enhance operational efficiency.

Gate 16 Driving Range Improvements are proposed with funding of \$500,000 to improve the functionality and appearance of the range and practice areas. The driving range is in disrepair and is causing operational challenges. The terrain is heavily rutted, the drought resulted in large areas of bare dirt, and rains cause muddy conditions that require range closure. Renovations will provide ball retrieval efficiencies, reduce repair costs, and offer a better experience with more useable space and a wider variety of golf shots. A golf architect has been retained to provide design drawings.

The golf course irrigation system is comprised of a central computer, controllers, pipes, various sized valves and irrigation heads. Components have been replaced over the years, including a new computer, controllers and valves. The next major project is replacement of the green and fairway irrigation heads (950), proposed with funding of \$275,000. Some of these heads have been in the ground since 1989 when the irrigation system was replaced and experience frequent failures that lead to water leaks and decreased turf coverage. A subsequent project will be proposed in 2020 to replace the tee and rough heads (900).

The proposed Golf Facility Renovation project would update and modernize the existing 27-hole golf course maintenance facility break room, restroom, locker room, and office at an estimated cost of \$150,000. They are necessitated by age and condition of the structures and will address safety and maintenance issues associated with the work environment.

The replacement of golf maintenance equipment is proposed for replacement of specialized equipment used to maintain the greens, tees, collars, roughs and fairways.

Two rough mowers, purchased in 2010, will exceed their anticipated eight-year useful life and are recommended for replacement at a cost of \$127,000. The age and heavy daily usage is causing repair and maintenance costs to escalate. Funding of \$85,000 is also proposed to replace a fairway mower purchased in 2007. Expensive repairs will be needed soon to the hydrostatic transmission and hydraulic pumps of this unit. Other repairs are also anticipated if not replaced.

Currently, a variety of unattractive items are used to provide yardage information to the golfers. Including plates in the ground that are old, cracked and faded. The proposed replacement of these items with the Kirby Marker system at a cost of \$15,000 will provide required, accurate information, and facilitate the removal of the obsolete course markers.

Funding of \$8,500 is also recommended to replace the current signage on each tee at the 27-hole course. Existing signs are faded and cracked from exposure to the elements. The course tee signs are key to identifying the course and hole number, including par and yardage indicators.

Description	Equipment	Facilities	Total
Paving			\$1,040,000
Asphalt Paving Overlay	--	\$723,000	\$723,000
Sealcoat Program	--	\$117,000	\$117,000
Asphalt Paving Repairs	--	\$200,000	\$200,000

GRF streets and parking lots provide residents vehicular access to their manors and facilities within the Community. The anticipated serviceable life of the new pavement is estimated to be 20 years, based on prior pavement performance within Laguna Woods Village. The proposed Asphalt Paving Overlay budget is \$723,000 and will provide for approximately 295,000 square feet (SF) of asphalt paving.

Sealcoat work for GRF pavement is completed on a five-year cycle. The proposed Sealcoat Program budget is \$117,000 and will provide for approximately 1.1 million SF of sealcoat.

In coordination with the paving, Staff has accessed the areas adjacent to the proposed overlay work and identified areas that require repair or replacement. With proposed funding of \$200,000, the Asphalt Paving Repairs Program is designed to repair all the damaged GRF curb/gutter, driveway aprons, and sidewalks adjacent to the planned paving overlay areas prior to asphalt paving work and add needed Americans with Disabilities (ADA) ramps, as needed. The estimated quantity of concrete repair is approximately 2,550 linear feet (LF) comprised of curb, gutter, corner spandrel areas, and/or driveway apron.

Description	Equipment	Facilities	Total
Broadband Services			\$430,000
Fiber Network Calibration	--	\$105,000	\$105,000
Set Top Boxes	\$300,000	--	\$300,000
Signal Receivers and Transcoders	\$25,000	--	\$25,000

GRF through the Broadband Services Division manages the operation of the Laguna Woods Village cable and internet services. These services are provided through a fiber optic network that needs periodic maintenance to maintain service levels. The existing fiber optic network has not been calibrated since 2008. A "node sweep" is recommended to be conducted every 2 to 3 years to calibrate each node to be sure equipment is operating within the specified parameters. Without keeping the system calibrated, network performance suffers with poor quality television picture and intermittent and unreliable internet access. Recommended funding is \$105,000 for fiber network calibration.

In January 2006, GRF authorized the implementation of enhanced digital services and on February 5, 2013 the transition to an all-digital cable system. To receive most digital services, a set-top box is required. To keep up with the demand for new installations and replacement of existing boxes that have a serviceable life of ten years, the purchase of boxes on annual basis is necessary. From 2007 to 2017, the GRF Board has authorized the purchase of approximately 9,300 set top boxes, which generated approximately \$1.6 million in rental revenue in 2017. Proposed funding of \$300,000 is designated for the purchase of approximately 1,000 set top boxes in anticipation of the demand for digital services and replacement of failed set top boxes.

Signal Receivers and Transcoders are used to provide more than 295 high definition and standard definition channels. The applicable equipment was installed in 2006 and has reached the end of its serviceable life and is no longer supported by the manufacturer. Newer equipment has been installed to support added channels in the past few years, causing some compatibility and reliability problems with the older equipment. Components requiring replacement are estimated to cost \$25,000 and will help prevent service interruptions.

Description	Equipment	Facilities	Total
Miscellaneous Projects/Equipment			\$350,000
Miscellaneous Projects	--	\$250,000	\$250,000
Miscellaneous Equipment	\$100,000	--	\$100,000

Funding of \$250,000 is recommended for Miscellaneous Projects. By including contingency funding in the Capital Plan, unforeseen projects are completed in an economical and timely fashion without going through the formal Board review process required for supplemental appropriations. Projects under \$25,000 will be completed at the discretion of the CEO and projects over \$25,000 must follow normal Board approval process for supplemental appropriations.

Funding of \$100,000 is recommended for Miscellaneous Equipment. Similar to projects, contingency funds for equipment will support operational needs when unforeseen requirements result in equipment purchases to meet or improve service levels. Equipment purchases under \$25,000 will be completed at the discretion of the CEO and projects over \$25,000 must follow normal Board approval process for supplemental appropriations.

Description	Equipment	Facilities	Total
Service Center			\$285,000
Service Center Generator	\$150,000	--	\$150,000
Replace Welding Shop	--	\$100,000	\$100,000
Dumping Area Modifications	--	\$35,000	\$35,000

Funding of \$150,000 is recommended for the replacement of the Service Center Generator, a unit that is 20 years old with limited capability/functionality due to age. The replacement generator will provide backup power for Transportation Division and fueling services and enable the provision of critical services in an emergency.

Replacement of the existing Welding Shop is recommended with funding of \$100,000 to construct a concrete floor, install a metal pre-engineered metal building, and provide adequate electrical circuits and safety equipment. The welding shop fabricates and repairs a wide range of items for the Village, including fences, gates, railings, stair risers, and works on a variety of equipment as needed, when the welding or fabrication is beyond the capabilities of other work centers. The operation involves the use of electrical power tools and high voltage plasma and arc welders in an open air environment, as the current welding shop is a collection of shipping containers and pieced together roofs. The shop is open to the elements and the roof, although recently repaired, typically fails during the winter.

Another proposed renovation project at the Service Center is modification of the existing Dumping Area ramps to add a second manure dumping area at a cost of \$35,000. The waste hauler will not allow equestrian waste and shavings to be placed in the normal refuse disposal bins and current configuration of the refuse dumping area at the Service Center accommodates only one roll-off dumpster for manure. Separate handling is required.

Description	Equipment	Facilities	Total
Aquatics			\$166,000
CH 2, 4, 5 and 6 Pool Furniture	\$130,000	--	\$130,000
CH 2 Pool and Spa Heaters	\$18,000	--	\$18,000
Pool Covers for Pools 1, 2, 5, and 6	\$18,000	--	\$18,000

Replacement of existing furniture at Pools 2, 4, 5, and 6 is recommended with funding of \$130,000. Existing furniture (tables, chairs, lounges, and umbrellas) is outdated and is starting to breakdown with age and exposure to the elements. Replacement will resolve the problems noted above, while enhancing the users' experience and aesthetics of pool deck.

Funding of \$18,000 is proposed for replacement of Clubhouse 2 Pool and Spa Heaters. Replacement is based on an estimated serviceable life of 12 years; existing equipment requires frequent maintenance due to failures.

The replacement of covers for Pools 1, 2, 5, and 6 is also proposed at cost of \$18,000. Replacement is necessitated by equipment age and condition; current covers are beginning to tear.

Description	Equipment	Facilities	Total
Landscape			\$90,000
Laser Lawn Mowers (10)	--	\$90,000	\$90,000

Funding of \$90,000 is included to replace ten Laser Lawn Mowers.

Description	Equipment	Facilities	Total
Other GRF Facilities			\$75,000
Tennis Building	--	\$75,000	\$75,000

Funding of \$75,000 is included for renovation of the Tennis Clubhouse Facility.

Description	Equipment	Facilities	Total
Computers			\$60,000
Records Management System	\$60,000	--	\$60,000

Funding of \$60,000 is included for the Records Management System. The document imaging system OnBase has been one of the most successful automated systems implemented at Laguna Woods Village and stores more than ten million documents that are used throughout operations. The current OnBase software system has been recently upgraded and continues to perform well to store electronic documents and reduce the amount of paper storage required. This proposal would add the Records Management Module to OnBase, to include the storage and management of governing documents and corporate financial information and is part of the overall records management strategy currently being implemented.

Description	Equipment	Facilities	Total
Clubhouse 5			\$37,000
CH 5 Commercial Appliances	\$25,000	--	\$25,000
CH 5 Piano Refinishing	\$12,000	--	\$12,000

Clubhouse 5 is a heavily utilized facility with 128,083 uses in 2017 with the appliances (refrigerator, freezer, and ovens) utilized on a daily basis for various events at the clubhouse. The replacement of the appliances is proposed at a cost of \$25,000. Replacement is proposed based on the equipment age and condition.

The Baldwin piano was refinished more than 15 years ago and scratches on the piano are evident, detracting from the professional appearance of the unit during performances. Funding of \$12,000 is recommended to refinish the existing piano.

Description	Equipment	Facilities	Total
Clubhouse 4			\$25,000
Clubhouse 4 Jewelry Room Flooring	--	\$25,000	\$25,000

Clubhouse 4 is the arts and crafts center of the Village, with many specialty offerings including Saddleback College Emeritus classes. 2017 facility utilization was 77,167.

Funding of \$25,000 is proposed for replacement of the existing linoleum flooring in the Jewelry Room, which was damaged in 2017 by a broken water main, resulting in bubbling and cracking of the floor surface. Floor replacement would enhance the user experience, while enabling the performance of effective janitorial maintenance services.

Prepared By: Executive Staff

Reviewed By: Brad Hudson, CEO

Attachment(s):

ATT1 – 2019 Capital Plan Resolution

ATT2 – Proposed 2019 Capital Plan Items

ATT3 – GRF 5 Year Capital Improvement Plan

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2019 CAPITAL PLAN RESOLUTION**

RESOLUTION 90-18-XX

RESOLVED, September 4, 2018, that the Capital Reserve Expenditures Plan of this Corporation for the year 2019 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Plan, the sum of \$8,897,450 is hereby authorized to be expended in 2019 for the purposes provided therein, of which \$3,371,050 is designated from the Equipment Fund and \$5,526,400 from the Facilities Fund; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby authorizes the transfer of \$6,000,000 from monies set aside in the Trust Facilities Fee Fund to offset planned expenditures from reserves, as projected in the 30-year funding plan; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

PROPOSED 2019 CAPITAL PLAN ITEMS

Golden Rain Foundation

LOCATION/DESCRIPTION	EQUIPMENT	FACILITIES	TOTAL
Performing Arts Center			\$ 2,040,000
PAC Renovation - Phase 1	-	2,000,000	2,000,000
PAC Sound Mixer	25,000		25,000
PAC Wireless Communications	15,000		15,000
Vehicles			1,787,550
Transit Cargo Vans (7)	301,800	-	301,800
Pickups (9)	370,800	-	370,800
Bus - ADA (4)	440,000	-	440,000
Utility Vehicles (9)	150,750	-	150,750
Transit Passenger Van	43,200	-	43,200
Add: Transit Passenger Vans (4)	172,400	-	172,400
Add: Pickups (2)	82,400	-	82,400
Add: Telescopic Boom Lift	90,000	-	90,000
Add: Scrubber	70,000	-	70,000
Add: Flat Bed Truck	66,200	-	66,200
Security			1,351,400
Security Operations/Dispatch/EOC	-	1,000,000	1,000,000
Security Equipment	105,000	-	105,000
Gate Replacements - Main Service Center Gate	-	92,000	92,000
Gate Replacements - RV Lot B	-	92,000	92,000
Gate Replacements - El Toro Road Access	-	62,400	62,400
Golf Facilities			1,160,500
Gate 16 Driving Range Improvements	-	500,000	500,000
Irrigation Head Replacement	275,000	-	275,000
Golf Facility Renovation	-	150,000	150,000
Rough Mower (2)	127,000	-	127,000
Fairway Mower	85,000	-	85,000
Golf Course Yardage Markers	15,000	-	15,000
Golf Course Tee Signs	8,500	-	8,500
Paving			1,040,000
Asphalt Paving Overlay	-	723,000	723,000
Sealcoat Program	-	117,000	117,000
Asphalt Paving Repairs	-	200,000	200,000
Broadband Services			430,000
Fiber Network Calibration	-	105,000	105,000
Set Top Boxes	300,000	-	300,000
Signal Receivers and Transcoders	25,000	-	25,000
Miscellaneous Projects/Equipment			350,000
Miscellaneous Projects	-	250,000	250,000
Miscellaneous Equipment	100,000	-	100,000
Service Center			285,000
Service Center Generator	150,000	-	150,000
Replace Welding Shop	-	100,000	100,000
Dumping Area Ramp Modifications	-	35,000	35,000

PROPOSED 2019 CAPITAL PLAN ITEMS

Golden Rain Foundation

LOCATION/DESCRIPTION	EQUIPMENT	FACILITIES	TOTAL
Aquatics			166,000
CH2, 4, 5 and 6 Pool Furniture	130,000	-	130,000
CH2 Pool and Spa Heaters	18,000	-	18,000
Pool Covers for Pools 1, 2, 5 and 6	18,000	-	18,000
Landscape			90,000
Laser Lawn Mowers (10)	90,000	-	90,000
Other GRF Facilities			75,000
Tennis Building	-	75,000	75,000
Computers			60,000
Records Management System	60,000	-	60,000
Clubhouse 5			37,000
CH5 Commercial Appliances	25,000	-	25,000
CH5 Piano Refinishing	12,000	-	12,000
Clubhouse 4			25,000
CH4 Jewelry Room Flooring	-	25,000	25,000
	\$3,371,050	\$5,526,400	\$8,897,450

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Aquatics						
Facility Fund						
CH 1 Pool & Spa Plastering			\$ 105,000			\$ 105,000
CH 5 Pool Replastering				\$ 55,000		55,000
Equipment Fund						
CH 1 Pool Furniture	\$ 50,000					50,000
CH 2 Pool 2 Blanket				\$ 6,500		6,500
CH 2, 4, 5 and 6 Pool Furniture		\$ 130,000				130,000
CH 2 Pool and Spa Heaters		\$ 18,000				18,000
Pool Covers - Pools 1, 2, 5 and 6		\$ 18,000				18,000
Aquatics Total	\$ 50,000	\$ 166,000	\$ 105,000	\$ 61,500	\$ -	\$ 382,500
Broadband Services						
Equipment Fund						
Cable Inspection & Repair	\$ 100,000					\$ 100,000
ENG Camera			\$ 15,000			15,000
MAC-PRO Video Editing Systems			\$ 35,000			35,000
Set Top Boxes	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	1,500,000
Signal Receivers and Transcoders		\$ 25,000				25,000
UPS Batteries					\$ 22,000	22,000
Broadband Services Total	\$ 400,000	\$ 325,000	\$ 350,000	\$ 300,000	\$ 322,000	\$ 1,697,000
Clubhouse 1 Facilities						
Facility Fund						
CH1 HVAC Replacement	\$ 350,000					\$ 350,000
CH 1 Maintenance	\$ 50,000					50,000
CH 1 Renovation Assessment	\$ 80,000					80,000
Clubhouse 1,3,5 Energy Management System	\$ 150,000					150,000
CH 1 Assessment / Renovation				\$ 500,000		500,000
Fiber Network Calibration		\$ 105,000	\$ -	\$ -	\$ -	105,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Equipment Fund						
CH 1 Chairs	\$ 40,000					40,000
CH 1 Shower Boiler	\$ 12,000					12,000
CH 1 Main Lounge Sound System			\$ 40,000			40,000
CH 1 Fountain Equipment				\$ 6,000		6,000
CH 1 Pool & Locker Rm Shower Heaters				\$ 100,000		100,000
CH 1 Commercial Appliances				\$ 64,000		64,000
CH 1 Convection Oven			\$ 15,000			15,000
CH 1 Commercial Dishwasher and booster			\$ 15,000			15,000
Clubhouse 1 Facilities Total	\$ 682,000	\$ 105,000	\$ 70,000	\$ 670,000	\$ -	\$ 1,527,000
Clubhouse 2 Facilities						
Facility Fund						
CH 2 Spa Boiler and Domestic Heater			\$ 15,000			15,000
CH 2 HVAC Equipment				\$ 50,000		50,000
Equipment Fund						
CH 2 Pool & Locker Rm Shower Heaters			\$ 12,000			12,000
CH 2 Video room			\$ 10,000			10,000
Clubhouse 2 Facilities Total	\$ -	\$ -	\$ 37,000	\$ 50,000	\$ -	\$ 87,000
Performing Arts Center Facilities						
Facility Fund						
PAC Renovation		\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	4,000,000
Equipment Fund						
PAC Auditorium Video Projector	60,000					60,000
PAC Outdoor Concert Support System	80,000					80,000
PAC Sound Mixer		25,000	-	-	-	25,000
PAC Stage Footlight Repair/Replace		-	-	20,000	-	20,000
PAC Wireless Communications		15,000	-	-	-	15,000
Performing Arts Center Facilities Total	\$ 140,000	\$ 2,040,000	\$ -	\$ 2,020,000	\$ -	\$ 4,200,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Clubhouse 4 Facility						
Facility Fund						
CH 4 Jewelry Room Flooring		\$ 25,000	\$ -	\$ -	\$ -	25,000
CH 4 Lounge renovation		\$ -	\$ -	\$ -	\$ 75,000	75,000
CH 4 Maintenance	91,000					91,000
CH 4 Pool Deck Rebuild	62,000					62,000
CH 4 Pump room restoration		\$ -	\$ 100,000	\$ -	\$ -	100,000
CH 4 Roof Replacement	100,000					100,000
CH 4 Sewing Room Flooring		\$ -	\$ 13,200	\$ -	\$ -	13,200
Equipment Fund						
CH 4 Bench Lathe		-	5,437	-	-	5,437
CH 4 Chairs for ceramic and sewing room		-	5,450	-	-	5,450
CH 4 Gas Kilns	100,000					100,000
CH 4 Hot Water Heater	10,000					10,000
CH 4 Knee Type Milling Machine	7,000					7,000
CH 4 Replacement of vacuum system gates.		-	40,000	-	-	40,000
CH 4 Wood Lathe		-	-	8,000	-	8,000
Ch 4 Wood Lathe	6,000					6,000
Clubhouse 4 Facility Total	\$ 376,000	\$ 25,000	\$ 164,087	\$ 8,000	\$ 75,000	\$ 648,087
Clubhouse 5 Facility						
Facility Fund						
CH 5 Maintenance	32,000					32,000
CH 5 Multipurpose Room	75,000					75,000
Equipment Fund						
CH 5 Chairs	75,000					75,000
CH 5 Commercial Appliances		25,000	-	-	-	25,000
CH 5 Kitchen Equipment - Conveyer belt		-	10,000	-	-	10,000
CH 5 Piano Refinishing		12,000	-	-	-	12,000
CH 5 Portable Stages		-	-	5,000	-	5,000
CH 5 Projector & screen		-	-	-	15,000	15,000
Clubhouse 5 Facility Total	\$ 182,000	\$ 37,000	\$ 10,000	\$ 5,000	\$ 15,000	\$ 249,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Clubhouse 6 Facility						
Facility Fund						
CH 6 Video Projector Installation			30,000			30,000
CH 6 Assessment / Renovation					50,000	50,000
Equipment Fund						
CH 6 Commercial Dishwasher		-	7,000	-	-	7,000
CH 6 Furnishings	50,000		5,000			55,000
Clubhouse 6 Facility Total	\$ 50,000	\$ -	\$ 42,000	\$ -	\$ 50,000	\$ 142,000
Clubhouse 7 Facility						
Facility Fund						
CH 7 Boiler	10,000					10,000
CH 7 Coat/Storage remodel		-	-	35,000	-	35,000
CH 7 HVAC System		-	-	175,000	-	175,000
CH 7 Kitchen Modifications	130,000					130,000
CH 7 Tennis Center Interior Renovation		-	-	50,000	-	50,000
Equipment Fund						
CH 7 Chairs	20,000					20,000
CH 7 Commercial Appliances		-	25,000	-	-	25,000
CH 7 Commercial Dishwasher		-	7,000	-	-	7,000
CH 7 Furniture		-	50,000	-	-	50,000
CH 7 Water Heater	7,000					7,000
Clubhouse 7 Facility Total	\$ 167,000	\$ -	\$ 82,000	\$ 260,000	\$ -	\$ 509,000
Community Center						
Facility Fund						
Community Center HVAC	450,000					450,000
Community Center Remodel	750,000					750,000
Community Center Roof	155,000					155,000
Community Center Total	\$ 1,355,000	\$ -	\$ -	\$ -	\$ -	\$ 1,355,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Computers						
Equipment Fund						
CAD Format Plotter		-	-	8,000	-	8,000
Gate: Gate Access System Technology	700,000					700,000
ID Card System	89,000					89,000
Microsoft AX 2012 License	130,000					130,000
Network Server Hardware and Software		-	-	-	500,000	500,000
Network Switching, Routing, and Security Hardware		-	-	350,000	-	350,000
Phone System		-	-	370,000	-	370,000
Records Management System		60,000	-	-	-	60,000
Security Vehicle Computers	30,000					30,000
Computers Total	\$ 949,000	\$ 60,000	\$ -	\$ 728,000	\$ 500,000	\$ 2,237,000
Fitness						
Facility Fund						
CH 1 Fitness Center HVAC		-	-	20,000	-	20,000
CH 1 Fitness Flooring		-	-	45,000	-	45,000
CH 1 Mini-gym ducting and equipment	15,000					15,000
CH 1 Shade Canopies: Bocce Courts	5,000					5,000
Equipment Fund						
CH 1 Elliptical Trainers	8,000					8,000
Ch 1 Fitness Center Upgrade	150,000					150,000
CH 1 Treadmills	27,000			27,000	27,000	81,000
Fitness Total	\$ 205,000	\$ -	\$ -	\$ 92,000	\$ 27,000	\$ 324,000
Golf Facilities						
Facility Fund						
Gate 16 Driving Range Improvements		500,000	-	-	-	500,000
Golf Course Starter Shacks		-	-	-	200,000	200,000
Golf Facility Upgrade		150,000	-	-	-	150,000
Golf Netting at Garden Center 1	138,000					138,000
VG - HVAC System		-	-	30,000	-	30,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Equipment Fund						
Aerator	28,000					28,000
Bowling Greens Roller		-	-	12,000	-	12,000
Collection Mower		-	13,500	-	-	13,500
Core Processor		-	32,000	-	-	32,000
Golf Course Tee Signs		8,500	-	-	-	8,500
Golf Course Yardage Markers		15,000	-	-	-	15,000
Golf Patio Furniture		-	-	-	5,000	5,000
Greens Aerator		-	30,000	-	-	30,000
Irrigation Component; 250 Saddles		-	-	-	110,000	110,000
Irrigation Gate Valves	100,000					100,000
Irrigation Head Replacement, (FWY)		275,000	-	-	-	275,000
Irrigation System Components; Heads		-	-	-	115,000	115,000
Mower - Riding Greens - 27-Hole	35,000					35,000
Mower - Riding Tee		-	35,000	-	-	35,000
Mowers - Fairway		85,000	-	-	-	85,000
Mowers - Fairway		-	-	40,000	-	40,000
Rough Mower GM 3100		45,000	-	-	-	45,000
Rough Mower GM 4000		82,000	-	-	-	82,000
Rough Mower; ReelMaster7000, #2		-	-	80,000	-	80,000
Tow-Behind Spreader		-	8,000	-	-	8,000
Tow Behind Top Dresser		-	18,000	-	-	18,000
Walking Greens Mower	32,000					32,000
Walking Greens Mower BG		-	-	9,000	-	9,000
Golf Facilities Total	\$ 333,000	\$ 1,160,500	\$ 136,500	\$ 171,000	\$ 430,000	\$ 2,231,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Landscape						
Equipment Fund						
Laser Lawn Mowers (10)		90,000	-	-	-	90,000
Laser Lawn Mowers (5)	60,000					60,000
Mini Skid Steer Trencher 07		-	20,000	-	-	20,000
Mini Skid Steer Trencher FAM001085 '04		-	20,000	-	-	20,000
Mini Skid-Steer Loader (2) P2788 P2789 rblt 2013		-	-	37,200	-	37,200
Mini Skid-Steer Loaders (2) 09		-	37,200	-	-	37,200
Root Cutter (Dosco)* P2476 '99		-	11,000	-	-	11,000
Small Brush Chipper PO2867		-	10,000	-	-	10,000
Spray Trailer-Pump P2460 '98		-	10,000	-	-	10,000
Toro Self Propelled Sprayer '08		-	28,000	-	-	28,000
Tree Trimming Equipment	35,000					35,000
Utility Tractor w/backhoe F90702307 '94		-	21,000	-	-	21,000
Utility Tractor w/loader P2532		-	21,000	-	-	21,000
Landscape Total	\$ 95,000	\$ 90,000	\$ 178,200	\$ 37,200	\$ -	\$ 400,400
Miscellaneous Projects/Equipment						
Facility Fund						
Miscellaneous Projects	250,000	250,000	250,000	250,000	250,000	1,250,000
Equipment Fund						
Miscellaneous Building Equipment	100,000	100,000	100,000	100,000	100,000	500,000
Miscellaneous Projects/Equipment Total	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,750,000
Other Equipment						
Equipment Fund						
Lawn Bowling Patio Furniture		-	-	10,000	-	10,000
Lawn Bowling Shade Covers		-	-	-	30,000	30,000
Misc Equipment	30,000					30,000
Welding Machine MIG Type	3,000					3,000
Welding Machine TIG Type	7,000					7,000
Other Equipment Total	\$ 40,000	\$ -	\$ -	\$ 10,000	\$ 30,000	\$ 80,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Other GRF Facilities						
Facility Fund						
Broadband HVAC System		-	-	-	90,000	90,000
Broadband Infrastructure		-	250,000	250,000	250,000	750,000
Building E Renovation		-	-	187,000	-	187,000
Clubhouse 1 Gymnasium Wall Padding		-	25,000	-	-	25,000
Community Center Building Exterior Painting		-	-	-	150,000	150,000
Community Center Emergency Generator		-	350,000	-	-	350,000
Community Center Tile Carpet Replacement		-	-	220,000	-	220,000
Equipment Covered Shelter		-	-	80,000	-	80,000
Equipment Covered Shelter-Landscape		-	-	80,000	-	80,000
Garden Center 2 Renovation		-	-	200,000	-	200,000
Head End Building HVAC Unit	12,000					12,000
Tennis Building		75,000	-	-	-	75,000
Tennis court resurfacing		-	-	-	28,000	28,000
Vehicle Maintenance HVAC		-	-	-	60,000	60,000
Other GRF Facilities Total	\$ 12,000	\$ 75,000	\$ 625,000	\$ 1,017,000	\$ 578,000	\$ 2,307,000
Paving						
Facility Fund						
Asphalt Paving and Sealcoat Programs	805,000	840,000	500,000	500,000	500,000	3,145,000
Concrete Repairs	150,000	200,000	150,000	150,000	150,000	800,000
Paving Total	\$ 955,000	\$ 1,040,000	\$ 650,000	\$ 650,000	\$ 650,000	\$ 3,945,000
Security						
Facility Fund						
Gate Replacements - El Toro Road Access		62,400	-	-	-	62,400
Gate Replacements - Main Svc Center Gate		92,000	-	-	-	92,000
Gate Replacements - RV Lot B		92,000	-	-	-	92,000
Gates 1, 2, 3 and 4 - United Renovation	440,000					440,000
Gates 10, 11, 12 Design	60,000					60,000
Gates 7, 8, 9 and 14 - Third Renovation	440,000					440,000
In-Car Video Surveillance Equipment		-	25,000	-	-	25,000
Portable Radios		-	5,000	-	-	5,000

Golden Rain Foundation

5 Year Capital Improvement Plan

Category/Fund/Description	2018	2019	2020	2021	2022	\$Total
Security Bldg HVAC System		-	-	-	65,000	65,000
Security Bldg Roof Replacement		-	40,000	-	-	40,000
Security Relocation Equipment		105,000	-	-	-	105,000
Security Relocation to Community Center		1,000,000	-	-	-	1,000,000
Security Total	\$ 940,000	\$ 1,351,400	\$ 70,000	\$ -	\$ 65,000	\$ 2,426,400
Service Center						
Facility Fund						
Dumping Area Modifications		35,000	-	-	-	35,000
Radiant Heaters	50,000					50,000
Replace Welding Shop		100,000	-	-	-	100,000
Service Center Generator		150,000	-	-	-	150,000
Service Center Total	\$ 50,000	\$ 285,000	\$ -	\$ -	\$ -	\$ 335,000
Vehicles						
Equipment Fund						
Buses (2)	200,000					200,000
Lifts (2)	110,000					110,000
Pickups (3)	95,000					95,000
Tractor	195,000					195,000
Truck	36,000					36,000
Utility Vehicles (9)	158,000					158,000
Vans (6)	212,000					212,000
Phase 1 Vehicle Replacements		1,787,550	-	-	-	1,787,550
Phase 2 Vehicle Replacements		-	1,497,000	-	-	1,497,000
Phase 3 Vehicle Replacements		-	-	1,444,000	-	1,444,000
Phase 4 Vehicle Replacements		-	-	-	1,333,000	1,333,000
Vehicles Total	\$ 1,006,000	\$ 1,787,550	\$ 1,497,000	\$ 1,444,000	\$ 1,333,000	\$ 7,067,550
Grand Total	\$ 8,337,000	\$ 8,897,450	\$ 4,366,787	\$ 7,873,700	\$ 4,425,000	\$ 33,899,937

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ENDORSEMENT

Commercial Vehicle

Chief Moy presented the Commercial Vehicle staff report. The Committee commented and asked questions.

Director Bruninghaus made a motion to rent out the RV lots to Commercial vehicles for \$320 per year. Director English seconded the motion.

Director Bruninghaus amended the motion to increase the amount to \$640 per year. Director Tibbets seconded the motion.

By a vote of 6-0-1 (Director Gros abstained) the motion carried.

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STAFF REPORT

DATE: September 4, 2018
FOR: Board of Directors
SUBJECT: Commercial Vehicles

RECOMMENDATION

Staff recommends that residents be allowed to store Commercial Vehicles in the RV lot at a rate of \$640 annually.

BACKGROUND

The Security Department is responsible for the administration, governance and coordination of the Recreational Vehicle (RV) lots and monitors it on a daily basis. The RV lots have the capacity to accommodate 414 RV's, boats, and trailers. In June 2017, the Security Department removed commercial, personal, and secondary vehicles from the RV lots to accommodate residents who were on the waiting list as allowed in the RV Parking Rules and Regulations. The Security & Community Access Committee (SCAC) allowed six commercial vehicles to remain in the lot. At present, there are 39 spaces available and no waitlist.

On November 7, 2017, the Board of Directors increased the RV lot fee to \$320 per space per year, effective January 1, 2018.

On August 27, 2018, the Security and Community Access Committee (SCAC) reviewed and discussed the storage of commercial vehicles in the RV lots. The Committee commented and asked questions. Director Bruninghaus made a motion to rent out the RV lots to Commercial vehicles for \$320 per year. Director English seconded the motion. Director Bruninghaus amended the motion to increase the amount to \$640 per year. Director Tibbets seconded the motion. By a vote of 6-0-1 (Director Gros abstained) the motion carried.

DISCUSSION

Staff has received requests from residents that commercial vehicles be allowed to be stored in the RV lots as they are not allowed in the Village. Additionally, residents have stated that they are still working and need access to the commercial vehicle. This is consistent with Staff observing that there has been an increase in residents that have moved into the Village and continue to work.

FINANCIAL ANALYSIS

The RV lease revenue will increase as additional vehicles will be in the lots.

Prepared By: Francis Rangel, Operations Manager

Reviewed By: Debbie Ballesteros, Administrative Coordinator
Tim Moy, Chief of Security

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RESOLUTION 90-18-XX

Commercial Vehicle in RV Lots

WHEREAS, Golden Rain Foundation of Laguna Woods has administration control of Recreational Vehicles (RV) Lot A & B and these spaces have been rented to residents;

WHEREAS, the Security and Community Access Committee has recognized the need to find parking for commercial vehicles;

NOW THEREFORE BE IT RESOLVED, on September 4, 2018, the Board of Directors of this Corporation hereby allows open RV lot parking that are available can be utilized by resident commercial vehicles as space permits for \$640 per space per year;

RESOLVED FURTHER, Residents will be given a 30-day notice if required to vacate their commercial vehicle space in order to accommodate a new resident's RV;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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ENDORSEMENT

Fire Avert Devices

Chief Moy presented the Fire Avert Devices staff report. The Committee commented and asked questions.

Director Gros made a motion for approval of the Fire Avert Devices and recommends that Third Laguna Hills Mutual (Third) and United Laguna Woods Mutual (United) adopt a pilot program for the sale and installation of said devices. Director Tibbets seconded the motion.

By unanimous vote, the motion passed.

STAFF REPORT

DATE: September 4, 2018
FOR: Board of Directors
SUBJECT: Recommend FireAvert Pilot Program for Third Laguna Hills Mutual and United Laguna Woods Mutuals' Consideration

RECOMMENDATION

Staff recommends approval of the FireAvert Devices and recommends that Third Laguna Hills Mutual (Third) and United Laguna Woods Mutual (United) adopt a pilot program for the sale and installation of said devices.

BACKGROUND

Since January 1, 2014, there have been 58 documented kitchen fires or kitchen related smoke incidents in the Village requiring a response by the Orange County Fire Authority. The below chart identifies the appliance, type of event, and location of resident when the incident occurred:

Mutual	Incidents	Stove	Oven	Fire	Smoke	Bad Alarm	Resident in Kitchen	Resident in Manor	Not Home
Third	35	28	7	14	21	2	7	16	12
United	19	16	3	7	12	2	2	9	8
50	4	3	1	1	3	1	1	2	1
Totals	58	47	11	22	36	5	10	27	21

Of the 58 kitchen incidents, 46% of the residents had left the stove unattended and 36% had left the residence with the stove or oven on. Only 17% of the residents were actually in the kitchen when the incident occurred. In review of each incident, the leading causes of fire/smoke were attributed to unattended foods cooking on the stove and/or placing flammable items (plastic, cardboard, towels, etc.) on a hot stove. Damage ranged from minor smoke to complete destruction of the kitchen and nearby rooms.

National statistics indicate that kitchen fires are the number one cause of fires in a residence. Stoves or cook-tops account for almost three of every five fires involving cooking equipment. Unattended cooking is a contributing factor in 33% of home fires related to cooking equipment, 49% of the associated deaths and 46% of the associated injuries. The most alarming statistic is that adults aged 65 or over face a higher risk of cooking fire death than any other age group.

On August 27, 2018, the Security and Community Access Committee (SCAC) reviewed and discussed FireAvert Devices. The Committee commented and asked questions. Director Gros

made a motion for approval of the Fire Avert Devices and recommends that Third Mutual and United Mutual adopt a pilot program for the sale and installation of said devices. Director Tibbets seconded the motion. By unanimous vote, the motion passed.

DISCUSSION

On May 10, 2018, members of the Disaster Preparedness Task Force and Staff met with the developer of a kitchen fire prevention device called FireAvert. This product is connected to the power cord of a kitchen stove and through smoke alarm sound detection, FireAvert turns off the power to the stove, immediately turning off the burner. FireAvert will only respond to the unique sound of the smoke detector inside the manor. After installation, it syncs with the sound signature of the smoke detector to ensure that there are no false alarms. In addition, FireAvert has a 30-second delay in shut off to provide maximum reliability and minimal cooking disruptions due to burning food and/or smoke that may occur during normal cooking activities.

The benefit of FireAvert is that if a fire or smoke triggers the smoke detector, the device will turn off the stove. In the event a resident has left the kitchen or manor during this time, and this is often the case, the stove will automatically shut off. The early signs of any fire are smoke, and smoke sets off a smoke detector which in turn triggers FireAvert to shut off the power to the stove. If activated, the FireAvert and stove can be reset by flipping the breaker in the electric panel off and back on again. The device is maintenance free with no batteries.

One of the drawbacks of FireAvert is that it relies upon a functioning smoke detector. Since FireAvert is synced to the sound of the smoke detector, it will not trigger a shutoff without the sound of the alarm. If the smoke detector has become inoperable or the batteries are dead, the FireAvert will not operate as designed. A secondary drawback is that based upon the type and location of the stove, the FireAvert may prevent the stove from being positioned flush with the kitchen wall. The FireAvert device measures 7 ½ inches tall, 3 ½ inches wide, and 2 ¼ inches deep. However, FireAvert can be modified so the device can fit into the void space behind the stove to keep it flush with the wall.

Although the basic FireAvert device plugs into an outlet, nearly all mutual stoves are hardwired and would require an electrician to install them. The labor is estimated at \$35 for installation and could be performed by VMS electricians as a chargeable service.

The cost to purchase and install a FireAvert device may be well worth the investment. Village kitchen fire statistics are on par with the national figures and the fact that seniors are at a greater risk than any other age group is alarming. Although a smoke detector is the traditional method of alarming residents of a fire or smoke, FireAvert adds another layer of safety to a community already at risk. A pilot project consisting of the purchase and installation of multiple FireAvert devices will allow Staff to evaluate the ease of use, its functionality and whether it or a similar product is feasible for a larger roll out.

FINANCIAL ANALYSIS

Each FireAvert device costs \$99 per unit plus \$35 for installation for a total cost of \$134 per unit. Bulk pricing is available for purchases of 30 or more units and would be in the range of

\$70 to \$80 per unit. The cost would be offset by the revenue generated from the sale and installation of each unit.

Prepared By: Tim Moy, Chief of Security

Reviewed By: Francis Rangel, Operations Manager

Betty Parker, Chief Financial Officer

Financial Report

As of July 31, 2018



INCOME STATEMENT

ACTUAL
(in Thousands)

TOTAL REVENUE

\$25,201

TOTAL EXPENSE

\$24,509

Revenue over Expense

\$692

Slide 1

Financial Report

As of July 31, 2018



FUNDS INCOME STATEMENT	OPERATING	FUNDS	TOTAL (in Thousands)
Assessment Revenue	\$15,920	\$1,783	\$17,703
Non-assessment Revenue	\$5,101	\$2,397	\$7,498
Total Revenue	\$21,021	\$4,180	\$25,201
Total Expense	\$24,325	\$184	\$24,509
Net Revenue/(Expense)	(\$3,304)	\$3,996	\$692
w/o Depreciation	(\$428)		

Slide 2

Financial Report

As of July 31, 2018



Through July, GRF was worse than budget by \$746K:

- **Trust Facilities Fee Revenue**
- **Legal Fees**
- **Cable Programming/Copyright/Franchise**
- **Clubhouse Rentals and Event Fees**
- **Outside Services**

Some offsetting favorable variances included:

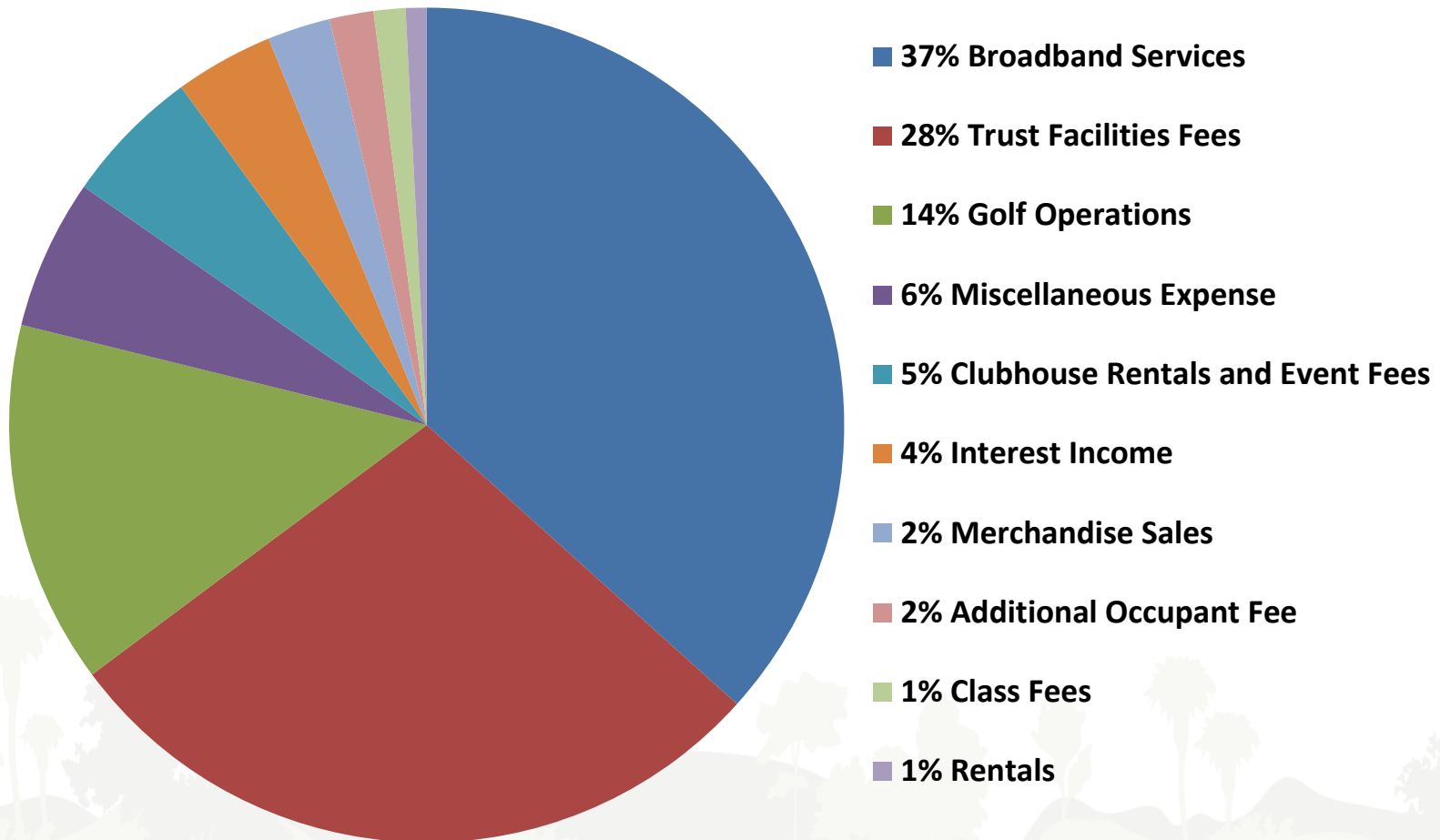
- **Broadband Services Revenue**
- **Interest Income Revenue**
- **Professional Fees**

Slide 3

Financial Report

As of July 31, 2018

Total Non Assessment Revenues \$7,497,790



Slide 4

Financial Report

As of July 31, 2018

Total Expenses \$24,509,470

■ 62% Employee Compensation & Related

■ 13% Cable/Franchise/Copyright

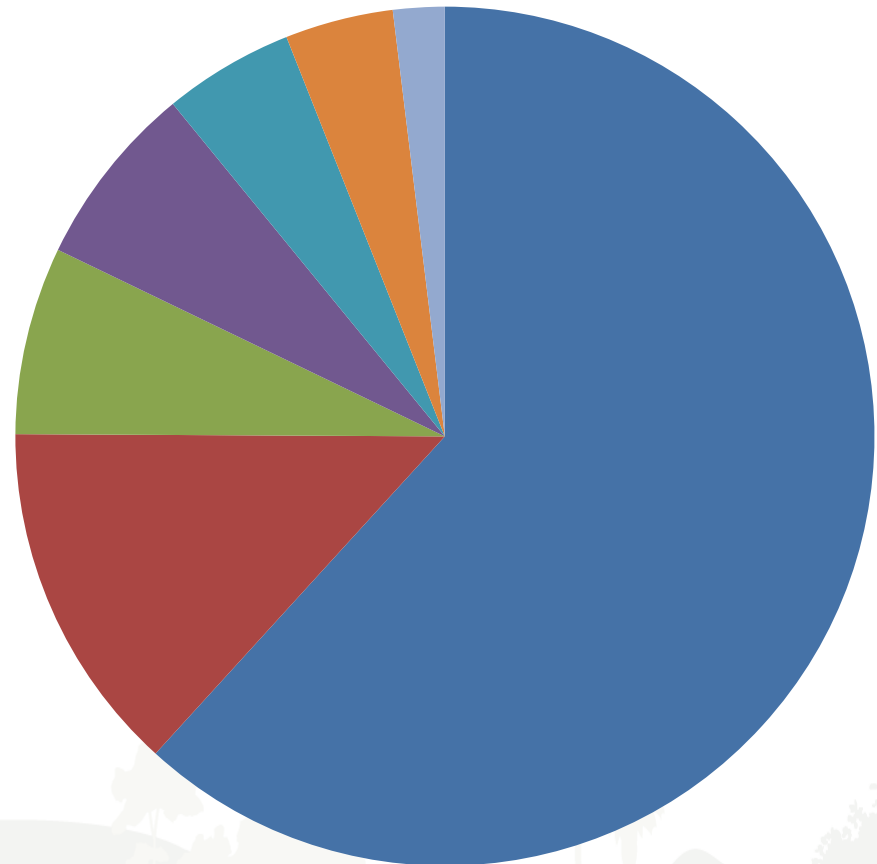
■ 7% Utilities, Fuel & Oil

■ 7% Insurance, Professional & Legal

■ 5% Material and Supplies

■ 4% Outside Services

■ 2% Repairs & Maintenance



Slide 5

Financial Report

As of July 31, 2018



FUND BALANCES (in Thousands)

	ENDING BALANCES	WORK IN PROGRESS	ADJUSTED BALANCES
Equipment	\$5,797	\$2,195	\$3,602
Facilities	13,680	2,273	11,407
Contingency	809	0	809
Trust Facilities Fee	7,628	0	7,628
TOTAL	\$27,914	\$4,468	\$23,446

Slide 6

Financial Report

As of July 31, 2018



FUND ENCUMBRANCES (in Thousands)

	TOTAL APPROPRIATIONS	INCURRED TO DATE	REMAINING ENCUMBRANCE
Equipment	\$7,777	\$4,601	\$2,965
Facilities	12,082	3,839	7,833
Contingency	359	53	256
Trust Facilities Fee	0	0	0
TOTAL	\$20,218	\$8,493	\$11,054

Slide 7

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Treasurer's Report for September 4, 2018 Board Meeting

SLIDE 1 – Through the reporting period of **July 31, 2018**, total revenue for GRF was \$25.2M, compared to expenses of \$24.5M, resulting in net revenue of \$692K.

SLIDE 2 – This next chart shows activity in operations separate from reserves. After backing out depreciation, which is not funded through operations, we can see bottom line we had an operating deficit of (\$428K) through July.

SLIDE 3 – When comparing these results to budget, GRF was worse than budget by (\$746K). The most significant **unfavorable** variance was attributable to:

- **Trust Facilities Fees (\$306K)** – transitional period of fee change, increasing from \$2,500 to \$5,000 for new escrows opening after January 1, 2018. Receipts in Q1 reflected prior year escrows closing at the lower fee amount. Further, the number of resales is 19% lower than the same period last year, 461 in 2018 vs. 570, generating less transfer fee revenue than planned.
- **Legal Fees (\$257K)** – higher legal fees and arbitration services for labor issues.
- **Cable Programming/Copyright/Franchise (\$212K)** – Unfavorable variance from increased programming fees on certain contract renewals and more broadband revenue generating franchise fees.
- **Clubhouse Rentals and Event Fees (\$180K)** – Unfavorable variance due to lower revenue-generating events held at the Performing Arts Center. Staff is working on a plan to attract higher revenue-generating shows to the PAC.
- **Outside Services (\$113K)** – Unfavorable variance due to more outside repairs for generators and vehicles, and more marketing programs than anticipated.

We did experience a **favorable** offset in these categories:

- **Broadband Services Revenue \$190K** – Favorable variance due to more internet subscribers and set top box rentals than budgeted; the 2019 budget assumptions for revenue have been increased to reflect trends in subscribership.
- **Interest Income \$164K** – Favorable variance due to higher investment balances.
- **Professional Fees \$114K** – lower audit and tax fees. The engagement for 2017 financial audit was negotiated at a lower rate than budgeted. Also, tax preparation fees will be paid from June thru October although budgeted earlier in the year.

SLIDE 4 – On this pie chart, we show the non-assessment revenues received to date of \$7.5M by category, starting with our largest revenue generating operation Broadband Services, followed by Trust Facilities Fees, Golf Operations, and so forth. These revenues help offset operating costs and keep the assessments down.

SLIDE 5 – Expenses to date of \$24.5 Million are also shown on a pie chart, with our largest categories being Compensation, Cable TV, Utilities, Insurance, Professional & Legal, and Material and Supplies.

Treasurer's Report for September 4, 2018 Board Meeting

SLIDE 6 – The reserve and contingency fund adjusted balances are shown on slide 6.

Starting with the 1st column on the left, the funds show a combined ending balance of \$27.9M. Included in this total are contributions received this year through assessments, trust facilities fees, and interest earnings.

The 2nd column shows the work in progress of \$4.5M, reflecting the amounts paid for projects not yet complete.

The 3rd column represents the resulting “adjusted” fund balances of \$23.4M.

SLIDE 7 – In an effort to give you more meaningful information on GRF reserve expenditures, we’ve added slide 7, a summary of our detailed Reserve Expenditures Report.

Column 1 shows we had appropriations of just over \$20 million approved as of July 31, 2018. Included in this figure are all 2018 capital plan items and supplemental appropriations, as well as amounts approved in prior years that were carried over for completion. This figure will increase as GRF approves supplemental appropriations during the year.

The second column reflects expenditures and is titled “incurred to date”, or what has been paid since the funding was approved. We can see that just under \$8.5 million has been booked as of July 31, 2018. This figure will increase during the year as expenditures are made.

The final column shows \$11.1 million, the remaining encumbrances. This is the amount approved by the Board that is not yet spent for open projects.

That's it for the slides. I hope the additional information on our reserve expenditures is helpful. I remind you that much more detail is provided in the GRF Finance Committee Meeting Agenda packets, which are available online and at GRF Finance Committee Meetings.



REPORT OF THE REGULAR OPEN MEETING
OF THE GOLDEN RAIN FOUNDATION FINANCE COMMITTEE

Wednesday, August 22, 2018 – 1:30 p.m.

Laguna Woods Village Community Center Board Room, 24351 El Toro Road

MEMBERS PRESENT: Diane Phelps, Chair; Annette Soule, Ray Gros (for Tom Sirkel), Juanita Skillman, Gary Morrison, Rosemarie diLorenzo, Steve Parsons, Alfred Amado; Advisors – Greg Corigliano, Diane Casey

MEMBERS ABSENT: Tom Sirkel, Advisor Alan Dickinson

STAFF PRESENT: Betty Parker, CFO; Steve Hormuth, Controller

OTHERS: GRF – Richard Palmer, Jim Matson, Bert Moldow, Joan Milliman; UNITED – Pat English, Carl Randazzo; THIRD - Roy Bruninghaus, Jack Connelly; VMS – Dick Rader
Third Advisor: Michael Cunningham

Call to Order

Director Phelps chaired the meeting and called it to order at 1:30 p.m.

Acknowledgment of Media

None.

Approval of Meeting Agenda

A motion was made and carried unanimously to approve the agenda as presented, with a consensus to address Item 10 – Annual Insurance Renewal up upon broker arrival.

Presentation of Investment Portfolio by BlackRock/Merrill Lynch

Taryn Moll, Account Executive from Merrill Lynch, provided an overview of the services provided, account performance, and fees for GRF, United, and Third investment portfolios.

Ed Buonopane and Craig Coleman, Investment Managers from BlackRock, discussed economic factors and the performance of investment selections within each corporation's policy.

Questions were addressed from the committee and audience members.

The committee took a short recess from 2:05 – 2:08 p.m.

Approval of the Regular Meeting Report of June 18, 2018

A motion was made and carried unanimously to approve the report as written.

Annual Insurance Renewal

Chris Jordan, insurance broker from Beecher Carlson, discussed policy renewals in progress and renewal strategies, noting that proposals from incumbents are coming in with no change for Directors and Officers coverage, a slight increase for General Liability package, and no change in the broker fee. However, a significant increase came in from the incumbent for Workers Compensation so alternative rate structuring and competitive bids are being evaluated.

The committee took a short recess from 2:25 – 2:27 p.m.

Member Comments (Items Not on the Agenda)

Mary Wall (239-D) commented on the facility/service cost report and asked for similar information in the monthly financials. Ms. Wall also asked how many credit card and bank accounts are in use for the corporation. Committee members and staff responded.

Review Preliminary Financial Statements dated July 31, 2018

The Committee reviewed and commented on the financial statements dated July 31, 2018 and questions were addressed.

Ms. Parker provided information for the EV charge stations located behind the Community Center, confirming that the existing rates are sufficient to cover operating costs.

The Committee discussed potential changes in the monthly investment schedule format.

Investment Policy

The Committee reviewed the existing investment policy for GRF and did not make any changes; however, discussion ensued regarding the potential for using other investment managers.

Trust Facilities Fees Promissory Note

The Committee reviewed changes proposed to clarify the policy resolution and promissory note language in relation to prepayments and evidence of debt fulfillment, and to update the origination fee from \$252 to \$300 per month.

A motion was made, seconded, and passed unanimously to follow Staff recommendation, including an increase in the interest rate to an amount based on statutory limits.

Endorsements from Standing Committees

The Committee discussed an endorsement from the Maintenance & Construction Meeting of August 8, 2018, recommending Finance Committee review of supplemental funding requirement for Gate 10, estimated at \$190,000.

A motion was made and seconded to approve supplemental funding for Gate 10 and include it with the current gate renovation project.

Director Soule recommended this be reviewed at Security and Community Access meeting

The motion carried by a vote of 7-1 (Parsons opposed).

Credit Card Payment Policy

Mr. Hormuth provided update on credit card payments project, currently in the testing phase by IT and Financial Services before going live.

Future Agenda Items

Fee Schedule 2019

Committee Member Comments


- Diane Casey commented on her review of credit card bills and questions given to Staff.
- Juanita Skillman appreciated BlackRock investment report.
- Steve Parsons commented on closed items on the reserve expenditures report.
- Rosemarie diLorenzo commented on chargeable service late fees.

Date of Next Meeting

Wednesday, October 24, 2018 at 1:30 p.m.

Adjournment

The meeting recessed to closed session at 4:08 p.m.



Diane Phelps, Chair

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OPEN MEETING

**REPORT OF REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION
MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Wednesday, August 8, 2018 – 9:30 A.M.
Laguna Woods Village Community Center, Board Room
24351 El Toro Road**

MEMBERS PRESENT: Jim Matson - Chair, Beth Perak, Bert Moldow (in for Richard Palmer), Bunny Carpenter, John Frankel, Don Tibbetts, Carl Randazzo, Ryna Rothberg

ADVISORS PRESENT: None

MEMBERS ABSENT: Richard Palmer, Advisor – John Luebbe

STAFF PRESENT: Ernesto Munoz - Staff Officer, Laurie Chavarria

1. Call to Order

Chair Matson called the meeting to order at 9:32 a.m.

2. Acknowledgement of Media

Chair Matson noted no members of the media were present.

3. Approval of the Agenda

Chair Matson removed Item #12, Handout on Parking Rules & Signage at Gatehouses from the agenda and replaced it with the Lease Agreement with the Willows Foundation. The agenda was approved as amended.

4. Approval of Meeting Report for June 13, 2018

The meeting report for June 13, 2018 was approved as written.

5. Chair's Remarks

Chair Matson remarked on the items on the project log and suggested the Committee review the jobs and take time to visit the various projects as they are in progress.

6. Member Comments (Items Not on the Agenda)

There were no member comments.

7. Department Head Update

Staff Officer Ernesto Munoz provided an update on the HVAC installation in the Woodshop at Clubhouse 4, the Pickleball & Paddle Tennis Renovation and the Civil Work Improvements for the Gates.

Discussion ensued regarding gatehouse renovations, time frames for construction, a suggestion to combine Gates 10 and 11, and abandonment of the right of way along Santa Maria.

A motion was made to recommend the Board approve supplemental funding to add gate arms at Gate 10. This item will be added to the GRF Finance agenda.

By a vote of 6/1/0 (Director Tibbetts opposed), the motion carried.

Joan Brown (5587-A) asked the Committee to consider adding a sink to the Pickleball and Paddle Tennis project.

Discussion ensued regarding necessity, and cost.

Staff was directed to add a sink using the existing budget, not to exceed \$2,500.

By a vote of 4/3/0 (Directors Tibbetts, Rothberg, Perak opposed), the motion carried.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

8. Project Log

The Consent Calendar was approved as written.

Reports:

9. PAC Value Engineering and 2019 Capital Plan Expenditure

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding the definition of value engineering, and ADA requirements.

A motion was made and unanimously carried to recommend the Board accept staff's recommendation to implement the PAC's needed maintenance and equipment upgrades as identified in prior year budgets, and in SVA's Facility Assessment Report., and initiate the preparation of construction documents to implement the recommended PAC maintenance and equipment upgrades, using the existing funding.

10. Clubhouse 2 Video Club Expansion

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding budget, future plans for the Annex, destructive testing, costs for expansion, the need for construction documents, and previous design elements reviewed by the Committee.

By consensus staff was directed to get a quote from a contractor without using construction documents and bring this information back to a future Committee meeting.

11. Chemical Storage at Five Pool Facilities with PowerPoint Presentation

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding the type of storage facility needed, code requirements and possible costs.

A motion was made to direct staff to advertise a request for proposal to replace five pool chemical storage units with new code compliant units at clubhouses 1, 2, 4, 5 and 6.

By a vote of 6/1/0 (Director Moldow opposed), the motion carried.

12. Sidewalk Lease Agreement with The Willows Foundation

Staff Officer Ernesto Munoz summarized the report and answered questions from the Committee.

Discussion ensued regarding taxes, legal review, terms of the agreement, and current maintenance needs.

A motion was made and unanimously carried to recommend the Board approve and sign a lease agreement with The Willows Foundation, Inc. (The Willows) for Golden Rain Foundation's (GRF) exclusive sidewalk use.

13. West Creek Benches at Gate 11 (Oral Discussion by Chair)

Chair Matson provided an overview of the request for benches to be installed in the West Creek area. Ernesto Munoz provided an update on the current status of this request.

14. Expand the North wall of the Kitchen at 19 Restaurant (Oral Discussion by Chair)

Chair Matson provided a hand drawn sketch of the area that could be expanded to increase the size of the kitchen at 19 Restaurant and summarized the requirements to increase the square footage inside the kitchen by at least 90 square feet.

Discussion ensued regarding compensation from 19 Restaurant for this expansion, lease agreement versus a contract for service, how the extra space will be used, seismic requirements for moving an exterior load bearing wall, and the benefits of the expansion to GRF and the residents.

By consensus, CEO Brad Hudson will be asked to initiate a conversation with the current restaurant manager on possibly renegotiating the service contract for 19 Restaurant if GRF enlarges the kitchen.

Items for Future Agendas:

- EV Charging Stations

Concluding Business:

Committee Member Comments

- Director Rothberg commented on the committee's fiduciary responsibility to the residents.

Date of Next Meeting: October 10, 2018

Adjournment:

The meeting was adjourned at 12:07 pm.

DRAFT

Jim Matson, Chair



OPEN MEETING
THE GOLDEN RAIN FOUNDATION
MEDIA AND COMMUNICATIONS COMMITTEE
Monday, August 20, 2018 at 1:30 p.m.
Laguna Woods Village Community Center, Board Room
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

MEMBERS PRESENT: Chair Joan Milliman, Directors Beth Perak, Burt Baum, Roy Bruninghaus, Maggie Blackwell, Juanita Skillman, Jim Juhan and Ryna Rothberg. Advisers Lucy Parker and Steve Carman.

MEMBERS ABSENT: Adviser John Perak.

OTHER'S PRESENT: Dick Rader—VMS, Diane Phelps—GRF and Jack Connelly—Third.

STAFF PRESENT: Eileen Paulin, Chuck Holland, Paul Ortiz, Siobhan Foster, Brad Hudson, Becky Jackson and Jackie Brown.

1. **Call to Order**
Meeting was called to order at 1:30 p.m.
2. **Acknowledgement of Media**
Paul Ortiz from Village Television was present.
3. **Approval of the Agenda**
Agenda was approved noting exception from Chair Joan Milliman to receive and file only the Marketing and Communications report.
4. **Approval of Meeting Report July 16, 2018**
Report from meeting July 16, 2018, was approved.
5. **Chair's Remarks**
Chair Joan Milliman welcomed the committee and congratulated MarComm staff for an excellent job on the last issue of the Breeze.
6. **Member Comments (Items not on the Agenda)**
Doug Rook asked the Committee to make efforts to acknowledge Scott Marvel's accomplishments with Thrive and expressed disappointment that Thrive shows have not been put on the website.

Russell Kruce asked the Committee to consider sports channel packages including NHL, MLB and NNBA.

Director Burt Baum recommended looking at online services for sports package programming.

Franklin Smith stated he needed assistance getting his smart TV and cable box connected to the internet. His suggestion was that he was going to need two cable modems and that was not an optimal solution.

Chuck Holland recommended that Mr. Smith look at his Wi-Fi option on his TV as an additional modem is not necessary. Mr. Holland recommended Mr. Smith look into the new Whole-home DVR solution that has internet connectivity through the cable box.

7. Director's and Staff Forum

Beth Perak answered Doug Rook saying that this week's Thrive meeting will be discussing expanding exposure to Scott Marvel's excellent work for Thrive as well as getting the Thrive Shows on the website.

REPORTS:

8. Broadband and Contracts Report—Chuck Holland

Mr. Holland presented the video from Village Television on analog conversion. He reported on the 2018 contract renewals, analog channel removal, 2018 subscriber counts and ProForma broadband services' summary of operations and budget associated with the report.

Dick Rader asked about TiVo.

Mr. Holland reported that he will look into licensing fees associated with picking this up.

Kathryn Freshley expressed difficulty with finding channels without a box and reported there was no consistency in the channel line-up.

Mr. Holland recommended resetting the channels.

9. Marketing and Communications Report—Eileen Paulin

Eileen Paulin reported on the Breeze and the new search features. Displayed iContact software and reviewed emails that have been disseminated for the month of July. Ms. Paulin gave background on each unscheduled email including the most recent fire, movies, pool closure. She gave an overview of CodeRed and obtaining Resident information for emergency contact with the new form and how information would be received and documented. This will be rolled out in September.

Ms. Paulin presented Trello software and how projects are inserted and tracked. Ms. Paulin presented some of the projects and final products. She reported on working

with other departments including Recreation, the History Center with the Tree Walk, Maintenance, Disaster Preparedness, Transportation, Security and Landscaping.

Ms. Paulin reported that the contract with Brandtailers will not be renewed and MarComm will be handling reports with Facebook and Google.

Ms. Paulin reported the amount of time the city has been taking during the New Resident Orientation and the goals to reduce this.

Director Ryna Rothberg inquired if the new Residents in the Towers were receiving a New Resident letter.

Becky Jackson explained they were receiving a letter.

Ms. Paulin reviewed the Google Analytics report and described the reports and breakdowns of age, gender, demographics and types of devices.

Ms. Paulin talked about the Successes-of-the-Year videos that are being worked on for each Mutual and GRF.

10. Thrive Update—Beth Perak

Director Beth Perak reported the next Thrive meeting Wednesday, August 22 at 9:30 a.m.

ITEMS FOR DISCUSSION AND CONSIDERATION:

11. Marketing Material

New cloth runners will be purchased to be placed on tables used for Village events.

CodeRed Information Campaign

- 12.** Ms. Paulin discussed campaign goal to update Village emergency email list and launch in September. See #9 above.

ITEMS FOR FUTURE AGENDAS:

13. Docent Tours

Chair Milliman agreed to put this on the agenda for next month.

CONCLUDING BUSINESS:

14. Committee Member Comments

Director Perak complimented MarComm on the comprehensive report and would like to have Thrive help with the list of accomplishments.

Ms. Freshley suggested showcasing the progress of the Mutuals and brag about what boards are doing such as fixing problems that have been neglected for several years. Ms. Freshley suggested a town hall meeting to do this.

Adviser Steve Carman stated staff has set a new bar for the quality of reports and work accomplished.

Director Baum reported there has been an ongoing effort to reach out and communicate with Residents in every fashion.

Director Juanita Skillman stated she is not in favor of town halls and experienced them as not being productive. Director Skillman corrected Mr. Holland with his report that Residents should not contact Resident Services for Broadband issues.

Director Maggie Blackwell would like to follow-up with Mr. Marvel's work.

Mr. Holland talked about the contention with Transportation and mentioned the increase in Plan-A-Ride and new software that has been utilized for this department.

Adviser Lucy Parker reported being impressed with the presentations and how smoothly the meeting ran.

Director Rothberg praised the reports and expressed concerned about the alienation of The Towers and would like to be included in the Annual Accomplishments videos.

Director Roy Bruninghaus congratulated Ms. Paulin and Mr. Holland on their professionalism, quality of work and reports. He discussed macular degeneration and reported the reports are too small for the visually impaired.

Director Jim Juhan stated he has been learning a lot from being on the Committee. He reported attending the New Resident Orientation from Third Mutual and the length of the City presentation.

Ms. Paulin spoke with Noel Hatch and he will follow-up with the length of the City presentation.

Chair Milliman thanked MarComm and IT for their hard work and quality of reports.

11. Date of Next Meeting—Monday, September 17 at 1:30 p.m. in the Board Room

12. Adjournment

Meeting was adjourned at 3:22 p.m.


Joan Milliman, Chair
Media and Communications
Committee



REPORT OF THE REGULAR MEETING OF THE
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
SECURITY AND COMMUNITY ACCESS COMMITTEE

The Regular Meeting of the Security and Community Access Committee was held on Monday, August 27, 2018 at 1:30 p.m. 24351 El Toro Road, Laguna Woods, California.

MEMBERS PRESENT: Annette Soule-Chair, Ray Gros, Jim Juhan, Don Tibbets, Pat English, Roy Bruninghaus, John Frankel, and John Dalis

MEMBERS ABSENT: None

ADVISORS PRESENT: Frank Tybor

ADVISORS ABSENT: Larry Cunningham

OTHERS PRESENT: Joan Milliman, Diane Phelps, Cash Achrekar, Steve Parsons, and Burt Moldow

STAFF PRESENT: Tim Moy, Debbie Ballesteros, and Barbara Bridges

CALL TO ORDER

Annette Soule, Chair, called the meeting to order at 1:32 p.m. and stated that it was a regular meeting held pursuant to notice duly given.

ACKNOWLEDGEMENT OF PRESS

The Media was not present.

APPROVAL OF AGENDA

Director Gros made a motion to approve the agenda. Director Juhan seconded the motion.

APPROVAL OF MEETING REPORT

Director Bruninghaus made a motion to approve the June 26, 2018 meeting report as presented. Director Tibbets seconded the motion.

By way of a unanimous vote the motion carried.

CHAIRMAN'S REMARKS

Chair Soule stated that it has been a very busy time for the Security Department and will let Tim Moy, Chief of Security, discuss what has happened since the last meeting. Chair Soule commented she is glad that there is good attendance for the meeting.

MEMBER COMMENTS ON NON-AGENDA ITEMS

Anita Robertson (231-G) commented on the size of dogs that are moving into the Community. She would like to see the Community limit the size of the dogs to a maximum weight.

RESPONSE TO MEMBER COMMENTS

Chair Soule and Chief Moy responded to Ms. Robertson informing her that the Community follows the ordinance of the City of Laguna Woods which limits the number of dogs to two per manor. Ms. Robertson was referred to take this concern to the United Laguna Woods Mutual Board to suggest any changes to the rule as animal restrictions is a the responsibility of the Mutuels. Chief Moy also encouraged Ms. Robertson to call the Security Department if she ever feels threatened by a dog.

REPORTS

Gate Access Update

Chief Moy informed the Committee that Gate 5 and 6 are working well. He explained that even though there have been some minor glitches, overall he is pleased with the Gate Access Program. Moving forward, the other gate access projects should begin breaking ground in October starting with the following order of Gates: 1 and 14, 2 and 7, 3 and 8, and 4 and 9. The Board is asking for funds to be released early for Gate 10. Gate 11 is also part of the project.

Chief Moy described the efficiencies of the Gate Access Program. He stated that the long term goal is to decrease the amount of Gate Ambassadors to one person per gate. However, there will still be some gates that will continue to have two people. Chief Moy further stated that the Call Center is only taking about 40% of calls at the moment. As the Call Center increases their Staff, the number of Gate Ambassadors will decrease.

Disaster Preparedness Task Force Report

Chief Moy informed the Committee there will be an Appreciation BBQ for all Good Neighbor Captains on August 28, 2018 at Clubhouse Two. He stated that there will be a raffle and Brad Hudson, CEO, will also be giving his remarks. Chief Moy will use this opportunity as a kickoff for the Great California Shakeout that will take place on October 18, 2018 at 10:18 a.m.

Chief Moy also stated that the name will be Good Neighbor Captains instead of Good Neighbor Building Captains to distinct from the Garden Villa Association who has Building Captains for their three story buildings.

RV Update

Chief Moy informed the Committee that RV Lot A is scheduled for concrete and asphalt repairs that will take approximately six weeks to complete. He explained that arrangements have been made to remove all the RV's from the lot and be placed inside the Community. Certain streets have been designated as parking spaces for the RV's; Avenida Sosiega and Bahia Blanca. However, due to safety reasons, some of the RV's parked in the Community will be asked to move to a different location.

Noteworthy Incidents

Chief Moy presented two noteworthy incidents where Staff went above and beyond to keep the Community safe.

A commendation was given to Security Patrol Officer Richard Gomez who helped put out a fire in Third Laguna Hills Mutual (Third) where a resident's mattress caught on fire. A nearby neighbor (who will be recognized in the next Third Board Meeting) ran in after the Resident ran outside her Unit and pulled out the fiery mattress. Officer Gomez was the first Officer to arrive on the scene and immediately proceeded to put the fire out with a fire extinguisher and check out the Unit to make sure the fire did not spread. His and the neighbors quick actions helped to keep the situation from becoming worse.

The other incident occurred on Saturday, August 25, 2018. During a patrol check, a Security Patrol Officer noticed a man that looked suspicious. He was walking around with a white Townie bicycle. The Officer approached the individual and called the Orange County Sheriff's Department who responded, admonished, and arrested the individual. Security stored the bike believing it may have been recently stolen. The individual returned on Sunday and was arrested again for trespassing. A call was also received from a Resident reporting the theft of her white Townie bicycle. This Officer's quick thinking was able to stop this bicycle theft from happening.

Security Statistics

Chief Moy explained that the number of moving and traffic violations is higher than last year and that is due to the Security Department fully staffed with Security Patrol Officers. With citations up, traffic collisions are down. He stated that if someone calls about an incident/issue, the Security Department will investigate. Chief Moy also reminded everyone about the Hide it, Lock it, or Lose it campaign.

ITEMS FOR DISCUSSION AND CONSIDERATION

Fire Avert Devices

Chief Moy presented the Fire Avert Devices Staff Report. The Committee commented and asked questions.

Director Gros made a motion for approval of the Fire Avert Devices and recommends that Third Laguna Hills Mutual (Third) and United Laguna Woods Mutual (United) adopt a pilot program for the sale and installation of said devices. Director Tibbets seconded the motion.

By unanimous vote, the motion passed.

Parking Rules & Regulations Handout & Signage

Chief Moy presented the Parking Rules & Regulations Handout & Signage Staff Report. He explained that the majority of the violations for No Parking are for contractor vehicles. Chief Moy explained that the flyers are being handed out at the gatehouse.

By unanimous vote, the Committee agreed to continue with the current protocol of having the Gatehouse and Resident Services pass out the forms.

Commercial Vehicle

Chief Moy presented the Commercial Vehicle Staff Report. The Committee commented and asked questions.

Director Bruninghaus made a motion to rent out the RV lots to Commercial vehicles for \$320 per year. Director English seconded the motion.

Director Bruninghaus amended the motion to increase the amount to \$640 per year. Director Tibbets seconded the motion.

By a vote of 6-0-1 (Director Gros abstained) the motion carried.

Illegal Dumping

Chief Moy informed the Committee that there has been contractors illegally dumping their waste into the Community trash bins. He proposed to create a Rewards Program where Residents can anonymously report illegal dumping and if the subject is identified, the Resident may receive a \$100 reward.

The Committee directed Staff to present a staff report for the next meeting.

ITEMS FOR FUTURE AGENDAS

- Smoke/Carbon Monoxide Alarm testing
- Rewards for Catching Illegal Dumping

CONCLUDING BUSINESS

Committee Member Comments

Chief Moy stated that for future staff reports, he will include recommendations in the body of the report rather than simply ask for direction.

DATE OF THE NEXT MEETING

The next meeting is scheduled for Monday, October 22, 2018, at 1:30 p.m. in the Laguna Woods Village Community Center, Board Room.

ADJOURNMENT

There being no further business to come before the Committee, Chair Soule adjourned the meeting at 3:34 p.m.

DRAFT

Annette Soule, Chair