



OPEN MEETING

**REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION
COMMUNITY ACTIVITIES COMMITTEE
Thursday, July 8, 2021 – 1:30 P.M.
Board Room/ Virtual Meeting
Laguna Woods Village Community Center
24351 El Toro Road**

AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for June 10, 2021
5. Chair's Remarks
6. Department Head Update
7. Member Comments (Items Not on the Agenda)

At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can attend the meeting by joining the Zoom link <https://zoom.us/j/96276504972> or by calling (949) 268-2020 or email meeting@vmsinc.org to request to speak.

Consent:

8. Financial Statement
9. Utilization of Open Activities

Reports: (Receive and File or Provide Recommendations)

10. Exception for Village Greens Room Usage

Items for Discussion and Consideration: (Entertain a Motion to)

11. Proposed Fee Policy Amendment for Recreation and Related Services

Items for Future Agendas:

12. Greens Committee Reports and Recommendations
13. Saddleback Emeritus Institute Contract Update
14. Club Insurance

Concluding Business:

15. Committee Member Comments
16. Date of Next Meeting – Monday, August 16, 2021 at 9:30 a.m.

17. Adjournment

Jon Pearlstone, Chair
Brian Gruner, Staff Officer
Telephone: 597-4270

OPEN MEETING

REPORT OF THE REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION COMMUNITY ACTIVITIES COMMITTEE

Thursday, June 10, 2021 – 1:30 p.m.
Virtual Zoom Webinar

MEMBERS PRESENT: Jon Pearlstone, Chair, Bunny Carpenter, Yvonne Horton, Andre Torng, Elsie Addington, Debbie Dotson, Dennis Boudreau, Juanita Skillman

MEMBERS ABSENT: Ryna Rothberg, Reza Karimi

OTHERS PRESENT: Dick Rader

STAFF PRESENT: Brian Gruner, Jennifer Murphy, Jackie Kupfert

Call to Order

Chair Pearlstone called the meeting to order at 1:32 p.m.

Acknowledgement of Media

There was no press present.

Approval of Agenda

A motion was made to change item #10 to July 3 and 4 Clubhouse 2 Resident Coordinated Concert replacing Proposed Recreation Reopening Plan which will be presented during the Department Head Update and remove item #16 Long Range Plans for Outdoor Fitness Equipment.

Motion passed unanimously.

Approval of Committee Report for May 13, 2021

A motion was made, and by majority consensus, the report was approved.

Chair's Remarks

Chair Pearlstone stated today will be a review of the culmination of several months of planning and discussion to provide a starting point with regards to the budget analysis. This discussion will give a clear direction of where things will go and what objectives we are trying to accomplish. Chair Pearlstone thanked staff for assistance with this project.

Report of the Recreation and Special Events Director

Mr. Gruner stated the boiler at Pool 1 has not been delivered and staff will provide a concrete timeline of installation and reopening of Pool 1 once the boiler is received. The Golf Greens Committee discussed the following: the skins games tee times which have been booked successfully with the online tee time reservation system; staff recommendation of guests allowed after 10 a.m. weekdays and after noon on weekends which was approved; cart sharing to minimize damage on course; creation of orientation video for new golfers; alternative event start times for events such as member/guest tournaments. The Equestrian Center arena project contract is finalized and the project should commence within the next few weeks. The Garden Center 1 office building has been removed and staff is reworking the area to allow for gatherings. The July 4 golf cart parade will begin at 9 a.m. starting at Clubhouse 1 and will include a decorated float paid for by sponsorship.

Mr. Gruner presented the Village Reopening Plan.

Mr. Gruner stated the Recreation Department is striving to recruit more staff with the assistance of Human Resources as the staffing level is at about 65%. Chair Pearlstone inquired as to what amenities are not open. Mr. Gruner stated all facilities except Clubhouse 6 and the Performing Arts Center should be operational by July 6 with limitations on operating hours. More information will be provided to the community when available.

Advisor Skillman inquired as to full staff of lifeguards and as to the skins games tee times being reserved. Mr. Gruner stated there is a full staff of lifeguards and tee times are not reserved for the skins games, but those tee times are being successfully booked via the online reservation system. Advisor Skillman stated the Library will reopen on June 15 with regular hours of 10 a.m. to 4 p.m. Monday through Friday and 10 a.m. to 1 p.m. on Saturdays; fines will begin again for late returns; newspapers and magazines will return inside for check out; reading and puzzle rooms will be open; iPads will be available for use; outside patio library will not be available as all items will be moved inside; the History Center is open 10 a.m. to noon Monday through Friday. Chair Pearlstone directed staff to include the Library update in the next eblast to the community.

Director Torng inquired as to mask wearing, social distancing and sanitization. Mr. Gruner stated the guidelines will be reported once the state announces the requirements. Director Torng inquired as to the 65% staff level and if residents are allowed to apply for open positions. Mr. Gruner stated residents have been informed of the openings, but most available positions require heavy lifting and are physically demanding. Director Torng inquired as to restrictions of outside club members attending club events. Mr. Gruner stated there will be no guest restrictions for club events if allowed per the pending state announcement.

Dick Rader inquired as to cancellations due to inadequate staff. Mr. Gruner stated we are to reopen in a manner that allows for proper staff being available.

Chair Pearlstone stated the committee needs to discuss the July 3 and 4 resident coordinated concert as Mr. Boggio needs to leave the meeting soon. He recommended to skip to item #10 at this time and return to committee questions for Mr. Gruner.

Director Carpenter stated some clubs are continuing Kourts for reservations on a limited basis and stated Mr. Gruner is working with those clubs closely to enhance the sport and provide fair times of play. Director Horton inquired as to opening the tennis clubhouse. Mr. Gruner stated this may be open June 15, but will need to meet with the club to organize the interior. She inquired as to a tennis staff member being onsite. Mr. Gruner stated a staff person will return.

Staff was directed to place the employee discussion on a future CAC meeting per Chair Pearlstone.

Ms. Kupfert will send the Proposed Recreation Reopening Plan presentation to the committee.

Member Comments (Items Not on the Agenda)

None.

CONSENT

A motion was made to approve the consent calendar.

Director Tornig inquired as to summary of operations report in regards to Year to Date Actuals showing a negative amount. Mr. Gruner stated refunds were issued to residents.

Motion passed unanimously.

REPORTS

July 3 and 4 Clubhouse 2 Resident Coordinated Concert - Chair Pearlstone stated Mr. Boggio from the Deluxe Night Club would like to host a concert on July 3 and 4 at Clubhouse 2. Mr. Gruner stated he was approached by resident Mr. Boggio requesting to host a multi-band concert on July 3 and 4. The inquiry included provision of a portable stage and barricades however staff will not be onsite. Mr. Boggio stated capacity of Clubhouse 2 grass area and patio will be adhered which would limit number of attendees and the event will be free with a required ticket. The driveway would be barricaded to ensure safety. The club is managing the event costs.

Discussion ensued.

Chair Pearlstone stated staff should only provide what is provided for other club events; barricades may make event safer. Director Carpenter stated several issues have been discussed and expectations have been established. She stated committee may approve event based upon club bringing in security and following limitations.

Staff was directed to allow the event as long as clean up, parking and security plans are presented fully.

Shared Fee/Financial Analysis Update – Chair Pearlstone presented the budget analysis. Mr. Gruner presented the revenue/expenses budget analysis and 3% fee increase chart.

Director Carpenter inquired as to the intent to use both the greenbook and newly presented formulas regarding the shared cost percentage. Chair Pearlstone stated the intention was not to override the shared cost, but to allow for minimal increase for the residents. Chair Pearlstone stated they would be integrated together as 3% is the maximum only and a lesser percent could be accepted. He recommends no increase for next year. Director Carpenter stated policies must be addressed as they are all different.

Director Carpenter stated some fees will need to be researched separately.

Staff was directed to present the proposed guest fees for the riding program to the Equestrian Ad Hoc Committee for review.

Staff was directed to submit the fee increases from the May CAC meeting and the storage fees to the Finance Committee in June.

Staff was directed to redesign the financial analysis and present at the July CAC meeting.

Recreation Department Standardized Annual Fee Increases – This item was not presented and is to be put on the June agenda.

Special Accommodation for Reciprocal & Charitable Club Events - Mr. Gruner stated the staff recommendation to approve the Laguna Woods Village Men's 18-Hole Golf Club special accommodation request for 2021 to reduce or waive guest fees when hosting the reciprocal and/or charitable club events listed below which market the community to non-residents and/or fundraise for the Foundation of Laguna Woods Village.

Motion was made to approve special accommodation of guests to pay the resident rate for tee time during the 18-Hole Men's Golf Club member/guest tournament in 2021.

Discussion ensued.

Motion passed unanimously.

Chair Pearlstone stated the committee approved the guest fee reduction of only one member/guest tournament with a minimal impact under \$3,000. He stated the Men's Golf Club may present other tournament guest fee requests if decided to host in 2021 or they may bundle them to be presented at future CAC meetings.

ITEMS FOR DISCUSSION AND CONSIDERATION

None

ITEMS FOR FUTURE AGENDAS

Laguna Woods Village Pre-reserved Golf Tee Times - Staff was directed to keep this item under Items for Future Agendas.

Long Range Plans for Outdoor Activities – Staff was directed to remove this item from future agendas.

Garden Center 2 Access Gate – Staff was directed to remove this item from future agendas.

Saddleback Emeritus Institute Contract Update – Staff was directed to keep this under Future Agendas.

Locker Fees - Mr. Gruner presented the facility storage report. Chair Pearlstone stated these would be annual fees, not monthly.

A motion was made to accept the proposed locker fees as presented.

Discussion ensued.

Motion passed unanimously.

Club Insurance – Staff was directed to keep this item under Future Agendas.

CONCLUDING BUSINESS

Committee Member Comments

Chair Pearlstone stated the presentation of fees will be clarified at the next CAC meeting. Advisor Boudreau thanked the committee for the support of the special accommodation for reduced golf fees and any additional costs incurred with the tournament will be covered by club.

Director Dotson appreciated what was accomplished today and looks forward to receiving more information so the committee may make an informed decision that works best for our residents.

Date of Next Meeting

The next regular meeting of the GRF Community Activities Committee will be held at 1:30 p.m. via the Zoom Webinar platform on Thursday, July 8, 2021.

Adjournment

There being no further business, the Chair adjourned the meeting at 4:41 p.m.

Jon Pearlstone

Jon Pearlstone, Chair

**Golden Rain Foundation of Laguna Woods
Proforma Recreation Services Summary of Operations
5/31/2021**

SUMMARY: DEPARTMENT OF RECREATION SERVICES

	Admin	Aquatics/ Fitness	Bar Services	Clubhouses	Equestrian	Garden Centers	Golf	PAC	ACTUAL	BUDGET	YTD	VAR\$ B/(W)
Non-Assessment Revenues:												
Golf Green Fees	0	0	0	0	0	0	525,913	0	525,913	631,250	(105,337)	
Golf Operations	0	0	0	0	0	0	109,329	0	109,329	106,580	2,749	
Merchandise Sales	0	0	0	0	0	0	90,973	0	90,973	94,830	(3,857)	
Clubhouse Rentals and Event Fees	590	0	0	559	2,600	0	(102)	805	4,452	171,888	(167,436)	
Rentals	0	0	0	0	0	18,693	18,000	0	36,693	45,650	(8,957)	
Miscellaneous	(1,353)	(39)	0	1,665	37,540	0	13	0	37,826	130,137	(92,311)	
Total Non-Assessment	(763)	(39)	0	2,224	40,140	18,693	744,126	805	805,184	1,180,335	(375,151)	
Expenses:												
Employee Compensation	151,714	113,212	2,872	183,914	85,328	28,157	611,721	54,265	1,231,183	1,512,964	281,781	
Expenses Related to Employee Compensation	44,036	41,880	1,352	55,141	20,819	13,809	213,640	12,155	402,833	512,207	109,374	
Materials and Supplies	358	24,477	0	11,309	39,701	2,627	91,344	116	169,930	232,636	62,706	
Cost of Goods Sold	0	0	0	0	0	0	72,573	0	72,573	68,620	(3,953)	
Community Events	7,816	1,390	0	235	0	0	0	0	9,441	138,053	128,612	
Utilities and Telephone	289	63,800	0	149,191	5,928	24,743	195,326	21,632	460,909	432,567	(28,342)	
Professional Fees	0	0	0	0	0	0	0	0	0	625	625	
Equipment Rental	0	12,284	0	0	0	0	13,109	0	25,392	31,852	6,460	
Outside Services	4,936	205,603	0	3,329	2,147	129	40,618	857	257,617	210,624	(46,993)	
Repairs and Maintenance	0	1,406	0	2,645	5,452	0	1,558	479	11,540	32,253	20,713	
Other Operating Expense	7,721	1,830	0	8,144	1,144	341	8,625	1,075	28,880	45,062	16,182	
Property and Sales Tax	43	0	0	212	0	131	7,359	25	7,769	9,213	1,444	
Uncollectible Accounts	0	0	0	1,665	0	0	0	0	1,665	0	(1,665)	
Total Expenses	216,913	465,882	4,224	415,785	160,519	69,937	1,255,873	90,604	2,679,733	3,226,676	546,943	
Net Cost (before allocations)	\$217,676	\$465,921	\$4,224	\$413,561	\$120,379	\$51,244	\$511,747	\$89,799	\$1,874,549	\$2,046,341	\$171,792	
Allocated To Departments	(176,639)	0	0	(15,237)	0	0	0	0	(191,876)	(257,798)	(65,921)	
Allocated From Departments	101,246	61,052	3,154	193,654	18,047	3,039	46,068	39,530	465,792	563,777	97,985	
Net Cost	\$142,283	\$526,973	\$7,378	\$591,978	\$138,426	\$54,283	\$557,815	\$129,329	\$2,148,464	\$2,352,320	\$203,856	



Laguna Woods Village

2020/2021 Facility Utilization

	2020 Total	2021-Jan	2021-Feb	2021-March	2021-April	2021-May	2021-June (1-14 only)	Cumulative Total During COVID
Tennis	15,105	1,876	2,142	2,222	2,406	2,405	1,177	27,333
Pickleball	14,580	2,188	2,064	2,848	2,740	2,780	1,534	28,734
Paddle Tennis	1,873	166	138	344	414	314	160	3,409
Swim	27,905	4,528	4,471	4,764	5,901	6,145	3,882	57,596
Lawn Bowling	2,497	331	428	261	395	431	239	4,582
Golf	82,809	11,075	11,355	11,790	11,819	12,078	6,107	147,033
Driving Range/Lessons	37,526	3,233	3,784	1,624	4,662	5,222	2,264	58,315
Library-Residents Served	2,270	320	402	308	302	457	862	4,921
Bocce Ball	30	2	0	5	0	4	0	41
Class Attendees	1,145	780	933	917	906	1,026	506	6,213
Clubhouse 1 Fitness	7,468	1,478	2,515	2,929	3,703	4,094	2,136	24,323
Clubhouse 4 (all rooms open)	0	0	0	0	943	1,429	926	3,298
Total	193,208	25,977	28,232	28,012	34,191	36,385	19,793	365,798

2021 Facility Utilization (continued)



	2021-June (15-30 only)	
Tennis	556	(limited reservations times required)
Pickleball (outdoor)	726	(limited reservations times required)
Paddle Tennis	0	(no reservations required until July 1)
Swim	4,779	
Lawn Bowling	239	
Golf	6108	
Driving Range/Lessons	2265	
Library-Residents Served	1,076	
Bocce Ball	131	
Class Attendees	506	
Clubhouse 1		
Fitness	2136	
Badminton	323	
Volleyball	120	
Pickleball (indoor)	119	
Archery	105	
Shuffleboard	20	
Billiards	130	
Drop-In Lounge	53	
Game Room	34	
Community Center		
Fitness	1529	
PC Room	217	
Mac Room	91	
Table Tennis	838	
Clubhouse 2		
Video Lab	60	
Game Room	0	
Clubhouse 5		
Fitness Room	151	
Game Room	90	
Gym	356	
Clubhouse 4 (all open rooms)	927	
Total	23685	

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STAFF REPORT

DATE: July 8, 2021
FOR: Community Activities Committee
SUBJECT: Proposed Fee Policy Amendment for Recreation and Related Services

RECOMMENDATION

Review and discuss the proposed fee schedule amendment of current fee resolutions to allow for an annual committee review of fees with an annual increase of up to three percent for fiscal years 2023, 2024 and 2025.

BACKGROUND

The costs for providing GRF facilities and services are shared equally by all units within Laguna Woods Village, a concept referred to as “shared costs,” and billed within the monthly assessment. Some exceptions are made in the form of user fees, designed to partially offset the costs allocated to members. A shared cost guideline (Attachment 1) outlines when the levying and collection of fees would be appropriate and some of the key elements are noted below:

Exceptions are made to offset shared costs in a number of circumstances to:

1. Control crowding;
2. Minimize over-usage;
3. Impose reasonable limitations on facility or service;
4. Address high cost facility or service;
5. Address new facility or service; and/or
6. Account for limited or exclusive use

Since inception, no fees have been imposed for certain facilities and services because community associations traditionally view them as an integral part of residential real property and use of those facilities should be covered by the resident’s monthly assessments. This includes but is not limited to the following:

1. Aquatics (pools);
2. Racquet sport courts;
3. Transportation;
4. Practice putting greens;
5. Bocce courts; and
6. Billiard rooms

Standing committees annually and at other times when circumstances require review fees and recommend changes based on current operations and economic conditions. When making fee recommendations, the committees are often looking at utilization, trends and costs. Recommendations are sent to the board for review and adoption by resolution.

DISCUSSION

Recreation and Special Events Department fees are supported by fee policy resolutions that automatically update the fee amounts annually based on the adopted budget. The Community Activities Committee (CAC) is conducting a comprehensive Recreation and Special Events Department financial analysis including identifying the true shared cost per manor per month for recreational activities subsidized by the shared fee concept such as room rentals and garden centers. In an effort to simplify the current fee calculation process, committee members discussed implementing an annual fee increase of up to three percent.

FINANCIAL ANALYSIS

Based on an annual average (FY 2017, 2018 and 2019) of non-assessed revenues, the Recreation and Special Events Department generates \$3 million annually. If the maximum annual three percent fee increase were implemented, the following estimated additional revenues may be realized for 2023:

Table 1: Estimated Additional Revenues

Fiscal Year	Amount
2022	\$92,162

In addition, the new fee adoption process would save staff time by allowing staff to work on additional priorities.

Prepared By: Brian Gruner, Recreation and Special Events Director

Reviewed By: Steve Hormuth, Interim Finance Director
Siobhan Foster, Chief Operating Officer

ATTACHMENT(S)

ATT1: Guidelines for Shared Costs and Fees

Attachment 1

RESOLUTION 90-12-132

GUIDELINES FOR SHARED COSTS AND FEES

RESOLVED, November 6, 2012, that the following Guidelines for the sharing of costs and for the levying and collection of fees reflect the policies and practices which have developed over the history of Laguna Woods Village. The Guidelines are subject to change from time to time at the discretion of the Golden Rain Foundation Board of Directors (GRF).

A. General Principles and the Shared Cost Concept:

- I. Shared costs are costs of furnishing, maintaining, or operating facilities and services which all Laguna Woods Village residents use or enjoy, or have the right to use or enjoy. They are costs budgeted as Golden Rain Foundation operating or reserve expenditures shared equally throughout Laguna Woods Village by manor. The monthly assessment by each manor ownership reflects an equal portion of these costs per the amended Trust Agreement dated March 30, 1964, Paragraph 6: "Golden Rain costs shall be included in monthly assessment on a pro-rata basis to members of respective corporations."
- II. Reasonable fees may be imposed pursuant to the Trust Agreement, as amended.

B. Exceptions to the Shared Cost Concept:

- I. Utilization Control
In order to control crowding, to minimize over-usage, or to impose reasonable limitations on guests, fees may be imposed on users of a shared cost facility or service.
- II. Financial Support of a Facility/Service
Reasonable fees may be imposed on the users of a new or existing shared cost facility or service if GRF determines that fees would be appropriate to help offset costs and reduce assessments.
- III. Exclusive Use of Facility by Resident
Where only a small number of residents are allowed access to a facility, GRF may impose a fee to recover certain costs of operating that facility.

C. Special Facilities:

Since the inception of Laguna Woods Village, two facilities have consistently been declared to be free from the imposition of fees for use thereof by Laguna Woods Village residents.

- I. The first of such special facilities is the aquatics and necessary related facilities. The special classification of aquatics derives from the view

traditionally held by the Laguna Woods Village community that the "swimming pool" is an integral part of residential real property.

- II. The second such special facility is the Laguna Woods Village Transportation System. Its special classification derives from assurances of the original developer that the community bus system would furnish certain fare-free bus transportation to Laguna Woods Village residents. Rendition of this free bus service has been endorsed and continued by the first and subsequently elected Golden Rain Foundation Boards of Directors.

Additionally, there are other facilities where it would be difficult to collect fees or where it may not prove to be cost effective.

D. Definition of Fees:

Inasmuch as GRF provides multipurpose facilities and services, a formula for determining fees shall be applied to each such facility or service separately in order to determine an appropriate fee amount. When establishing fees, GRF will review direct costs of operating the facility, reserve requirements for equipment and facility improvements, and utilization.

- I. Facilities Fee - A payment imposed on the user of a shared facility in order to control use or recover a portion of the facility costs. The fee should represent an equitable and reasonable division of cost between the user and the monthly assessment.
- II. Administrative Service Fee - A payment imposed on the user of a service provided by administrative personnel of the Managing Agent or a contracted service provider.
- III. Entertainment Fee - A fee assessed to individuals for a Recreation coordinated event.
- IV. Additional Occupant Fee - A payment imposed for each additional occupant over two in a manor, whether owner or tenant, for the right to use community facilities or services.
- V. Nonresident/Guest Fees - A payment imposed on a nonresident, including all non-Laguna Woods Village organizations, for use of a community facility or service.

In the event that the owner(s) of any manor shall lease said manor to a tenant or tenants, such tenant(s) shall be entitled to the use of all GRF facilities or services as aforesaid during the term of said lease and the owner(s) shall not be entitled to such use of said facilities or services.

RESOLVED FURTHER, that Resolution G-89-115 adopted November 7, 1989 is hereby superseded and cancelled; and