



**REGULAR MEETING OF THE FINANCE COMMITTEE**

**Wednesday, December 19, 2018 – 1:30 p.m.  
Laguna Woods Village Community Center Board Room  
24351 El Toro Road**

**AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for October 24, 2018
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)
7. Department Head Update

**Reports**

8. Preliminary Financial Statements dated November 30, 2018

**Items for Discussion and Consideration**

9. Supplemental Funding for Vehicle Purchase
10. Assembly Bill 2912 Update
11. Investment Task Force Update
12. Audit Task Force Update
13. Endorsements from Standing Committees

**Items for Future Agendas**

Presentation of Investment Portfolio by BlackRock/Merrill Lynch

**Concluding Business:**

14. Committee Member Comments
15. Date of Next Meeting – Wednesday, February 20, 2019 at 1:30 p.m.

Diane Phelps, Chair  
Betty Parker, Staff Officer  
Telephone: 949-597-4201



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

Wednesday, October 24, 2018 – 1:30 p.m.  
Laguna Woods Village Community Center Board Room, 24351 El Toro Road

MEMBERS PRESENT: Diane Phelps, Chair; Annette Soule Co-Chair, Beth Perak, Rosemarie diLorenzo, Jack Connelly, Juanita Skillman, Gary Morrison, Alfred Amado

MEMBERS ABSENT: Advisors: Greg Corigliano, Diane Casey, Alan Dickinson

STAFF PRESENT: Betty Parker, Steve Hormuth, Christopher Swanson

OTHERS: GRF – Jim Matson, Joan Milliman; UNITED – Maggie Blackwell; VMS – Dick Rader

**Call to Order**

Director Phelps chaired the meeting and called it to order at 1:33 p.m.

**Approval of Meeting Agenda**

A motion was made and carried unanimously to approve the agenda as presented.

**Approval of the Regular Meeting Report of August 22, 2018**

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

**Review Preliminary Financial Statements dated September 30, 2018**

The Committee reviewed and commented on the financial statements dated September 30, 2018 and questions were addressed.

**2019 Finance Committee Meeting Dates**

The Committee reviewed and approved a proposed schedule for 2019 meeting dates.

**Investment Task Force Committee Charter**

The Committee discussed formation of an investment task force, as recommended by Board and Committee members to perform an in-depth review of Laguna Woods Village investment portfolios, and reviewed a proposed charter with duties and responsibilities outlined.

A motion was made and carried unanimously to recommend the Board approve the Investment Task Force Charter.

**Illegal Dumping Reward Program**

The Committee reviewed a proposed Illegal Dumping Reward Program that was discussed and endorsed by the Security and Community Access Committee on October 22, 2018.

A motion was made and carried by a vote of 6-1 (Director Soule against), recommending against the formation of an award program for reporting illegal dumping of bulky items.

**Committee Member Comments**


Director diLorenzo commented on the need for water and energy conservation in GRF.

**Date of Next Meeting**

Wednesday, December 19, 2018 at 1:30 p.m.

**Adjournment**

The meeting recessed to closed session at 2:55 p.m.

  
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Diane Phelps, Chair

**Golden Rain Foundation of Laguna Woods**  
**Statement of Revenues & Expenses - Preliminary**  
**11/30/2018**  
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			YTD 2017	ANNUAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
<b>Revenues:</b>									
<b>Assessments:</b>									
1	Operating	\$2,274	\$2,274		\$25,017	\$25,016	\$1	\$23,762	\$27,290
2	Additions to restricted funds	255	255		2,802	2,802		3,362	3,057
3	<b>Total assessments</b>	<u>2,529</u>	<u>2,529</u>		<u>27,819</u>	<u>27,818</u>	<u>1</u>	<u>27,124</u>	<u>30,347</u>
<b>Non-assessment revenues:</b>									
4	Trust facilities fees	300	345	(45)	3,438	3,796	(359)	2,280	4,141
5	Golf green fees	113	133	(20)	1,349	1,462	(112)	1,031	1,595
6	Golf operations	23	25	(2)	270	278	(8)	269	303
7	Merchandise sales	31	21	10	293	232	61	261	253
8	Clubhouse rentals and event fees	61	87	(25)	590	907	(317)	527	1,009
9	Rentals	8	8		95	93	2	84	102
10	Fees and charges for services to residents							8	
11	Broadband services	423	366	57	4,517	4,021	496	3,997	4,387
12	Interest income	44	17	26	472	192	280	341	210
13	Miscellaneous	86	92	(5)	1,025	1,012	14	837	1,103
14	<b>Total non-assessment revenue</b>	<u>1,089</u>	<u>1,094</u>	<u>(5)</u>	<u>12,050</u>	<u>11,993</u>	<u>56</u>	<u>9,635</u>	<u>13,103</u>
15	<b>Total revenue</b>	<u>3,618</u>	<u>3,623</u>	<u>(5)</u>	<u>39,868</u>	<u>39,812</u>	<u>57</u>	<u>36,759</u>	<u>43,450</u>
<b>Expenses:</b>									
16	Employee compensation and related	1,877	1,906	29	21,204	21,323	119	19,991	23,284
17	Materials and supplies	155	156	1	1,711	1,626	(85)	1,831	1,768
18	Cost of goods sold	18	14	(4)	189	154	(35)	176	168
19	Community Events	47	32	(15)	316	337	21	308	385
20	Utilities and telephone	155	162	7	2,148	2,012	(136)	2,236	2,159
21	Fuel and oil	38	35	(3)	467	390	(77)	393	425
22	Legal fees	65	21	(44)	682	229	(453)	246	250
23	Professional fees	57	72	15	608	749	141	460	802
24	Equipment rental	15	20	5	205	225	19	199	244
25	Outside services	142	106	(36)	1,576	1,160	(416)	1,339	1,269
26	Repairs and maintenance	48	77	29	636	752	116	710	799
27	Other Operating Expense	51	54	3	607	529	(78)	536	586
28	Interest expense							14	
29	Income taxes	(3)	13	16	(2)	138	140	1	150
30	Property and sales tax	3	8	5	97	88	(9)	111	96
31	Insurance	106	111	5	1,154	1,221	67	1,138	1,332
32	Cable Programming/Copyright/Franchise	384	404	21	4,526	4,449	(77)	4,302	4,854
33	Investment expense	12	12		48	48		47	48
34	Net Allocation to Mutuals	(196)	(216)	(19)	(2,253)	(2,289)	(36)	(1,857)	(2,494)
35	Uncollectible Accounts		3	3	7	31	23	15	34
36	(Gain)/loss on sale or trade	(1)	(6)	(5)	143	(62)	(205)	(1)	(68)
37	Depreciation and amortization	387	387		4,466	4,466		4,431	4,466
38	<b>Total expenses</b>	<u>3,358</u>	<u>3,371</u>	<u>13</u>	<u>38,535</u>	<u>37,574</u>	<u>(961)</u>	<u>36,627</u>	<u>40,556</u>
39	Excess of revenues over expenses	<u>\$260</u>	<u>\$253</u>	<u>\$8</u>	<u>\$1,333</u>	<u>\$2,237</u>	<u>(\$904)</u>	<u>\$132</u>	<u>\$2,894</u>

**Golden Rain Foundation of Laguna Woods**  
**Operating Statement**  
**11/30/2018**  
GOLDEN RAIN FOUNDATION

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	ANNUAL BUDGET
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$25,016,943	\$25,016,222	\$721	0.00%	\$27,290,432
<b>Total Operating</b>	<b>25,016,943</b>	<b>25,016,222</b>	<b>721</b>	<b>0.00%</b>	<b>27,290,432</b>
<b>Additions To Restricted Funds</b>					
41001500 - Monthly Assessments - Contingency Fund	140,096	140,096	0	0.00%	152,832
41005000 - Monthly Assessments - Equipment Fund	1,681,152	1,681,152	0	0.00%	1,833,984
41005500 - Monthly Assessments - Facilities Fund	980,672	980,672	0	0.00%	1,069,824
<b>Total Additions To Restricted Funds</b>	<b>2,801,920</b>	<b>2,801,920</b>	<b>0</b>	<b>0.00%</b>	<b>3,056,640</b>
<b>Total Assessments</b>	<b>27,818,863</b>	<b>27,818,142</b>	<b>721</b>	<b>0.00%</b>	<b>30,347,072</b>
Non-Assessment Revenues:					
<b>Trust Facilities Fees</b>					
41006500 - Trust Facilities Fees	3,437,500	3,796,243	(358,743)	(9.45%)	4,141,356
<b>Total Trust Facilities Fees</b>	<b>3,437,500</b>	<b>3,796,243</b>	<b>(358,743)</b>	<b>(9.45%)</b>	<b>4,141,356</b>
<b>Golf Green Fees</b>					
42001000 - Golf Green Fees - Residents	1,129,116	1,019,194	109,922	10.79%	1,111,854
42001500 - Golf Green Fees - Guests	220,331	442,750	(222,419)	(50.24%)	483,007
<b>Total Golf Green Fees</b>	<b>1,349,447</b>	<b>1,461,944</b>	<b>(112,497)</b>	<b>(7.70%)</b>	<b>1,594,861</b>
<b>Golf Operations</b>					
42002000 - Golf Driving Range Fees	103,627	94,688	8,939	9.44%	103,300
42003000 - Golf Cart Use Fees	149,861	155,793	(5,932)	(3.81%)	169,971
42004000 - Golf Lesson Fees	15,725	27,500	(11,775)	(42.82%)	30,000
42005000 - Golf Club Storage Fees	380	0	380	0.00%	0
<b>Total Golf Operations</b>	<b>269,593</b>	<b>277,981</b>	<b>(8,388)</b>	<b>(3.02%)</b>	<b>303,271</b>
<b>Merchandise Sales</b>					
41501000 - Merchandise Sales - Pro Shop	190,657	131,076	59,581	45.46%	143,000
41502500 - Merchandise Sales - Fitness	1,096	649	447	68.88%	715
41503500 - Merchandise Sales - Broadband	29,085	19,602	9,483	48.38%	21,396
41504500 - Merchandise Sales - Nursery	3,789	4,576	(787)	(17.20%)	5,000
41505000 - Bar Sales	68,828	76,076	(7,248)	(9.53%)	83,000
<b>Total Merchandise Sales</b>	<b>293,455</b>	<b>231,979</b>	<b>61,476</b>	<b>26.50%</b>	<b>253,111</b>
<b>Clubhouse Rentals and Event Fees</b>					
42501000 - Clubhouse Room Rentals - Residents	313,449	490,699	(177,250)	(36.12%)	535,333
42501500 - Clubhouse Room Rentals - Exception Rate	59,275	79,607	(20,332)	(25.54%)	86,898
42502000 - Clubhouse Event Fees - Residents	210,900	336,723	(125,823)	(37.37%)	386,840
42502500 - Clubhouse Event Fees - Non Residents	988	0	988	0.00%	0
42503000 - Village Greens Room Rentals - Residents	4,826	0	4,826	0.00%	0
42503500 - Village Greens Room Rentals - Non Residents	780	0	780	0.00%	0
<b>Total Clubhouse Rentals and Event Fees</b>	<b>590,218</b>	<b>907,029</b>	<b>(316,811)</b>	<b>(34.93%)</b>	<b>1,009,071</b>
<b>Rentals</b>					
43001000 - Garden Plot Rental	40,861	44,000	(3,139)	(7.13%)	48,000
43001500 - Shade House Rental Space	360	0	360	0.00%	0
45506500 - Rental Fee	0	3,960	(3,960)	(100.00%)	4,320
48001500 - Lease Revenue	53,460	45,210	8,250	18.25%	49,320
<b>Total Rentals</b>	<b>94,681</b>	<b>93,170</b>	<b>1,511</b>	<b>1.62%</b>	<b>101,640</b>
<b>Fees and Charges for Services to Residents</b>					
46501000 - Permit Fee	0	193	(193)	(100.00%)	206
<b>Total Fees and Charges for Services to Residents</b>	<b>0</b>	<b>193</b>	<b>(193)</b>	<b>(100.00%)</b>	<b>206</b>
<b>Broadband Services</b>					
45001000 - Ad Insertion	925,733	595,826	329,907	55.37%	650,000
45001500 - Premium Channel	358,471	504,163	(145,692)	(28.90%)	550,000
45002000 - Cable Service Call	87,545	82,500	5,045	6.12%	90,000

**Golden Rain Foundation of Laguna Woods**  
**Operating Statement**  
**11/30/2018**  
GOLDEN RAIN FOUNDATION

	YEAR TO DATE				ANNUAL
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	BUDGET
45002500 - Cable Commission	88,209	39,413	48,796	123.81%	43,000
45003000 - High Speed Internet	1,410,176	1,238,710	171,466	13.84%	1,351,327
45003500 - Equipment Rental	1,546,727	1,433,663	113,064	7.89%	1,564,000
45004000 - Video Production	44,500	59,576	(15,076)	(25.31%)	65,000
45004500 - Video Re-Production	2,070	2,970	(900)	(30.30%)	3,250
45005000 - Message Board	20,925	18,326	2,599	14.18%	20,000
45005500 - Advertising	33,022	45,826	(12,804)	(27.94%)	50,000
<b>Total Broadband Services</b>	<b>4,517,378</b>	<b>4,020,973</b>	<b>496,405</b>	<b>12.35%</b>	<b>4,386,577</b>
<b>Interest Income</b>					
49001000 - Interest Income - Treasury Notes	76,555	15,716	60,839	387.11%	17,145
49001100 - Interest Income - Other Nondiscretionary	836	0	836	0.00%	0
49001500 - Interest Income - Treasury Notes - Discretionary	265,413	120,717	144,696	119.86%	131,692
49002000 - Interest Income - Money Market	6,595	2,308	4,287	185.77%	2,510
49002500 - Interest Income - Gnma Securities - Discretionary	115,151	53,598	61,553	114.84%	58,471
49003000 - TFFF Interest From Financing	7,546	0	7,546	0.00%	0
<b>Total Interest Income</b>	<b>472,096</b>	<b>192,340</b>	<b>279,756</b>	<b>145.45%</b>	<b>209,818</b>
<b>Miscellaneous</b>					
43501000 - Horse Boarding Fee	58,185	82,500	(24,315)	(29.47%)	90,000
43501500 - Horse Feed Fee	26,289	29,128	(2,839)	(9.75%)	31,779
43502000 - Horse Trailer Parking Fee	480	726	(246)	(33.88%)	800
43502500 - Horse Lesson Fee - Resident	22,015	25,784	(3,769)	(14.62%)	28,130
44001000 - Fitness Fee - Guests	1,168	484	684	141.32%	530
44001500 - Pool Fee - Guests	2,399	9,405	(7,006)	(74.49%)	10,275
44002000 - Bridge Room Fee - Guests	57,064	61,116	(4,052)	(6.63%)	66,680
44002500 - Parking Fees - Non Residents	43,325	53,262	(9,937)	(18.66%)	58,110
44003000 - Class Fees	143,188	113,801	29,387	25.82%	124,000
44003500 - Locker Rental Fee	5,276	4,433	843	19.01%	4,787
44004500 - Clubhouse Labor Fee	33,255	34,364	(1,109)	(3.23%)	37,512
44005000 - Clubhouse Equipment Fee	0	682	(682)	(100.00%)	752
44005500 - Clubhouse Catering Fee	15,720	25,740	(10,020)	(38.93%)	28,097
44006000 - Tickets Sales - Residents	50	13,938	(13,888)	(99.64%)	15,100
44006500 - Sponsorship Income	39,418	16,863	22,555	133.76%	18,400
46001000 - RV Storage Fee	101,146	91,663	9,483	10.35%	100,000
46002000 - Traffic Violation	86,485	57,200	29,285	51.20%	62,400
46003500 - Security Standby Fee	600	913	(313)	(34.28%)	1,000
46004000 - Estate Sale Fee	2,800	0	2,800	0.00%	0
46004500 - Resident Violations	3,388	9,163	(5,775)	(63.02%)	10,000
44501000 - Additional Occupant Fee	199,936	252,417	(52,481)	(20.79%)	275,374
44502000 - Variance Processing Fee	(36)	0	(36)	0.00%	0
44502500 - Non-Sale Transfer Fee - Third	250	0	250	0.00%	0
44503500 - Resale Processing Fee	17,388	11,000	6,388	58.07%	12,000
44504000 - Resident Id Card Fee	18,870	24,585	(5,715)	(23.25%)	26,824
44504500 - Notary Fee	10	44	(34)	(77.27%)	50
44506000 - Photo Copy Fee	68,737	68,750	(13)	(0.02%)	75,000
44506500 - Auto Decal Fee	40,707	4,576	36,131	789.58%	5,000
47001000 - Cash Discounts - Accounts Payable	19	0	19	0.00%	0
47001500 - Late Fee Revenue	8,365	13,739	(5,374)	(39.11%)	15,000
47002000 - Collection Administrative Fee	3,640	0	3,640	0.00%	0
48001000 - Legal Fee	15	0	15	0.00%	0
46005500 - Disaster Task Force	5,417	3,663	1,754	47.88%	4,000
49009000 - Miscellaneous Revenue	19,628	1,597	18,031	1129.06%	1,741
<b>Total Miscellaneous</b>	<b>1,025,197</b>	<b>1,011,536</b>	<b>13,661</b>	<b>1.35%</b>	<b>1,103,341</b>
<b>Total Non-Assessment Revenue</b>	<b>12,049,564</b>	<b>11,993,388</b>	<b>56,176</b>	<b>0.47%</b>	<b>13,103,251</b>
<b>Total Revenue</b>	<b>39,868,427</b>	<b>39,811,530</b>	<b>56,897</b>	<b>0.14%</b>	<b>43,450,323</b>

Expenses:

**Employee Compensation**

51011000 - Salaries & Wages - Regular	10,872,039	11,374,428	502,389	4.42%	12,434,448
51021000 - Union Wages - Regular	3,148,732	3,348,488	199,755	5.97%	3,659,275
51041000 - Wages - Overtime	230,610	154,993	(75,617)	(48.79%)	169,190

**Golden Rain Foundation of Laguna Woods**  
**Operating Statement**  
**11/30/2018**  
GOLDEN RAIN FOUNDATION

	YEAR TO DATE				ANNUAL
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	BUDGET
51051000 - Union Wages - Overtime	60,929	59,040	(1,889)	(3.20%)	64,430
51061000 - Holiday	1,251,917	506,509	(745,409)	(147.17%)	553,666
51071000 - Sick	370,375	413,205	42,831	10.37%	451,676
51081000 - Sick - Part Time	0	60,665	60,665	100.00%	66,247
51091000 - Missed Meal Penalty	66,178	12,404	(53,774)	(433.52%)	13,628
51101000 - Temporary Help	104,087	8,441	(95,646)	(1133.14%)	9,244
51981000 - Compensation Accrual	181,431	9,328	(172,103)	(1845.01%)	10,197
<b>Total Employee Compensation</b>	<b>16,286,299</b>	<b>15,947,500</b>	<b>(338,799)</b>	<b>(2.12%)</b>	<b>17,432,001</b>
<b>Compensation Related</b>					
52411000 - F.I.C.A.	1,180,337	1,188,031	7,694	0.65%	1,294,929
52421000 - F.U.I.	24,073	27,177	3,104	11.42%	27,263
52431000 - S.U.I.	212,584	134,706	(77,878)	(57.81%)	134,935
52441000 - Union Medical	1,090,430	1,171,936	81,507	6.95%	1,278,476
52451000 - Workers' Compensation Insurance	1,067,814	1,133,215	65,401	5.77%	1,238,689
52461000 - Non Union Medical & Life Insurance	970,269	1,132,130	161,862	14.30%	1,235,007
52461500 - VUL Premium	18,239	0	(18,239)	0.00%	0
52461550 - VUL Interest	5,650	0	(5,650)	0.00%	0
52471000 - Union Retirement Plan	194,016	191,188	(2,828)	(1.48%)	208,933
52481000 - Non-Union Retirement Plan	248,841	395,568	146,727	37.09%	432,432
52981000 - Compensation Related Accrual	(94,172)	1,485	95,657	6441.52%	1,626
<b>Total Compensation Related</b>	<b>4,918,080</b>	<b>5,375,435</b>	<b>457,355</b>	<b>8.51%</b>	<b>5,852,290</b>
<b>Materials and Supplies</b>					
53001000 - Materials & Supplies	1,263,043	1,212,286	(50,758)	(4.19%)	1,314,709
53002500 - Printed Membership Materials	1,239	83	(1,156)	(1395.39%)	92
53003000 - Materials Direct	113,468	0	(113,468)	0.00%	0
53003500 - Materials Direct - Grf	298,287	386,573	88,286	22.84%	423,391
53004000 - Freight	34,953	26,796	(8,157)	(30.44%)	29,359
<b>Total Materials and Supplies</b>	<b>1,710,990</b>	<b>1,625,738</b>	<b>(85,252)</b>	<b>(5.24%)</b>	<b>1,767,551</b>
<b>Cost of Goods Sold</b>					
53101000 - Cost Of Sales - Warehouse	8,692	18,876	10,184	53.95%	20,636
53101500 - Cost Of Sales - Pro Shop	153,360	103,917	(49,443)	(47.58%)	113,375
53102000 - Cost Of Sales - Alcohol	18,119	18,326	207	1.13%	20,000
53103500 - Earthquake Materials	9,201	12,826	3,625	28.27%	14,000
<b>Total Cost of Goods Sold</b>	<b>189,399</b>	<b>153,945</b>	<b>(35,454)</b>	<b>(23.03%)</b>	<b>168,011</b>
<b>Community Events</b>					
53201000 - Community Events	316,006	336,917	20,911	6.21%	385,442
<b>Total Community Events</b>	<b>316,006</b>	<b>336,917</b>	<b>20,911</b>	<b>6.21%</b>	<b>385,442</b>
<b>Utilities and Telephone</b>					
53301000 - Electricity	816,455	802,650	(13,805)	(1.72%)	874,768
53301500 - Sewer	76,590	80,581	3,991	4.95%	84,487
53302000 - Water	674,785	630,333	(44,451)	(7.05%)	654,714
53302500 - Trash	171,470	178,921	7,451	4.16%	196,208
53303500 - Gas	185,858	148,530	(37,328)	(25.13%)	168,683
53304000 - Telephone	222,979	171,403	(51,576)	(30.09%)	179,999
<b>Total Utilities and Telephone</b>	<b>2,148,138</b>	<b>2,012,419</b>	<b>(135,719)</b>	<b>(6.74%)</b>	<b>2,158,858</b>
<b>Fuel and Oil</b>					
53304500 - Fuel & Oil For Vehicles	466,842	389,576	(77,266)	(19.83%)	425,000
<b>Total Fuel and Oil</b>	<b>466,842</b>	<b>389,576</b>	<b>(77,266)</b>	<b>(19.83%)</b>	<b>425,000</b>
<b>Legal Fees</b>					
53401500 - Legal Fees	682,290	229,152	(453,138)	(197.75%)	250,000
<b>Total Legal Fees</b>	<b>682,290</b>	<b>229,152</b>	<b>(453,138)</b>	<b>(197.75%)</b>	<b>250,000</b>
<b>Professional Fees</b>					
53402000 - Audit & Tax Preparation Fees	126,167	144,000	17,833	12.38%	144,000
53402500 - Payroll System Fees	138,955	154,400	15,445	10.00%	168,150
53403500 - Consulting Fees	340,059	448,258	108,199	24.14%	486,487
53404500 - Fees	2,900	2,750	(150)	(5.45%)	3,000

**Golden Rain Foundation of Laguna Woods**  
**Operating Statement**  
**11/30/2018**  
GOLDEN RAIN FOUNDATION

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	ANNUAL BUDGET
<b>Total Professional Fees</b>	<b>608,081</b>	<b>749,408</b>	<b>141,327</b>	<b>18.86%</b>	<b>801,637</b>
<b>Equipment Rental</b>					
53501000 - Space, Rent/Lease	0	726	726	100.00%	800
53501500 - Equipment Rental/Lease Fees	205,411	223,872	18,462	8.25%	243,368
<b>Total Equipment Rental</b>	<b>205,411</b>	<b>224,598</b>	<b>19,188</b>	<b>8.54%</b>	<b>244,168</b>
<b>Outside Services</b>					
53601000 - Bank Fees	2,565	79,746	77,181	96.78%	87,000
53601500 - Credit Card Transaction Fees	132,324	57,200	(75,124)	(131.34%)	62,435
53602000 - Merchant Account Fees	17,686	9,482	(8,204)	(86.53%)	10,383
53602500 - Licensing Fees	3,500	97,361	93,861	96.41%	106,230
53603000 - Permit Fees	7,139	3,201	(3,938)	(123.02%)	3,500
53603500 - Inspection Fees	0	253	253	100.00%	280
54603500 - Outside Services CC	71,305	45,826	(25,479)	(55.60%)	50,000
53704000 - Outside Services	1,341,098	866,586	(474,512)	(54.76%)	949,620
<b>Total Outside Services</b>	<b>1,575,617</b>	<b>1,159,655</b>	<b>(415,963)</b>	<b>(35.87%)</b>	<b>1,269,448</b>
<b>Repairs and Maintenance</b>					
53701000 - Equipment Repair & Maint	323,344	492,677	169,334	34.37%	516,493
53702000 - Street Repair & Maint	0	363	363	100.00%	400
53702500 - Building Repair & Maint	304,942	245,427	(59,515)	(24.25%)	267,170
53703000 - Elevator /Lift Maintenance	5,212	9,405	4,193	44.58%	10,261
53703500 - Water Softener	2,174	4,279	2,105	49.19%	4,674
<b>Total Repairs and Maintenance</b>	<b>635,672</b>	<b>752,151</b>	<b>116,479</b>	<b>15.49%</b>	<b>798,998</b>
<b>Other Operating Expense</b>					
53604000 - Pest Control Fees	33,586	4,312	(29,274)	(678.90%)	4,728
53801000 - Mileage & Meal Allowance	6,931	18,479	11,548	62.49%	20,254
53801500 - Travel & Lodging	4,954	16,861	11,908	70.62%	18,160
53802000 - Uniforms	111,948	91,609	(20,339)	(22.20%)	99,963
53802500 - Dues & Memberships	10,411	17,194	6,784	39.45%	18,707
53803000 - Subscriptions & Books	9,383	11,810	2,427	20.55%	12,620
53803500 - Training & Education	51,117	76,667	25,549	33.33%	85,095
53804000 - Staff Support	31,406	39,311	7,905	20.11%	50,000
53901000 - Benefit Administrative Fees	33	3,663	3,630	99.10%	4,000
53901500 - Volunteer Support	(2,386)	15,825	18,212	115.08%	17,289
53902000 - Physical Examinations	14,298	30,597	16,299	53.27%	34,190
53902500 - Recruiting Fees	108,262	27,500	(80,762)	(293.68%)	30,000
53903000 - Safety	110,263	50,491	(59,772)	(118.38%)	52,926
54001000 - Board Relations	6,653	5,035	(1,617)	(32.12%)	5,501
54001500 - Public Relations	47,467	73,326	25,859	35.27%	80,000
54002000 - Postage	16,456	14,857	(1,599)	(10.76%)	19,405
54002500 - Filing Fees / Permits	45,968	31,389	(14,579)	(46.45%)	33,169
54502500 - Cable Promotions	1,542	3,201	1,659	51.82%	3,500
<b>Total Other Operating Expense</b>	<b>608,290</b>	<b>532,128</b>	<b>(76,162)</b>	<b>(14.31%)</b>	<b>589,508</b>
<b>Income Taxes</b>					
54301000 - State & Federal Income Taxes	(2,203)	137,500	139,703	101.60%	150,000
<b>Total Income Taxes</b>	<b>(2,203)</b>	<b>137,500</b>	<b>139,703</b>	<b>101.60%</b>	<b>150,000</b>
<b>Property and Sales Tax</b>					
54301500 - State & Local Taxes	95,059	85,030	(10,029)	(11.79%)	92,801
54302000 - Property Taxes	1,576	2,524	948	37.58%	2,806
<b>Total Property and Sales Tax</b>	<b>96,635</b>	<b>87,554</b>	<b>(9,081)</b>	<b>(10.37%)</b>	<b>95,607</b>
<b>Insurance</b>					
54401000 - Hazard & Liability Insurance	1,030,072	1,067,367	37,296	3.49%	1,164,404
54401500 - D&O Liability	52,654	53,884	1,230	2.28%	58,783
54402000 - Property Insurance	65,733	65,915	182	0.28%	71,907
54402500 - Auto Liability Insurance	2,871	11,913	9,042	75.90%	13,000
54403000 - General Liability Insurance	2,656	3,300	644	19.51%	3,600
54403500 - Property Damage	0	18,326	18,326	100.00%	20,000
<b>Total Insurance</b>	<b>1,153,986</b>	<b>1,220,705</b>	<b>66,719</b>	<b>5.47%</b>	<b>1,331,694</b>



**Golden Rain Foundation of Laguna Woods**  
**Operating Statement**  
**11/30/2018**  
GOLDEN RAIN FOUNDATION

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	ANNUAL BUDGET
<b>Cable Programming/Copyright/Franchise</b>					
54501000 - Cable - Programming Fees	4,293,154	4,216,663	(76,491)	(1.81%)	4,600,000
54501500 - Cable - Copyright Fees	36,222	36,663	441	1.20%	40,000
54502000 - Cable - City of Laguna Woods Franchise Fees	195,197	192,764	(2,433)	(1.26%)	210,300
<b>Total Cable Programming/Copyright/Franchise</b>	<b>4,524,573</b>	<b>4,446,090</b>	<b>(78,483)</b>	<b>(1.77%)</b>	<b>4,850,300</b>
<b>Investment Expense</b>					
54201000 - Investment Expense	47,516	58,516	11,000	18.80%	59,516
54201005 - Investment Exp - Transfer To Reserves	0	(11,000)	(11,000)	(100.00%)	(12,000)
<b>Total Investment Expense</b>	<b>47,516</b>	<b>47,516</b>	<b>0</b>	<b>0.00%</b>	<b>47,516</b>
<b>Net Allocation to Mutuals</b>					
48501000 - Allocated To Grf Departments	(6,077,073)	(5,852,928)	224,145	3.83%	(6,371,107)
48502500 - Mutual General Operating	(113,077)	0	113,077	0.00%	0
54602500 - Allocated Expenses	3,937,402	3,564,059	(373,343)	(10.48%)	3,877,104
<b>Total Net Allocation To Mutuals</b>	<b>(2,252,748)</b>	<b>(2,288,869)</b>	<b>(36,121)</b>	<b>(1.58%)</b>	<b>(2,494,003)</b>
<b>Uncollectible Accounts</b>					
54602000 - Bad Debt Expense	7,390	30,690	23,300	75.92%	33,500
<b>Total Uncollectible Accounts</b>	<b>7,390</b>	<b>30,690</b>	<b>23,300</b>	<b>75.92%</b>	<b>33,500</b>
<b>(Gain)/Loss on Sale or Trade</b>					
54101000 - (Gain)/Loss - Warehouse Sales	135,041	(61,875)	(196,916)	(318.25%)	(67,500)
54101500 - (Gain)/Loss On Investments	7,676	0	(7,676)	0.00%	0
<b>Total (Gain)/Loss on Sale or Trade</b>	<b>142,717</b>	<b>(61,875)</b>	<b>(204,592)</b>	<b>(330.65%)</b>	<b>(67,500)</b>
<b>Depreciation and Amortization</b>					
55001000 - Depreciation And Amortization	4,466,225	4,466,225	0	0.00%	4,466,225
<b>Total Depreciation and Amortization</b>	<b>4,466,225</b>	<b>4,466,225</b>	<b>0</b>	<b>0.00%</b>	<b>4,466,225</b>
<b>Total Expenses</b>	<b>38,535,205</b>	<b>37,574,158</b>	<b>(961,047)</b>	<b>(2.56%)</b>	<b>40,556,251</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$1,333,222</b>	<b>\$2,237,372</b>	<b>(\$904,150)</b>	<b>(40.41%)</b>	<b>\$2,894,073</b>

**Golden Rain Foundation of Laguna Woods**  
**Balance Sheet - Preliminary**  
**11/30/2018**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	<b>Assets</b>		
1	Cash and cash equivalents	\$2,565,028	\$6,399,018
2	Non-discretionary investments	5,950,896	4,988,054
3	Discretionary investments	19,283,155	18,868,978
4	Receivable/(Payable) from mutuals	(3,307,138)	(3,988,242)
5	Accounts receivable and interest receivable	572,323	265,044
6	Operating supplies	1,035,306	961,238
7	Prepaid expenses and deposits	2,694,394	1,177,531
8	Property and equipment	126,839,544	121,192,813
9	Accumulated depreciation property and equipment	(71,674,579)	(67,498,249)
10	Intangible assets, net	286,034	328,385
<b>11</b>	<b>Total Assets</b>	<u><b>\$84,244,963</b></u>	<u><b>\$82,694,570</b></u>
	<b>Liabilities and Fund Balances</b>		
	Liabilities:		
12	Accounts payable and accrued expenses	\$799,838	\$2,386,967
13	Accrued compensation and related costs	4,800,338	2,843,500
14	Deferred income	799,870	952,408
15	Total liabilities	<u>\$6,400,046</u>	<u>\$6,182,875</u>
	Fund balances:		
16	Fund balance prior years	76,511,695	76,613,213
17	Change in fund balance - current year	1,333,222	(101,519)
18	Total fund balances	<u>77,844,917</u>	<u>76,511,695</u>
<b>19</b>	<b>Total Liabilities and Fund Balances</b>	<u><b>\$84,244,963</b></u>	<u><b>\$82,694,570</b></u>

**Golden Rain Foundation of Laguna Woods**  
**Fund Balance Sheet - Preliminary**  
**11/30/2018**

		<u>Operating Fund</u>	<u>Facilities Fund</u>	<u>Equipment Fund</u>	<u>Contingency Fund</u>	<u>Trust Facilities Fee Fund</u>	<u>Total</u>
<b>Assets</b>							
1	Cash and cash equivalents	\$2,565,028					\$2,565,028
2	Non-discretionary investments	5,950,896					5,950,896
3	Discretionary investments	19,283,155					19,283,155
4	Receivable/(Payable) from mutuals	(3,307,138)					(3,307,138)
5	Receivable/(Payable) from operating fund	(23,231,172)	10,145,277	3,587,879	498,769	8,999,247	
6	Accounts receivable and interest receivable	572,323					572,323
7	Operating supplies	1,035,306					1,035,306
8	Prepaid expenses and deposits	2,694,394					2,694,394
9	Property and equipment	121,415,491	3,639,900	1,781,029	3,124		126,839,544
10	Accumulated depreciation property and equipment	(71,674,579)					(71,674,579)
11	Intangible assets, net	286,034					286,034
<b>12</b>	<b>Total Assets</b>	<b><u>\$55,589,738</u></b>	<b><u>\$13,785,177</u></b>	<b><u>\$5,368,908</u></b>	<b><u>\$501,893</u></b>	<b><u>\$8,999,247</u></b>	<b><u>\$84,244,963</u></b>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
13	Accounts payable and accrued expenses	\$799,024	(\$3,622)	\$3,352	\$11,503	(\$10,419)	\$799,838
14	Accrued compensation and related costs	4,800,338					4,800,338
15	Deferred income	799,870					799,870
16	Total liabilities	<u>\$6,399,232</u>	<u>(\$3,622)</u>	<u>\$3,352</u>	<u>\$11,503</u>	<u>(\$10,419)</u>	<u>\$6,400,046</u>
Fund balances:							
17	Fund balance prior years	48,837,207	14,758,561	6,709,579	767,589	5,438,759	76,511,695
18	Change in fund balance - current year	(4,755,926)	1,017,309	1,778,130	(277,199)	3,570,907	1,333,222
19	Fund transfers	5,109,225	(1,987,072)	(3,122,153)			
20	Total fund balances	49,190,506	13,788,799	5,365,556	490,390	9,009,666	77,844,917
<b>21</b>	<b>Total Liabilities and Fund Balances</b>	<b><u>\$55,589,738</u></b>	<b><u>\$13,785,177</u></b>	<b><u>\$5,368,908</u></b>	<b><u>\$501,893</u></b>	<b><u>\$8,999,247</u></b>	<b><u>\$84,244,963</u></b>

**Golden Rain Foundation of Laguna Woods**  
**Changes in Fund Balances - Preliminary**  
**11/30/2018**

	<u>Operating Fund</u>	<u>Facilities Fund</u>	<u>Equipment Fund</u>	<u>Contingency Fund</u>	<u>Trust Facilities Fee Fund</u>	<u>Total</u>
Revenues:						
Assessments:						
1 Operating	\$25,016,943					\$25,016,943
2 Additions to restricted funds		980,672	1,681,152	140,096		2,801,920
3 Total assessments	<u>25,016,943</u>	<u>980,672</u>	<u>1,681,152</u>	<u>140,096</u>		<u>27,818,863</u>
Non-assessment revenues:						
4 Trust facilities fees					3,437,500	3,437,500
5 Golf green fees	1,349,447					1,349,447
6 Golf operations	269,593					269,593
7 Merchandise sales	293,455					293,455
8 Clubhouse rentals and event fees	590,218					590,218
9 Rentals	94,681					94,681
10 Broadband services	4,517,378					4,517,378
11 Interest income		200,974	111,919	8,776	150,428	472,096
12 Miscellaneous	1,025,197					1,025,197
13 Total non-assessment revenue	<u>8,139,968</u>	<u>200,974</u>	<u>111,919</u>	<u>8,776</u>	<u>3,587,928</u>	<u>12,049,564</u>
14 Total revenue	<u>33,156,911</u>	<u>1,181,646</u>	<u>1,793,071</u>	<u>148,872</u>	<u>3,587,928</u>	<u>39,868,427</u>
Expenses:						
15 Employee compensation and related	21,132,542	71,837				21,204,379
16 Materials and supplies	1,703,869	5,485	1,636			1,710,990
17 Cost of goods sold	189,371					189,371
18 Rental unit and guest suite direct costs	28					28
19 Community events	316,006					316,006
20 Utilities and telephone	2,148,138					2,148,138
21 Fuel and oil	466,842					466,842
22 Legal fees	332,639			349,650		682,290
23 Professional fees	589,656			18,425		608,081
24 Equipment rental	205,211	200				205,411
25 Outside services	1,489,951	28,696		56,970		1,575,617
26 Repairs and maintenance	635,667	5				635,672
27 Other operating expense	574,269	32,479				606,748
28 Income taxes	(2,203)					(2,203)
29 Property and sales tax	96,635					96,635

**Golden Rain Foundation of Laguna Woods**  
**Changes in Fund Balances - Preliminary**  
**11/30/2018**

		<b>Operating Fund</b>	<b>Facilities Fund</b>	<b>Equipment Fund</b>	<b>Contingency Fund</b>	<b>Trust Facilities Fee Fund</b>	<b>Total</b>
30	Insurance	1,153,986					1,153,986
31	Cable Programming/Copyright/Franchise	4,526,116					4,526,116
32	Investment expense		20,552	11,455	870	14,639	47,516
33	Net Allocation to Mutuals	(2,254,541)	1,793				(2,252,748)
34	Uncollectible Accounts	7,390					7,390
35	(Gain)/loss on sale or trade	135,041	3,289	1,850	155	2,382	142,717
36	Depreciation and amortization	4,466,225					4,466,225
37	Total expenses	<u>37,912,837</u>	<u>164,336</u>	<u>14,941</u>	<u>426,071</u>	<u>17,020</u>	<u>38,535,205</u>
38	Excess of revenues over expenses	<u>(\$4,755,926)</u>	<u>\$1,017,309</u>	<u>\$1,778,130</u>	<u>(\$277,199)</u>	<u>\$3,570,907</u>	<u>\$1,333,222</u>
39	Excluding depreciation	<u>(\$289,701)</u>	<u>\$1,017,309</u>	<u>\$1,778,130</u>	<u>(\$277,199)</u>	<u>\$3,570,907</u>	<u>\$5,799,447</u>

**GOLDEN RAIN FOUNDATION  
NON-DISCRETIONARY ACCOUNT HELD BY BANK OF AMERICA  
SCHEDULE OF INVESTMENTS  
11/30/18**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
912796QP7	U.S. TREASURY BILL	0.00%	07-30-18	12-20-18	3,000,000.00	1.99%	2,976,691.00	
912796QT9	U.S. TREASURY BILL	0.00%	11-30-18	01-17-19	1,000,000.00	2.23%	997,076.00	
912796QH5	U.S. TREASURY BILL	0.00%	11-30-18	05-23-19	2,000,000.00	2.42%	1,977,128.67	
<b>TOTAL FOR NON-DISCRETIONARY INVESTMENTS</b>					<b>\$ 6,000,000.00</b>		<b>\$ 5,950,895.67</b>	<b>1.47%</b>

\*Yield is based on all investments held during the year

**GOLDEN RAIN FOUNDATION  
DISCRETIONARY ACCOUNT - BLACKROCK/MERRILL LYNCH  
SCHEDULE OF INVESTMENTS  
11/30/18**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
	M.L. MONEY MARKET				\$ 711,455.46		\$ 711,455.46	
912828P53	U.S. TREASURY NOTE	0.75%	02-17-16	02-15-19	150,000.00	0.95%	149,109.63	
037833AQ3	CorpBond	2.10%	04-23-18	05-06-19	100,000.00	2.22%	99,870.00	
912828KQ2	U.S. TREASURY NOTE	3.13%	06-24-09	05-15-19	250,000.00	3.77%	236,621.09	
912828KQ2	U.S. TREASURY NOTE	3.13%	09-03-09	05-15-19	500,000.00	3.41%	488,205.12	
912828KQ2	U.S. TREASURY NOTE	3.13%	10-28-10	05-15-19	200,000.00	2.41%	210,953.93	
02665WBE0	CorpBond	1.20%	08-01-17	07-12-19	150,000.00	1.57%	148,920.00	
822582AJ1	CorpBond	4.30%	08-06-18	09-22-19	150,000.00	2.63%	152,746.50	
9128283N8	U.S. TREASURY NOTE	1.88%	01-02-18	12-31-19	400,000.00	1.90%	399,750.67	
05565QCX4	CorpBond	2.32%	08-21-18	02-13-20	175,000.00	2.84%	148,858.50	
912828MP2	U.S. TREASURY NOTE	3.63%	04-21-10	02-15-20	300,000.00	3.77%	296,262.92	
912828MP2	U.S. TREASURY NOTE	3.63%	10-28-10	02-15-20	121,000.00	2.58%	131,361.11	
912828MP2	U.S. TREASURY NOTE	3.63%	11-29-11	02-15-20	200,000.00	1.63%	230,469.55	
9128284C1	U.S. TREASURY NOTE	2.25%	04-20-18	03-31-20	250,000.00	2.43%	249,141.05	
912828K33	U.S. TIP NOTE	0.13%	03-08-17	04-15-20	400,000.00	0.12%	419,541.97	
912828ND8	U.S. TREASURY NOTE	3.50%	07-15-10	05-15-20	540,000.00	3.02%	561,728.72	
912828ND8	U.S. TREASURY NOTE	3.50%	09-01-10	05-15-20	250,000.00	2.60%	269,063.50	
912828XE5	U.S. TREASURY NOTE	1.50%	06-08-15	05-31-20	400,000.00	1.73%	395,563.17	
17275RAX0	CorpBond	2.45%	08-21-17	06-15-20	100,000.00	1.73%	101,950.00	
912828XY1	U.S. TREASURY NOTE	2.50%	08-06-18	06-30-20	250,000.00	2.66%	249,238.70	
912828NT3	U.S. TREASURY NOTE	2.63%	10-28-10	08-15-20	195,000.00	2.68%	194,002.93	
912828NT3	U.S. TREASURY NOTE	2.63%	11-29-11	08-15-20	200,000.00	1.75%	213,992.98	
06406HDD8	CorpBond	2.60%	12-08-15	08-17-20	200,000.00	2.39%	201,800.00	
857477AS2	CorpBond	2.55%	12-31-15	08-18-20	150,000.00	2.26%	151,875.00	

**GOLDEN RAIN FOUNDATION  
DISCRETIONARY ACCOUNT - BLACKROCK/MERRILL LYNCH  
SCHEDULE OF INVESTMENTS  
11/30/18**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
91324PDC3	CorpBond	1.95%	01-03-18	10-15-20	200,000.00	2.24%	198,400.00	
06051GFT1	CorpBond	2.63%	01-03-18	10-19-20	150,000.00	2.95%	148,824.00	
9128285G1	U.S. TREASURY NOTE	2.88%	11-02-18	10-31-20	250,000.00	2.87%	249,990.65	
912828M98	U.S. TREASURY NOTE	1.63%	12-24-15	11-30-20	250,000.00	1.72%	248,818.78	
05531FAZ6	CorpBond	2.15%	08-21-18	02-01-21	150,000.00	3.10%	146,644.50	
03523TBB3/BUD21	CorpBond	4.38%	11-22-13	02-15-21	175,000.00	3.05%	189,878.50	
63946BAE0	CorpBond	4.38%	12-08-15	04-01-21	200,000.00	2.50%	218,476.00	
63946BAE0	CorpBond	4.38%	10-23-17	04-01-21	50,000.00	2.10%	53,740.50	
9128284G2	U.S. TREASURY NOTE	2.38%	04-20-18	04-15-21	250,000.00	2.57%	248,594.17	
0258M0EB1	CorpBond	2.25%	04-23-18	05-05-21	150,000.00	3.10%	146,322.00	
369550BE7	CorpBond	3.00%	11-02-18	05-11-21	250,000.00	3.23%	248,567.50	
38141GGQ1	CorpBond	5.25%	01-25-18	07-27-21	250,000.00	2.93%	269,145.00	
594918BP8	CorpBond	1.55%	11-01-16	08-08-21	100,000.00	1.79%	98,911.00	
912828RC6	U.S. TREASURY NOTE	2.13%	11-09-11	08-15-21	1,000,000.00	2.04%	1,007,269.63	
91159HHP8	CorpBond	2.63%	02-08-17	01-24-22	100,000.00	2.49%	100,617.00	
594918BW3	CorpBond	2.40%	02-07-17	02-06-22	100,000.00	2.36%	100,162.00	
585055BR6	CorpBond	3.15%	07-19-16	03-15-22	150,000.00	1.18%	160,723.50	
747525AE3	CorpBond	3.00%	08-21-18	05-20-22	175,000.00	3.38%	172,648.00	
913017BV0	CorpBond	3.10%	04-01-16	06-01-22	175,000.00	1.82%	184,674.00	
91159JAA4	CorpBond	2.95%	12-08-15	07-15-22	200,000.00	2.92%	200,306.00	
912828L24	U.S. TREASURY NOTE	1.88%	11-06-15	08-31-22	500,000.00	2.08%	493,497.09	
375558BC6	CorpBond	3.25%	02-17-16	09-01-22	100,000.00	2.72%	103,024.00	
375558BC6	CorpBond	3.25%	07-20-16	09-01-22	100,000.00	2.04%	106,727.00	
375558BC6	CorpBond	3.25%	10-23-17	09-01-22	50,000.00	2.38%	51,901.00	
912828M80	U.S. TREASURY NOTE	2.00%	12-08-15	11-30-22	500,000.00	1.99%	500,196.31	
46625HJH4	CorpBond	3.20%	01-25-18	01-25-23	200,000.00	3.00%	201,808.00	
912828P38	U.S. TREASURY NOTE	1.75%	02-17-16	01-31-23	100,000.00	1.59%	101,031.45	
035242AL0	CorpBond	3.30%	08-18-17	02-01-23	100,000.00	2.59%	103,443.00	
037833AK6	CorpBond	2.40%	01-10-17	05-03-23	150,000.00	2.75%	146,896.50	
037833AK6	CorpBond	2.40%	10-23-17	05-03-23	50,000.00	2.42%	49,930.50	
912828S35	U.S. TREASURY NOTE	1.38%	07-19-16	06-30-23	250,000.00	1.35%	250,420.42	
68389XBL8	CorpBond	2.40%	07-12-16	09-15-23	200,000.00	2.16%	203,062.00	
61746BDQ6	CorpBond	3.88%	01-25-18	04-29-24	250,000.00	3.32%	257,662.50	
94974BGA2	CorpBond	3.30%	01-25-18	09-09-24	250,000.00	3.18%	251,667.50	
GNMA:								
36291EBQ3/P625647	GNMA SECURITIES	5.50%	02-18-04	01-15-19	55.51	0.05%	6,130.31	
36290RGU1/P615011	GNMA SECURITIES	5.00%	04-20-04	04-15-19	799.21	0.78%	5,096.09	
36225B3R7/P781708	GNMA SECURITIES	5.00%	05-18-04	05-15-19	80.62	0.80%	502.76	
36290TLG2/P616927	GNMA SECURITIES	5.50%	12-29-05	12-15-20	25,240.25	4.04%	34,349.63	
36290YBU1/P621151	GNMA SECURITIES	5.50%	05-29-07	05-15-22	21,146.54	5.50%	21,146.54	

**GOLDEN RAIN FOUNDATION  
DISCRETIONARY ACCOUNT - BLACKROCK/MERRILL LYNCH  
SCHEDULE OF INVESTMENTS  
11/30/18**

<b>I.D. NO.</b>	<b>DESCRIPTION</b>	<b>STATED RATE</b>	<b>SETTLEMENT DATE</b>	<b>MATURITY DATE</b>	<b>PAR VALUE</b>	<b>EFFECT. YIELD</b>	<b>ORIGINAL COST</b>	<b>ANNUALIZED YTD YIELD *</b>
36296DDR6/P687812	GNMA SECURITIES	5.50%	09-22-08	08-15-23	23,856.33	3.71%	35,389.04	
36202FAF3/P004506	GNMA SECURITIES	5.00%	02-22-10	02-20-24	73,573.54	2.69%	136,810.74	
36296Q4A4/P698417	GNMA SECURITIES	5.00%	09-17-09	09-15-24	46,216.00	2.54%	90,813.35	
36202FD78/P004626	GNMA SECURITIES	4.50%	02-24-10	02-20-25	32,963.76	3.18%	46,698.14	
36202FJC1/P004759	GNMA SECURITIES	4.00%	02-16-12	08-20-25	122,548.31	2.55%	192,515.43	
36202FJC1/P004759	GNMA SECURITIES	4.00%	03-19-12	08-20-25	32,278.34	2.56%	50,440.75	
3620AS6G9/P738971X	GNMA SECURITIES	3.00%	04-29-15	11-15-26	163,372.07	2.67%	183,424.82	
36202F2H8/P005276M	GNMA SECURITIES	3.00%	11-12-14	01-20-27	111,901.93	2.65%	126,647.56	
36179MAG5/PMA0007M	GNMA SECURITIES	3.00%	08-20-12	04-20-27	240,119.77	2.38%	302,376.00	
36179MGN4/PMA0205M	GNMA SECURITIES	3.00%	07-31-12	07-20-27	194,844.10	2.39%	245,027.69	
36179MGN4/PMA0205M	GNMA SECURITIES	3.00%	07-15-16	07-20-27	153,891.60	2.75%	167,660.88	
36179MP53/PMA0444M	GNMA SECURITIES	3.00%	12-18-12	10-20-27	312,647.32	2.43%	385,428.14	
36179MSB7/PMA0514M	GNMA SECURITIES	3.00%	05-14-14	11-20-27	147,689.09	2.67%	166,093.78	
36179MU32/PMA0602M	GNMA SECURITIES	3.00%	01-17-13	12-20-27	515,420.19	2.48%	624,623.90	
36179TY90/PMA5236M	GNMA SECURITIES	3.50%	06-13-18	06-20-33	192,540.06	3.41%	197,461.94	
36213CZ52/P550764x	GNMA SECURITIES	5.50%	09-19-07	09-15-35	22,427.49	6.71%	18,369.70	
36202EYL7/P004315	GNMA SECURITIES	5.50%	11-18-10	11-18-38	90,892.05	2.41%	207,433.91	
36296UVE7/P701813	GNMA SECURITIES	4.50%	02-18-10	02-15-39	36,431.14	3.64%	45,069.65	
36297F6L1/P711075	GNMA SECURITIES	4.50%	09-21-10	09-15-40	211,203.78	3.40%	279,838.88	
36179QJT9/PMA2074M	GNMA SECURITIES	4.00%	11-13-17	07-20-44	216,278.98	3.73%	232,177.92	
36179QL74/PMA2150M	GNMA SECURITIES	4.50%	09-11-14	08-20-44	133,627.09	3.36%	178,805.81	
36179QT50/PMA2372M	GNMA SECURITIES	4.00%	12-22-14	11-20-44	199,655.93	3.21%	248,710.22	
36179QT50/PMA2372M	GNMA SECURITIES	4.00%	12-24-14	11-20-44	92,148.90	3.22%	114,415.12	
36179SUV7/PMA4196M	GNMA SECURITIES	3.50%	02-28-17	01-20-47	318,918.14	3.32%	336,499.21	
36179TAK1/PMA4510M	GNMA SECURITIES	3.50%	08-16-17	06-20-47	304,853.99	3.34%	319,399.16	
36179TCY9/PMA4587M	GNMA SECURITIES	4.00%	01-24-18	07-20-47	628,013.34	3.82%	657,335.46	
<b>TOTAL FOR DISCRETIONARY INVESTMENTS</b>					<b>18,133,090.82</b>		<b>19,283,155.02</b>	<b>2.48%</b>
<b>TOTAL INVESTMENTS</b>					<b><u>\$ 24,133,090.82</u></b>		<b><u>\$ 25,234,050.69</u></b>	<b>2.25%</b>

\*Yield is based on all investments held during the year



# Golden Rain Foundation & Trust Reserve Expenditures Report

## EQUIPMENT FUND

### Period Ending: 11/30/18

		BUDGET	EXPENDITURES		
ITEM	RESOLUTION DATE	TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
2015					
JP150010000 - Additional High Definition Programming	9/2/2014	150,000	123,522	0	Closed
JP150110000 - Cargo Vans (5)	9/2/2014	182,200	181,226	0	Closed
JP150120000 - Utility Vehicles (10)	9/2/2014	167,500	179,196	0	Closed
JS150070000 - CH 3 Walkthrough Items	1/6/2015	150,000	3,500	146,500	In Progress
2016					
JP160100000 - High Definition Programming	9/1/2015	154,100	0	0	Closed
JP160300000 - Set Top Boxes	9/1/2015	258,300	262,531	0	Closed
JP161300000 - Miscellaneous Equipment	9/1/2015	79,500	74,692	0	Closed
JP161400000 - 2016 Mobility & Vehicles Spending Limit	9/1/2015	700,000	699,728	0	Closed
JS16023E001 - Performing Arts Center	6/7/2016	600,000	241,491	358,509	In Progress
JS16023E002 - Network Infrastructure	6/7/2016	195,000	184,883	0	Closed
JS16023E012 - EMS Upgrades	6/7/2016	80,000	62,411	17,589	In Progress
2017					
JP170100000 - CH 4 Pool Covers	9/6/2016	11,000	4,807	0	Closed
JP170500000 - Simulsat Antenna	9/6/2016	202,000	191,658	0	Closed
JP170700000 - Whole Home DVR Service	9/6/2016	350,000	292,964	57,036	In Progress
JP170800000 - Perf Arts Center Commercial Appliances	9/6/2016	13,000	0	13,000	Open
JP170900000 - CH 5 Commercial Appliances	9/6/2016	23,000	0	23,000	Open
JP171100000 - Dynamics CRM Software	9/6/2016	500,000	98,820	401,180	In Progress
JP171300000 - Human Resources Information System	9/6/2016	100,000	102,201	0	Closed
JS170090000 - Add Funding Simulsat Antenna	2/7/2017	113,600	91,380	0	Closed
JS170100000 - Clubhouse Piano Assessment and Replace	2/7/2017	15,000	1,600	13,400	In Progress
JS170200000 - Village Television Studio Set Remodel	7/5/2017	20,000	13,308	6,692	In Progress
JS170320000 - Additional Set Top Boxes	10/3/2017	102,200	102,465	0	Closed

# Golden Rain Foundation & Trust Reserve Expenditures Report

## EQUIPMENT FUND

### Period Ending: 11/30/18

ITEM	RESOLUTION DATE	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
JS17034E003 - Branding & Website Development	11/7/2017	76,000	66,950	9,050	In Progress
JS17034E004 - Human Resource Information System	11/7/2017	30,000	27,748	0	Closed
JS17034E005 - Fleet Mgmt Software Updates	11/7/2017	18,000	15,316	0	Closed

#### 2018

JP180100000 - Cable Inspection/Repair	9/5/2017	100,000	34,982	65,018	In Progress
JP180200000 - Set Top Boxes	9/5/2017	300,000	255,676	44,324	In Progress
JP180300000 - CH 1 Chairs	9/5/2017	40,000	0	40,000	Open
JP180400000 - CH 1 Fitness	9/5/2017	185,000	35,630	149,370	In Progress
JP180800000 - CH 1 Pool Furniture	9/5/2017	50,000	42,012	7,988	In Progress
JP181100000 - CH 1 Shower Boiler	9/5/2017	12,000	9,713	0	Closed
JP181200000 - CH 4 Gas Kilns	9/5/2017	100,000	102,473	0	Closed
JP181300000 - CH 4 Equipment	9/5/2017	23,000	16,392	6,608	In Progress
JP181700000 - CH 5 Chairs	9/5/2017	75,000	0	75,000	Open
JP182000000 - CH 6 Furnishings	9/5/2017	50,000	0	50,000	Open
JP182200000 - CH 7 Chairs	9/5/2017	20,000	0	20,000	Open
JP182400000 - CH 7 Water Heater	9/5/2017	7,000	0	7,000	Open
JP182800000 - ID Card System	9/5/2017	89,000	67,708	21,292	In Progress
JP182900000 - Microsoft AX 2012 License	9/5/2017	130,000	106,800	23,200	In Progress
JP183000000 - Security Vehicle Computers	9/5/2017	30,000	29,525	0	Closed
JP183300000 - Gates 1, 2, 3 and 4 - United Technology	9/5/2017	333,000	0	333,000	Open
JP183500000 - Gates 7, 8, 9 and 14 - Third Technology	9/5/2017	367,000	0	367,000	Open
JP183700000 - Aerator	9/5/2017	28,000	30,754	0	Closed
JP183900000 - Irrigation Gate Valves	9/5/2017	100,000	101,900	0	Closed
JP184000000 - Mowers - Walking Greens	9/5/2017	67,000	70,537	0	Closed

# Golden Rain Foundation & Trust Reserve Expenditures Report

## EQUIPMENT FUND

### Period Ending: 11/30/18

ITEM	RESOLUTION DATE	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
JP184200000 - Mowers (5)	9/5/2017	60,000	58,276	0	Closed
JP184300000 - Tree Trimming Equipment	9/5/2017	35,000	38,499	0	Closed
JP184500000 - Misc Equipment	9/5/2017	40,000	25,814	14,186	In Progress
JP184600000 - Misc Painting Equipment	9/5/2017	100,000	85,464	14,536	In Progress
JP184700000 - Outdoor Concert Support System	9/5/2017	80,000	81,670	0	Closed
JP185000000 - Auditorium Projector	9/5/2017	60,000	37,955	22,045	In Progress
JP185200000 - Buses (2)	9/5/2017	200,000	196,449	0	Closed
JP185300000 - Lifts (2)	9/5/2017	110,000	100,568	0	Closed
JP185400000 - Pickups (3)	9/5/2017	95,000	93,316	0	Closed
JP185500000 - Tractor	9/5/2017	195,000	207,620	0	Closed
JP185600000 - Truck	9/5/2017	36,000	32,728	0	Closed
JP185700000 - Utility Vehicles (9)	9/5/2017	158,000	160,657	0	Closed
JP185800000 - Vans (6)	9/5/2017	212,000	220,721	0	Closed
JS18040E000 - Gate 10 Renovation	9/4/2018	80,000	48	79,952	In Progress
<b>2019</b>					
JP190040000 - Transit Cargo Vans (7)	10/2/2018	301,800	0	301,800	Open
JP190060000 - Bus ADA (4)	10/2/2018	440,000	0	440,000	Open
JP190120000 - Scrubber	10/2/2018	70,000	0	70,000	Open
		\$ 8,669,200	\$ 5,266,286	\$ 3,198,275	

# Golden Rain Foundation & Trust Reserve Expenditures Report

## FACILITIES & TRUST FUNDS

### Period Ending: 11/30/18

		BUDGET	EXPENDITURES		
ITEM	RESOLUTION DATE	TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
2013					
JP130220000 - CH 4 Locker Room Heater	10/11/2012	28,400	0	0	Closed
2014					
JS140400000 - Comm Ctr Mechanical & Electrical System	8/5/2014	533,400	58,956	474,444	In Progress
2015					
JP150150000 - CH 5 HVAC and Roof Replacement	9/2/2014	700,500	483,733	0	Closed
JP150190000 - Paddle Tennis and Pickleball Courts	9/2/2014	600,000	243,819	356,181	In Progress
2016					
JS16023F005 - LED Lighting	6/7/2016	600,000	488,370	111,630	In Progress
JS16023F006 - Garden Center 1 & 2 Renovation	6/7/2016	400,000	305,855	94,145	In Progress
JS16023F010 - Call Center	6/7/2016	122,500	0	122,500	Open
JS16023F014 - CH7 Bridge Room Flooring	6/7/2016	70,000	69,909	0	Closed
JS160450000 - Solar Thermal Heating for Pools	9/6/2016	173,100	50,925	0	Closed
2017					
JP172000000 - Pool 1 Maintenance	9/6/2016	12,000	0	12,000	Open
JP172100000 - Pool 2 Maintenance	9/6/2016	26,000	0	26,000	Open
JP172200000 - Pool 4 Maintenance	9/6/2016	125,000	120,765	0	Closed
JP172300000 - Pool 5 Maintenance	9/6/2016	26,000	0	26,000	In Progress
JP172400000 - Pool 6 Maintenance	9/6/2016	125,000	27,111	0	Closed
JP172500000 - Clubhouse 1 Maintenance	9/6/2016	75,000	47,938	0	Closed
JP172600000 - Clubhouse 2 Annex Building Renovation	9/6/2016	240,000	127,328	112,672	In Progress
JP172700000 - Clubhouse 3 HVAC System	9/6/2016	300,000	0	300,000	Open
JP172800000 - Clubhouse 3 Stage/Safety Improvements	9/6/2016	728,000	0	728,000	Open

**Golden Rain Foundation & Trust Reserve Expenditures Report**  
**FACILITIES & TRUST FUNDS**  
**Period Ending: 11/30/18**

ITEM	RESOLUTION DATE	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
JP172900000 - Clubhouse 4 HVAC System	9/6/2016	37,000	39,418	0	Closed
JP173100000 - Clubhouse 5 Bar Area Flooring	9/6/2016	19,000	3,764	0	Closed
JP173200000 - Clubhouse 5 Maintenance	9/6/2016	50,000	43,582	0	Closed
JP173300000 - Clubhouse 6 HVAC System	9/6/2016	104,000	9,840	94,160	In Progress
JP173400000 - Clubhouse 7 Wood Floor - Main Lounge	9/6/2016	11,000	9,650	0	Closed
JP173500000 - Village Greens Maintenance	9/6/2016	25,000	25,000	0	Closed
JP173600000 - Community Center Entrance Air Lock	9/6/2016	98,000	27,513	70,487	In Progress
JP173700000 - Historical Society HVAC and Roof	9/6/2016	129,800	98,980	0	Closed
JP173800000 - Lawn Bowling Resurface	9/6/2016	180,000	179,975	0	Closed
JP173900000 - Miscellaneous Projects	9/6/2016	250,000	237,090	0	Closed
JP174100000 - Camera Surveillance System	9/6/2016	325,000	292,099	32,901	In Progress
JS17019B000 - 19 Restaurant and Lounge Update	7/5/2017	75,000	74,618	0	Closed
JS170220000 - Add Funds - Lawn Bowling Resurface	8/1/2017	412,303	421,670	0	Closed
JS17034F006 - Maintenance Center Storm Drain Repair	11/7/2017	200,000	196,055	0	Closed
JS17034F007 - Miscellaneous Projects	11/7/2017	50,000	18,123	0	Closed
JS17034F008 - Golf Fuel Tank Compliance	11/7/2017	12,000	10,970	0	Closed
JS17041B000 - Add Funding Pickleball Courts	12/5/2017	250,000	0	250,000	In Progress
<b>2018</b>					
JP180500000 - CH 1 HVAC	9/5/2017	350,000	0	350,000	Open
JP180600000 - CH 1 Maintenance	9/5/2017	50,000	35,245	14,755	In Progress
JP180700000 - CH 1 Mini-gym Ducting & Equipment	9/5/2017	15,000	15,000	0	Closed
JP180900000 - CH 1 Renovation Assessment	9/5/2017	80,000	16,275	63,725	In Progress
JP181000000 - CH 1 Shade Canopies: Bocce Court	9/5/2017	5,000	0	5,000	Open

# Golden Rain Foundation & Trust Reserve Expenditures Report

## FACILITIES & TRUST FUNDS

### Period Ending: 11/30/18

ITEM	RESOLUTION DATE	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
JP181400000 - CH 4 Maintenance	9/5/2017	91,000	52,731	38,269	In Progress
JP181500000 - CH 4 Pool Deck Rebuild	9/5/2017	62,000	6,239	55,761	In Progress
JP181600000 - CH 4 Roof Replacement	9/5/2017	100,000	104,883	0	Closed
JP181800000 - CH 5 Maintenance	9/5/2017	32,000	26,403	5,597	In Progress
JP181900000 - CH 5 Multipurpose Room	9/5/2017	75,000	0	0	Closed
JP182100000 - CH 7 Boiler	9/5/2017	10,000	10,960	0	Closed
JP182300000 - CH 7 Kitchen Modifications	9/5/2017	130,000	110,315	0	Closed
JP182500000 - Community Center HVAC	9/5/2017	450,000	0	450,000	Open
JP182600000 - Community Center Remodel	9/5/2017	750,000	77,521	672,479	In Progress
JP182700000 - Community Center Roof	9/5/2017	155,000	0	155,000	Open
JP183100000 - Energy Management System	9/5/2017	150,000	0	150,000	Open
JP183200000 - Gates 1, 2, 3 and 4 - United Renovation	9/5/2017	440,000	38,060	401,940	In Progress
JP183400000 - Gates 7, 8, 9 and 14 - Third Renovation	9/5/2017	440,000	36,630	403,370	In Progress
JP183600000 - Gates 10, 11, 12 Design	9/5/2017	60,000	58,620	0	Closed
JP183800000 - Golf Netting at Garden Center 1	9/5/2017	138,000	0	138,000	Open
JP184100000 - Head End Building HVAC Unit	9/5/2017	12,000	6,463	0	Closed
JP184400000 - Miscellaneous Projects	9/5/2017	250,000	127,335	122,665	In Progress
JP184800000 - Asphalt Paving	9/5/2017	805,000	780,575	0	Closed
JP184900000 - Concrete Repairs	9/5/2017	150,000	140,460	0	Closed
JP185100000 - Radiant Heaters	9/5/2017	50,000	0	50,000	Open
JS180130000 - Add Funding 19 Restaurant & Lounge Update	3/6/2018	30,777	29,166	0	Closed
JS180140000 - Pool 5 Maintenance	3/6/2018	46,000	0	46,000	Open

**Golden Rain Foundation & Trust Reserve Expenditures Report**  
**FACILITIES & TRUST FUNDS**  
**Period Ending: 11/30/18**

ITEM	RESOLUTION DATE	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
JS180240000 - Gatehouses 4, 10, 11 & 12 Renovation	5/1/2018	42,500	42,177	0	Closed
JS180300000 - Funding Community Center HVAC	7/3/2018	447,163	0	447,163	Open
JS18040F000 - Gate 10 Renovation	9/4/2018	110,000	1,750	108,250	In Progress
<b>2019</b>					
JP190180000 - Gate Replacements El Toro Rd Access	9/4/2018	62,400	62,400	0	Closed
JP190160000 - Gate Replacements - Main Svc Ctr Entry	10/2/2018	92,000	0	92,000	Open
JP190170000 - Gate Replacements - RV Lot B	10/2/2018	92,000	0	92,000	Open
JP190320000 - Miscellaneous Projects	10/2/2018	250,000	0	250,000	Open
		<b>\$ 13,135,843</b>	<b>\$ 5,492,262</b>	<b>\$ 6,923,093</b>	

# Golden Rain Foundation & Trust Reserve Expenditures Report

## CONTINGENCY FUNDS

### Period Ending: 11/30/18

		BUDGET	EXPENDITURES		
ITEM	RESOLUTION DATE	TOTAL Appropriations	I-T-D*	REMAINING Encumbrance	STATUS
2015					
JS150350000 - Aliso Creek Mitigation Plan Process	6/2/2015	19,230	0	19,230	Open
2017					
JS17034C002 - Tub Grinder	11/7/2017	85,000	34,770	0	Closed
2018					
JS180120000 - Fumigation for Termites at GRF Facilities	3/6/2018	33,000	0	33,000	Open
JS180020000 - Extension of Social Media Contract	1/2/2018	22,200	22,200	0	Closed
JS180230000 - Records Inventory & Mgmt Consultant	5/1/2018	50,000	18,425	31,575	In Progress
JS180250000 - Energy Consultant Services	5/1/2018	50,000	3,124	46,876	In Progress
JS180270000 - Equipment Wash-Down Facility	6/5/2018	100,000	0	100,000	Open
JS180470000 - Supplemental Funding for Legal Fees	10/2/2018	350,000	349,650	0	Closed
		\$ 709,430	\$ 428,169	\$ 230,681	

STATUS LEGEND	
Open	No action taken; encumbrance remains.
Spec/Bid	Work is in the specification/bid process; future expenditures anticipated.
In Progress	Work has begun and future expenditures are anticipated.
Closed	Work and/or billings are complete; encumbrance removed.
On Hold	Work has ceased for the item; encumbrance remains.
Rescinded	Resolution rescinded; encumbrance removed.



## **STAFF REPORT**

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**DATE:** December 5, 2018  
**FOR:** Mobility and Vehicles Committee  
**SUBJECT:** Request for Supplemental Funding to Replace Plan-A-Ride Van

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### **RECOMMENDATION**

Recommend to the Board of Directors approval of a request for supplemental funding in the amount of \$45,000 to replace a handicapped accessible van utilized for the Plan-A-Ride program that was damaged beyond repair as the result of an accident.

### **BACKGROUND**

The Plan-A-Ride program that provides on-demand transportation services to residents of Laguna Woods utilizes a combination of two handicapped accessible vans and several buses to support the daily functions of the program. On October 13, 2018, one of the vans was involved in a solo vehicle accident that resulted in unrepairable damage to the vehicle. It was determined to be a total loss.

### **DISCUSSION**

Due to the high number of reservations serviced by the Plan-A-Ride program on a daily basis, many requiring a handicapped accessible vehicle, staff are recommending the replacement of the van. On November 16, 2018, staff arranged for a viewing of the Ford Transit van that is being proposed to replace the Toyota Sienna van that was destroyed. Three Board members viewed the van and took advantage of the opportunity to ask questions about various features that the new style of van offered. Staff including a bus driver and Board members, were impressed by the utility of the van and how it addressed some operational challenges experienced with the Toyota product. The cost of the van would be approximately \$2,000 to \$3,000 less expensive than a replacement Toyota Sienna van.

### **FINANCIAL ANALYSIS**

The replacement of the destroyed vehicle will cost approximately \$45,000 and would require supplemental funding from the G.R.F. Equipment Fund to purchase.

**Prepared By:** Bruce Hartley, General Services Director

**Reviewed By:** Siobhan Foster, Acting Chief Executive Officer

### **ATTACHMENT (S):**

ATT-1: Photographs





RESERVED  
WC  
360  
ONLY

DECAL  
RENEWAL  
PARKING















## STAFF REPORT

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**DATE:** December 19, 2018  
**FOR:** Finance Committee  
**SUBJECT:** Civil Code 5380 Update

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### **RECOMMENDATION**

Receive and file.

### **DISCUSSION**

Assembly Bill 2912 will become effective January 1, 2019 and adds several new requirements that impact the financial management of associations, including more frequent board review of financials, board authorization requirements for deposits and expenditures, and higher fidelity insurance limits.

#### **5500 Review of Financials**

Current requirements under Civil Code require at least a quarterly review of certain financial statements and accounts by the board of directors; a more stringent standard of monthly review becomes effective January 1, 2019. For the Golden Rain Foundation, review of the detailed financial statements is currently delegated to the Finance Committee, which meets only in even months. However, the Board meets monthly and reviews financials as part of the Treasurer's Report. To meet revised Civil Code requirements, the monthly Treasurer's Report will be expanded to include more financial reporting detail, or the Board will ratify the review of financial documents by the Treasurer and one other board member as allowed under Section 5501.

#### **5502 Financial Transfers**

This new section states that transfers greater than ten thousand dollars (\$10,000) or 5 percent of an association's total combined reserve and operating account deposits, require prior written authorization from the Board. Legal counsel has been asked to draft a resolution that will be presented to the Board for approval at the January regular open meeting, serving as the written authorization to meet civil code requirement.

#### **5806 Fidelity Insurance**

This new section states that unless the governing documents require greater coverage amounts, the association shall maintain fidelity bond coverage for its directors, officers, and employees in an amount that is equal to or more than the combined amount of the reserves of the association and total assessments for three months. Fidelity coverage will be increased to a limit of \$45 million to cover the combined amount of assessments (three months) and reserve balances.

The annual premium for fidelity coverage is approximately \$25,000. This cost is allocated to all insureds and GRF pays approximately \$10,000 for their portion. Once quotes are obtained for increasing the limit from \$12.5 Million to \$45 Million, the additional premium cost will be funded as an unbudgeted operating expense in 54401000 Hazard & Liability Insurance.

**FINANCIAL ANALYSIS**

None.

**Prepared By:** Betty Parker, CFO