GOLDEN RAIN FOUNDATION of LAGUNA WOODS

SPECIAL OPEN MEETING OF THE CORPORATE MEMBERS OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

Friday, February 11, 2022 – 9:30 a.m.
Virtual Meeting
24351 El Toro Road, Laguna Woods, California

AGENDA AND NOTICE

1. Call to Order

2. Pledge of Allegiance

3. Approval of Agenda

4. Vote Privately "FOR" or "AGAINST" the Enterprise Resource Planning System recommendation from the Golden Rain Foundation of Laguna Woods.

5. Corporate Member Comments

6. Adjournment

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NOTICE OF SPECIAL OPEN MEETING OF THE CORPORATE MEMBERS OF THE GOLDEN RAIN FOUNDATION OF LAGUNA WOODS A CAUFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

NOTICE IS HEREBY GIVEN that the Golden Rain Foundation has called a special open meeting of the Golden Rain Foundation of Laguna Woods Corporate Members.

THE MEETING SHALL BE HELD as a virtual meeting in Laguna Woods, California on:

Friday, February 11, 2022, at 9:30 A.M.

THE PURPOSE OF THE MEETING is to vote "FOR" or "AGAINST" the Enterprise Resource Planning System recommendation from the Golden Rain Foundation of Laguna Woods.

THIS MEETING WILL BE OPEN

Dated: 01/31/2022

Joan Milliman,
Secretary of the Board
The Golden Rain Foundation

DECLARATION OF MAILING
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, the undersigned, declare:

1. I am the Secretary of the Golden Rain Foundation of Laguna Woods.

2. On January 31, 2022, I caused a notice of the Special Meeting of the Corporate Members of said corporation for February 11, 2022, (copy of which is attached hereto and made part hereof) to be mailed, addressed to each member of said corporation, at his or her address as appearing in the records of said corporation.

Executed at Laguna Woods, California, on, January 31, 2022.

I declare under penalty of perjury that the foregoing is true and correct.

Joan Milliman, Secretary of the Board
Golden Rain Foundation

GOLDEN RAIN FOUNDATION of LAGUNA WOODS

To: GRF Board and Corporate Members
From: Michelle Estrada, Corporate Secretary
Date: February 4, 2022
Re: Special Open Corporate Members Meeting
February 11, 2022, Meeting Invite and Balloting Procedures

The president of the Golden Rain Foundation Board of Directors has called a virtual special open corporate member meeting in accordance with GRF Bylaw §5.3 for Friday, February 11, 2022, at 9:30 a.m.

The purpose of this virtual meeting is to vote **FOR** or **AGAINST** the Enterprise Resource Planning System recommendation from the Golden Rain Foundation of Laguna Woods.

Virtual Meeting Instructions
Join the virtual special open corporate members meeting from your computer, tablet or smartphone by clicking the link below.

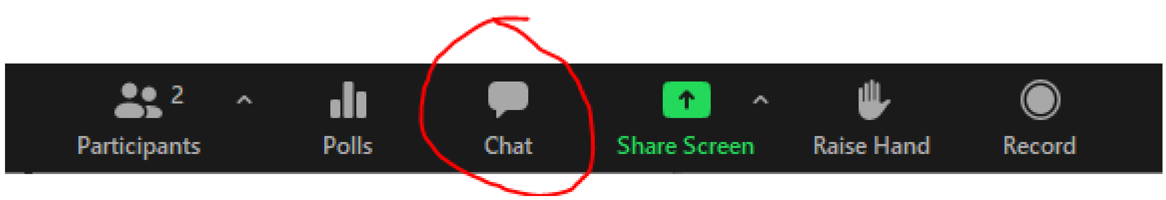
Click this link to join the meeting:
https://us06web.zoom.us/j/89500280643

You may also dial in using your phone: (669) 900-6833

Access code: 895-0028-0643

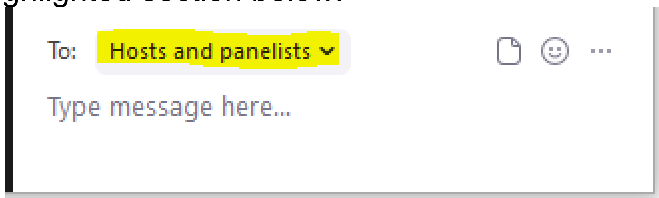
Voting Instructions During the Meeting
Join the Zoom meeting by clicking the link above. During the virtual meeting, corporate members may vote privately through the Zoom chat box when prompted. This process will occur by mutual board; Mutual Fifty will vote first, then the United Board and then the Third Board.

To vote privately via the chat box, **click on the chat button on the bottom of the Zoom Application > Hosts and panelists > Conference Organizer**.

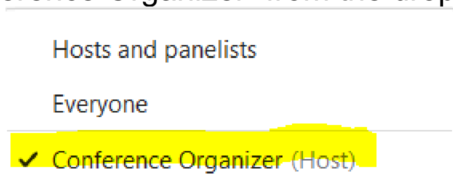


Please see back side for further details ->

Click on the highlighted section below:



Choose “Conference Organizer” from the dropdown list.



Cast your vote by typing into the chat box and pressing enter.

GOLDEN RAIN FOUNDATION of LAGUNA WOODS

STAFF REPORT

DATE: **February 11, 2022**
FOR: **Corporate Members Meeting**
SUBJECT: **Cloud Based Enterprise Resource Planning System (ERP)**

RECOMMENDATION

Review and recommend board approval of the proposed Cloud Based Enterprise Resource Planning System (ERP) and up to $4,000,000 capital expenditure allocation over a 2.5 year period for the project.

BACKGROUND

During late 2019, two United Directors, Sue Margolis and Andre Torng, received permission to form an Ad Hoc Committee comprised of members and residents to review options to the current "Software and Computer systems". Such systems were reaching end-of-life (EOL) and thus vendor support was expiring. Additionally, technology had advanced significantly since the systems were originally installed. The Ad Hoc committee submitted its findings to the subsequently formed GRF Information Technology Advisory Committee (ITAC). ITAC members include experienced IT and business professionals and began in July 2021 to sort out the viable solutions. After weekly meetings and considering over twenty ERP candidates, the committee narrowed the choices to three and had each candidate make presentations to the committee. Each candidate also held four sessions of detailed demonstrations to the potential staff department users (stakeholders). The result of the evaluations by the stakeholders and the unanimous selection of the ITAC was that the Microsoft Dynamics 365 solution, represented by Advantiico, was the best strategic solution for the Village.

DISCUSSION

In the past, software solutions for companies were provided by multiple packages centered around the financial software. They were combined or integrated by sometimes complex interface systems that had difficulty communicating with each other. The result was many inefficiencies, manual checks and balances, reconciliations, and duplicate efforts within the operations. Since the current software was also at EOL, an investment in a modern cloud-based technology that supports our future needs while creating the opportunity to provide greater service and efficiency is the most cost-efficient approach. The investment will increase security, reduce the system operating expense and eliminate the repetitive cycle of purchasing new software packages every 8 years.

The Business Valuation performed during the ITAC analysis indicates that the project would require an investment of approximately $4.0 Million spread over two- and one-half years. This compares to an information technology reserve allocation of $2.4 Million over a similar period. It should be noted that the reserves are estimates for a financial software package only while the new ERP integrates the financial modules with most of the service and administrative software modules using the same data base.

FINANCIAL ANALYSIS

The ERP project estimated gross capital expenditure of is $4.0 million. The investment is expected to reduce IT license fees expenditures while increasing company productivity.

CHARTS:

IT Reserve/Capital Estimates			
	Old Technology	**Cloud ERP**	**Variance**
5 year Investment	$2,390,000	$4,000,000	$1,610,000
10 Year Investment	$4,865,000	$4,250,000	($615,000)
IT Operating Expense Estimates			
	Old Technology	**Cloud ERP**	**Variance**
5 Year Cumulative	$2,107,000	$1,408,000	($699,000)
10 Year Cumulative	$4,214,000	$2,022,000	($2,192,000)

Prepared By: Chuck Holland, Information Services Director

Reviewed By: Steve Hormuth, Director of Financial Services
Jose Campos, Assistant Director of Financial Services

Golden Rain Foundation of Laguna Woods

Technology Modernization Plan for Laguna Woods Village

presented by the

Information Technology Advisory Committee (ITAC)

Golden Rain Foundation of Laguna Woods

- People
- Purpose
- Process
- Products
- Price
- Conclusion

Project Stakeholders

- Residents
- Board Members
- Executive Team
- Department Managers
- Staff/End Users
- Business Consultants

The ITAC Committee

Golden Rain Foundation of Laguna Woods

- **Jim Hopkins**, Chair – Business Professional
- **Bunny Carpenter** – Business Professional
- **Sue Margolis** – IT Professional
- **Debbie Dotson** - IT/Business Professional
- **Lynn Jarrett** – IT Professional
- **Diane Casey** – CPA/Business Professional
- **Mark Laws** – IT Professional
- **Chuck Holland** – IT Management

What is an ERP?

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Enterprise Resource Planning

The purpose and need for change

- Functional obsolescence
  - No possible option to keep what we have
- Various software systems patched together
- End of life on main financial software
- Expensive or impossible to support
- Security vulnerabilities
- Outdated processes
- Manual and duplication of processes delaying services

The past, present and the future

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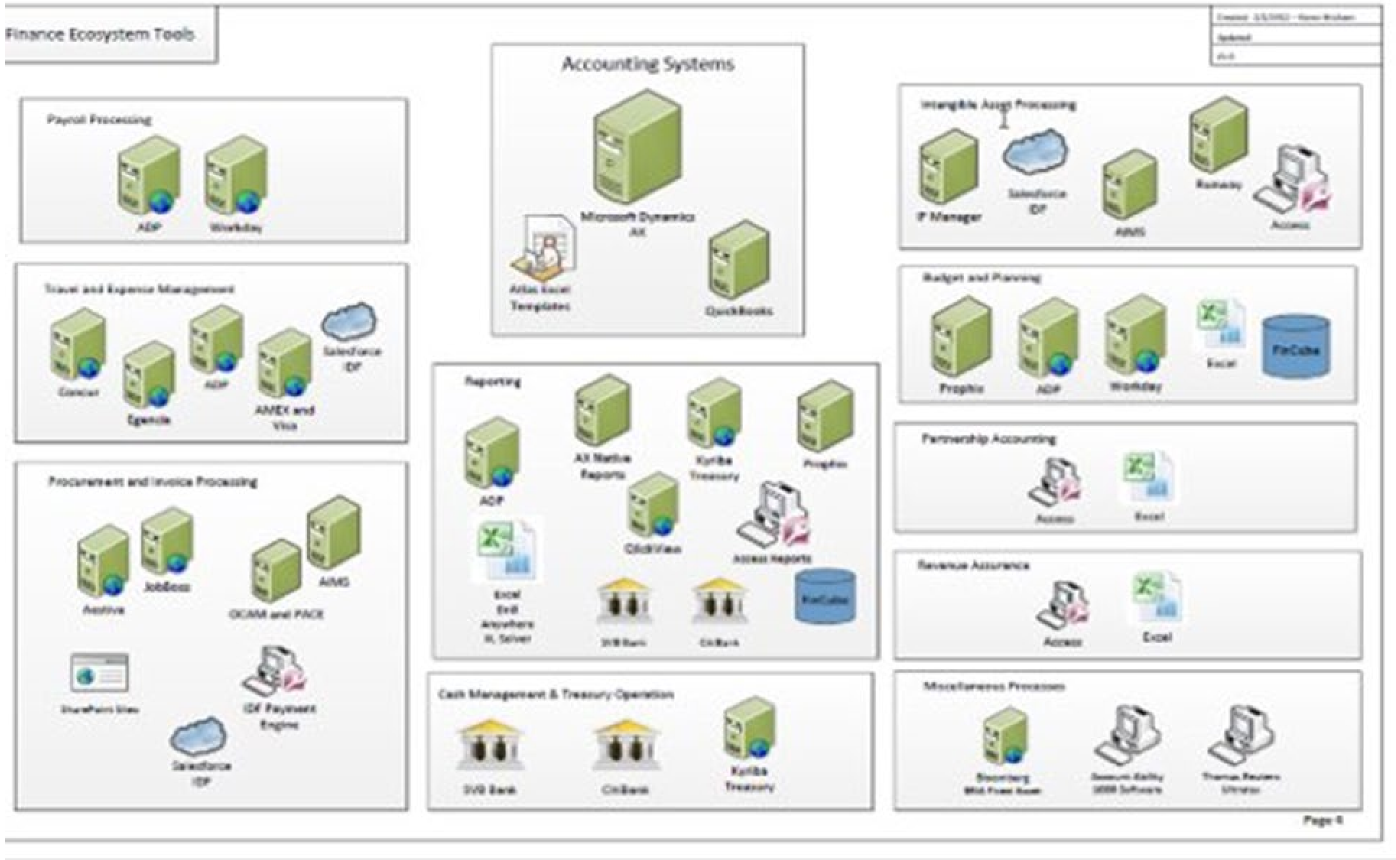
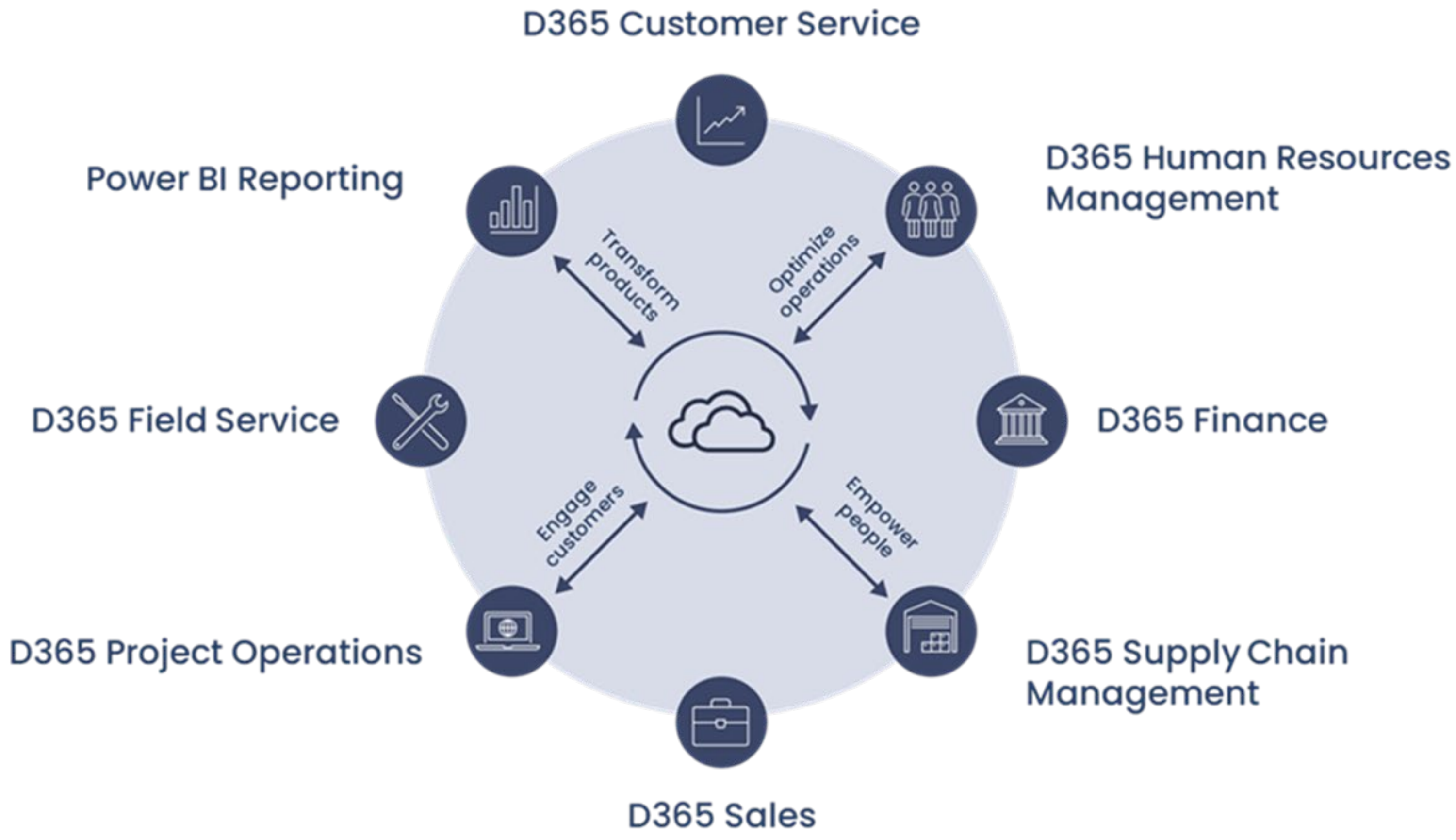
Future Infrastructure



The past, present and the future

Future Infrastructure



What will this achieve?

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The 21ST CENTURY Workplace

- ✓ Technological advancements to bring our community up to 21st Century industry standards
- ✓ Consolidate obsolete software systems, paper-based processes into a streamlined method
- ✓ Single system based in the cloud, offering more security, efficiency, resident satisfaction, and potentially save money over time.
- ✓ Long-term ability to meet our needs for years to come

The Evaluation Process

- ✓ Established a software research group
- ✓ Created ITAC
- ✓ Conducted operational assessments
- ✓ Conducted software evaluations
- ✓ Completed surveys from stakeholders and committee members
- ✓ Conducted analysis
- ✓ Selected the best solution for our community

The Evaluation Process

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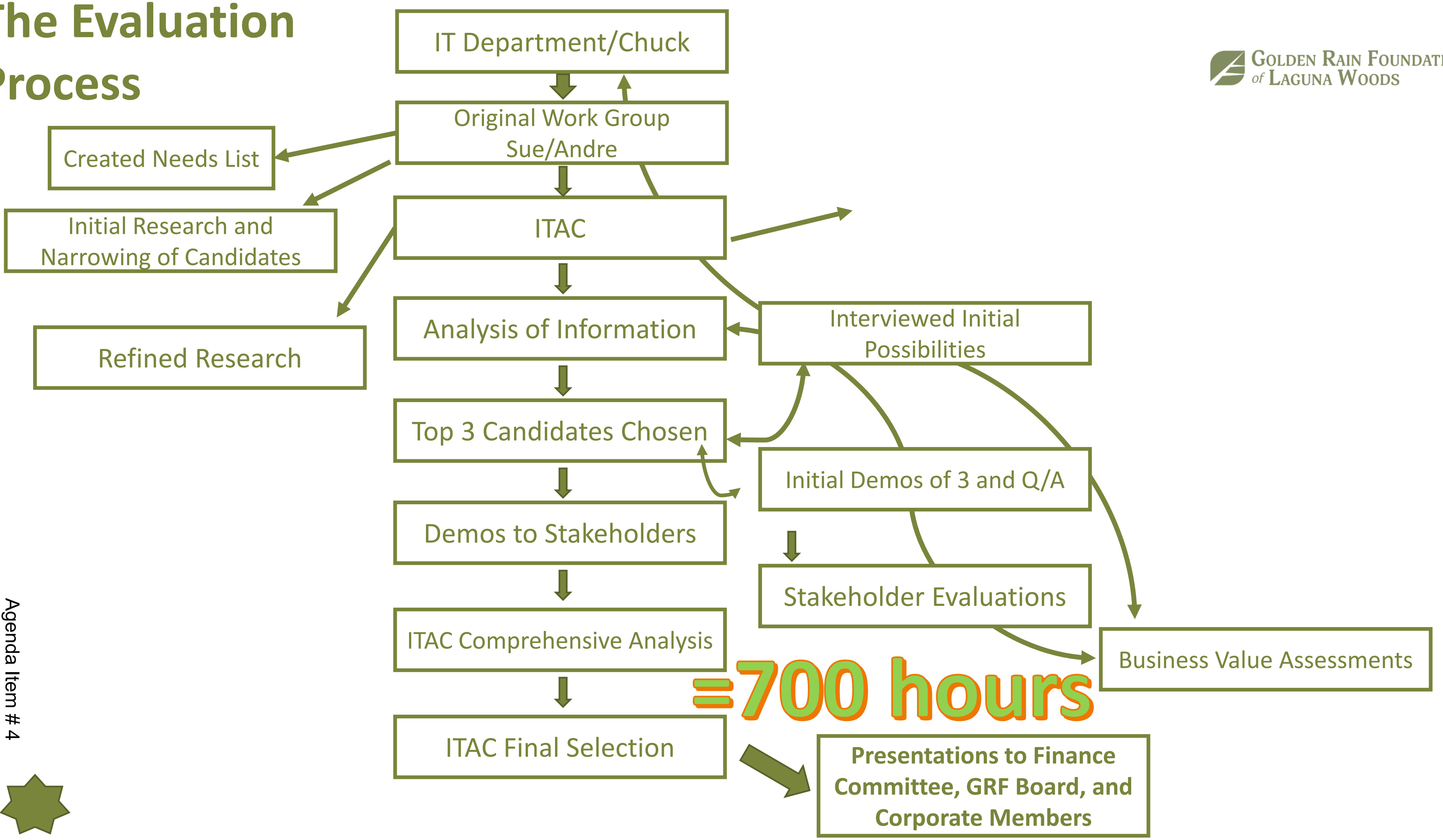

The Possibilities

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- Axxerion
- Microsoft Dynamics 365
- Oracle - NetSuite

Evaluation Results

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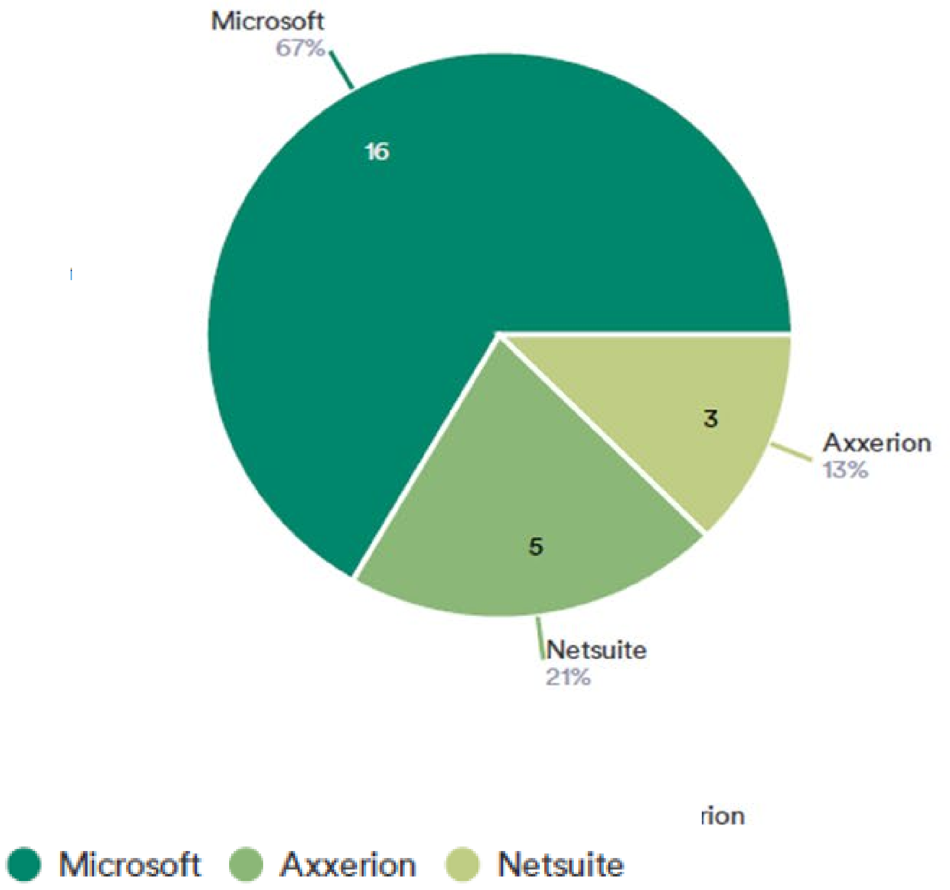
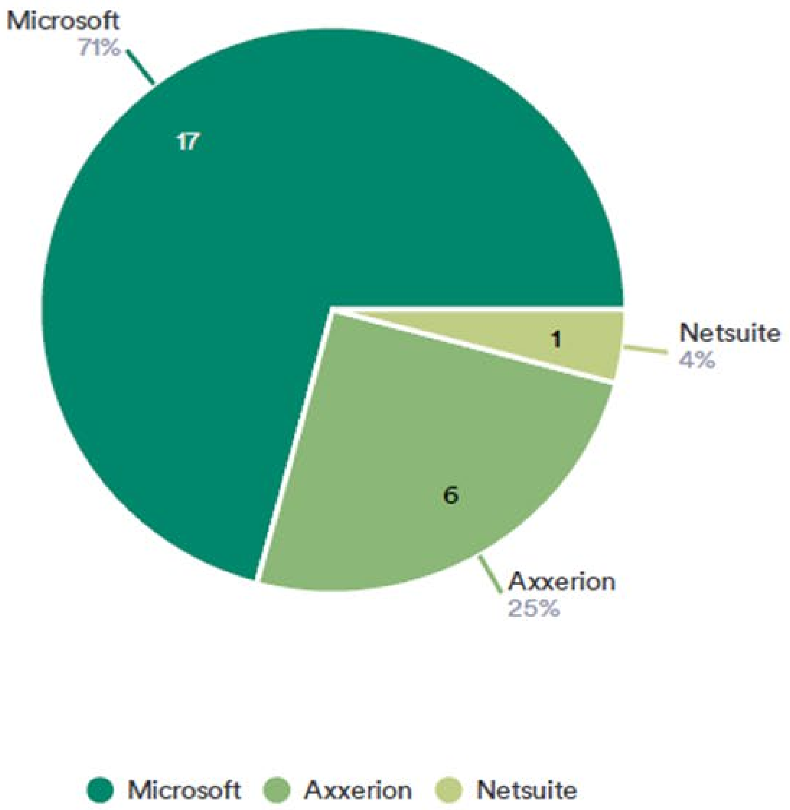
Which ERP software had the best dashboards?

24 Responses- 1 Empty



Which ERP software best suited your needs?

24 Responses- 1 Empty



Evaluation Results

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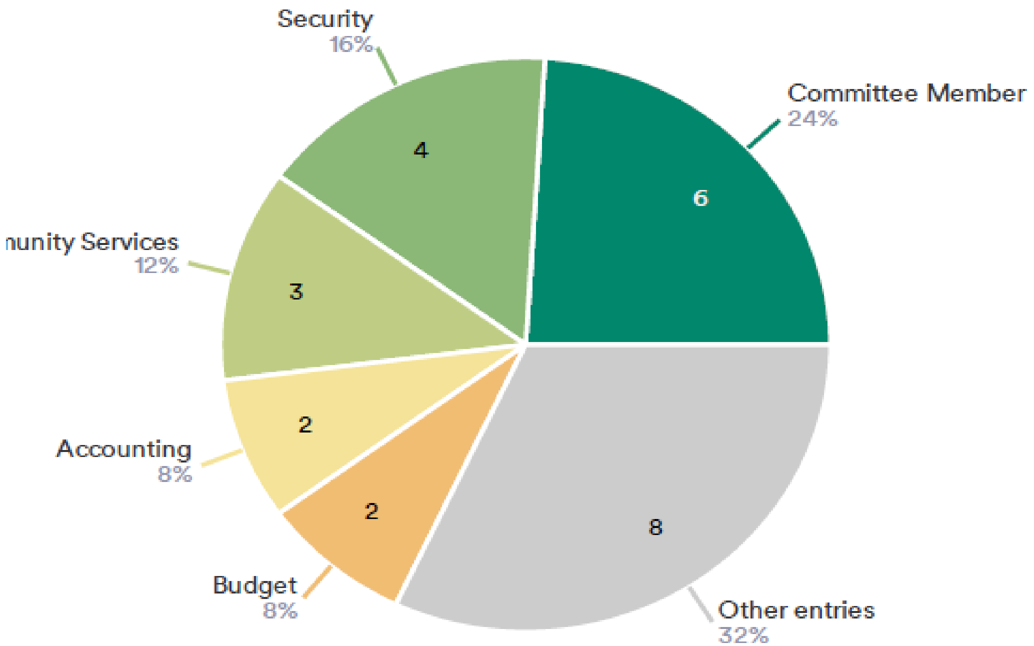
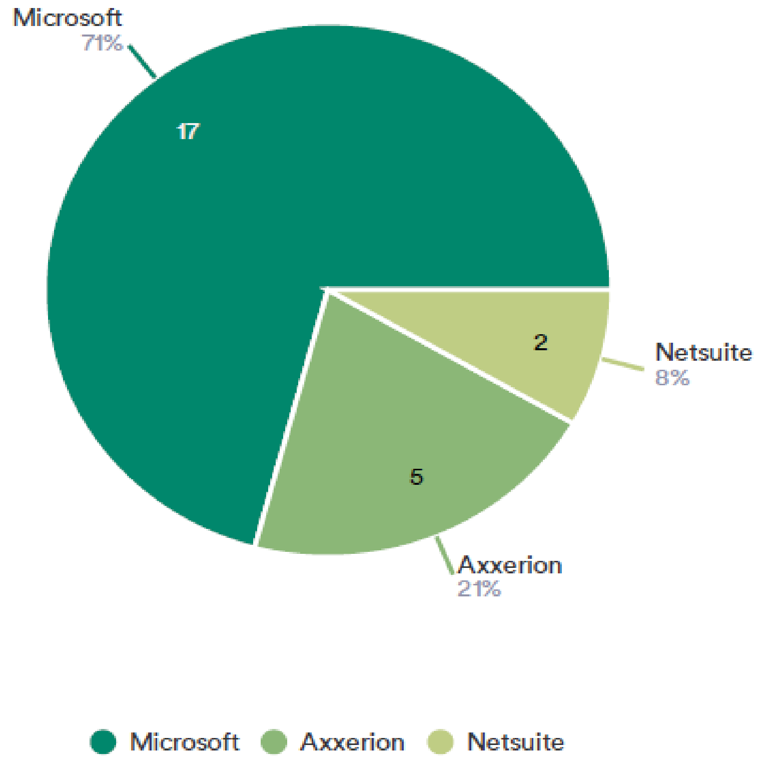
What best describes your software participation?

25 Responses



Which ERP software interface did you like the most?

24 Responses- 1 Empty

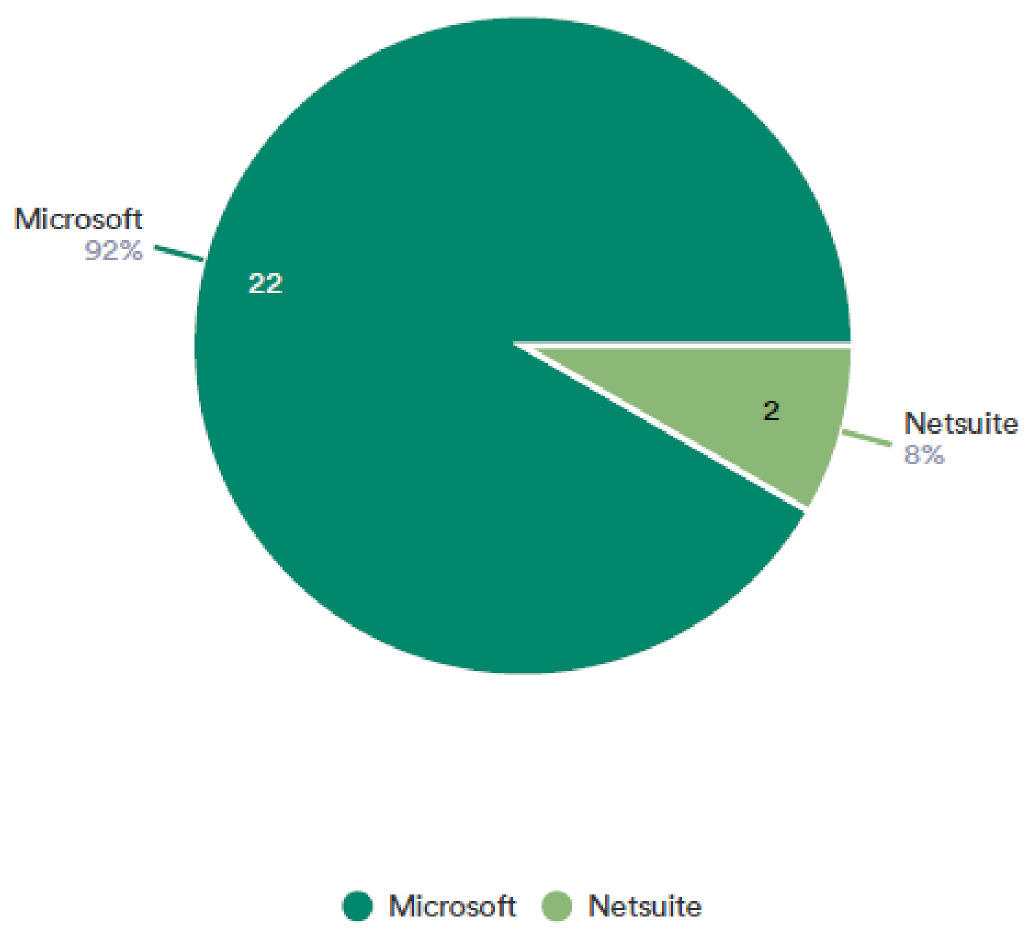


Microsoft Axxerion Netsuite

The evaluations concluded

Which ERP company would you trust the most?

24 Responses- 1 Empty



THE FINAL CHOICE!!

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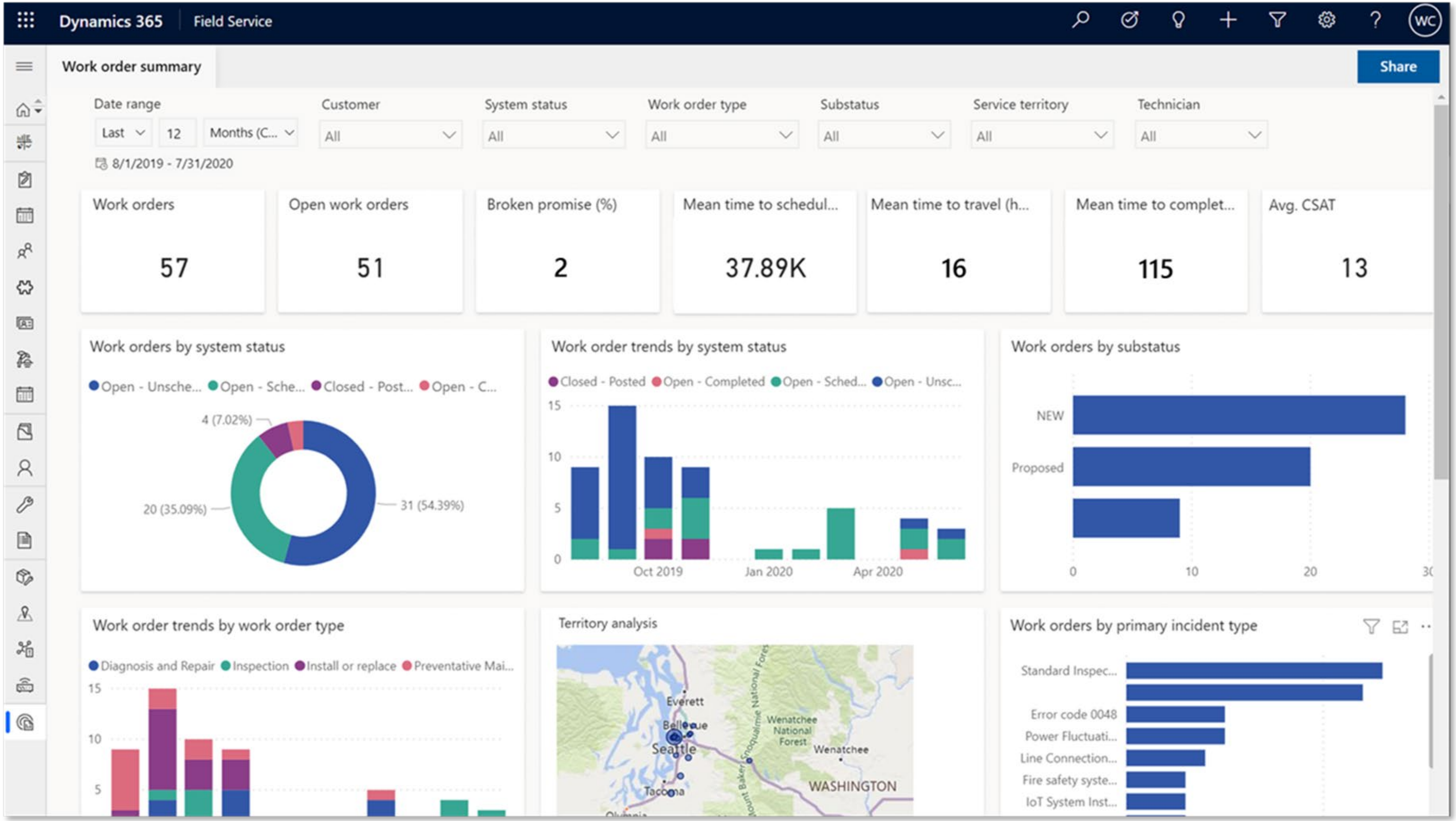
Microsoft Dynamics 365

- Excellent cloud ERP system
- Stable long-term company
  - Avantiico – GOLD PARTNER of Microsoft
  - Local branch - Irvine
- Modular – buy what is needed
- Unlimited customizations
- Integrates with third party software
- Existing migration path
- End user familiarity
- Intuitive, user-friendly interface
- High confidence in project team with prior experience to our community

EXAMPLE OF FIELD SERVICE DASHBOARD



Benefits after full implementation

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Investment Financial Summary

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IT Reserves/Capital Investments

Investment Period	Old Technology	Cloud ERP	Delta
5 Year Investment	$2,390,000	$4,000,000	$1,610.000
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IT Operating Expenses Estimates

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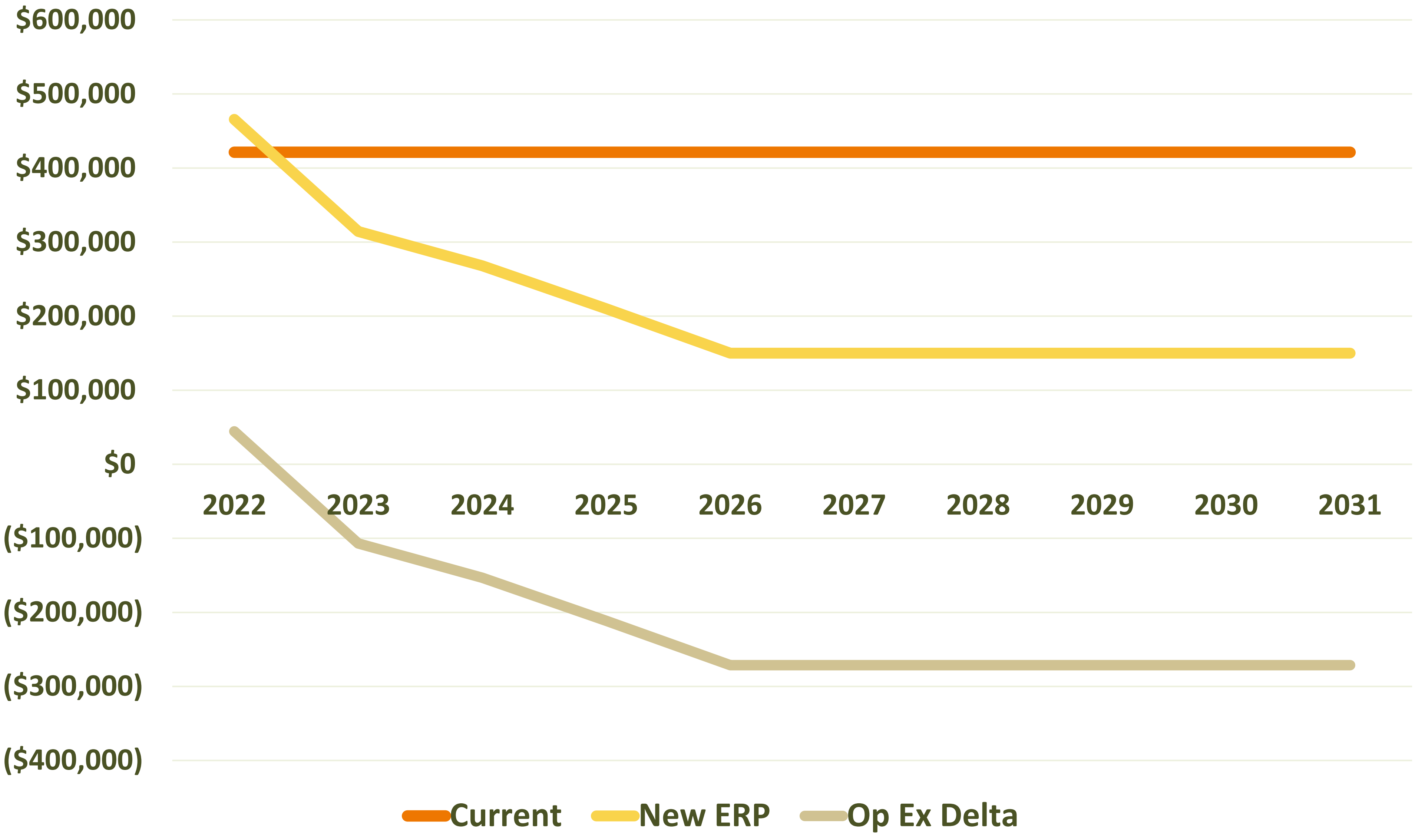
IT Department Support/License Fees Expense Projection



Implementation Schedule

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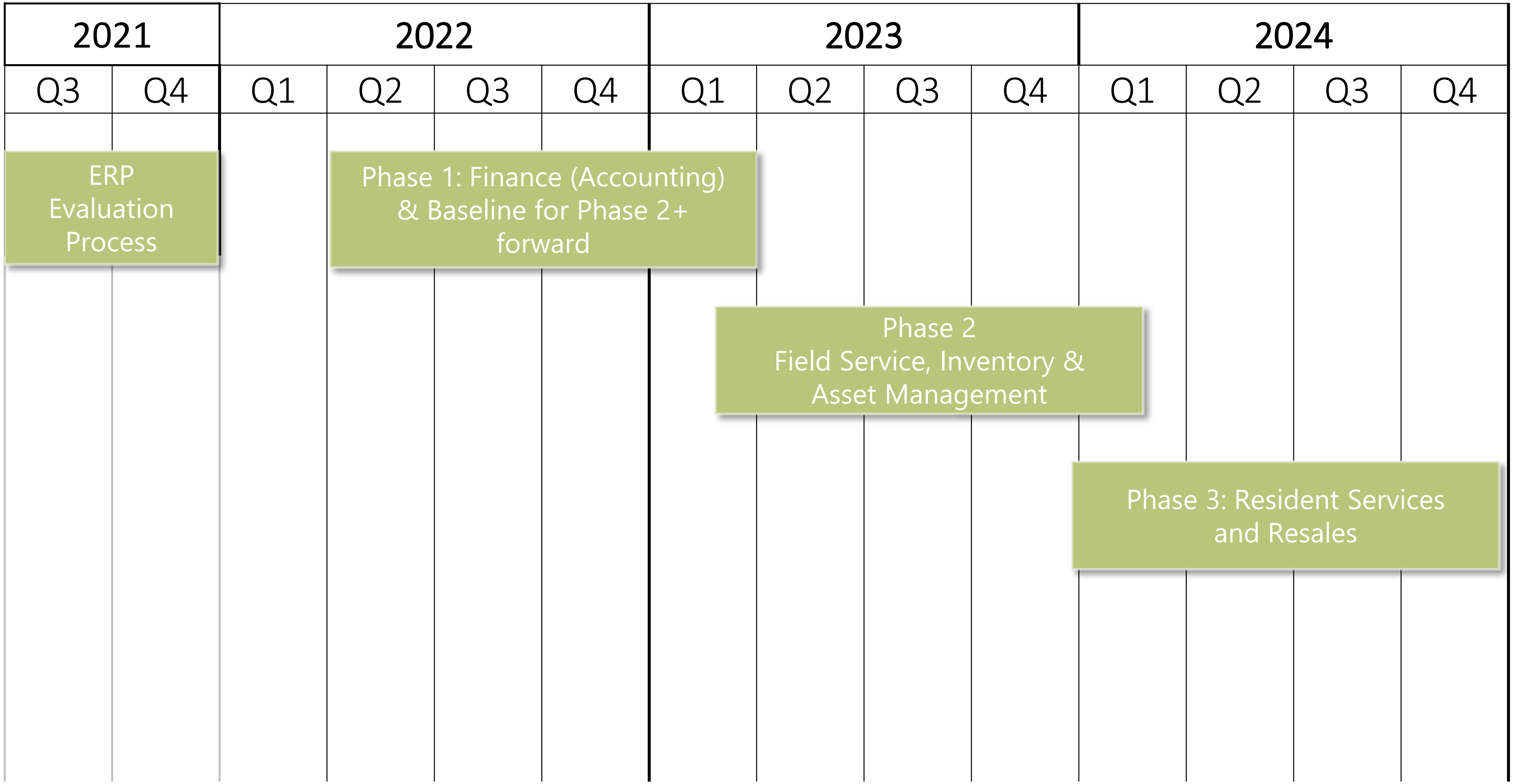

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