

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, MARCH 27, 2008, AT 9:04 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, David H. Smith, at 9:04 a.m. on Thursday, March 27, 2008, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: David H. Smith, Sheldon Solloway, Diane C. Mader, Paul Rosenzweig, Christine L. Folger, Frank B. Mansfield, Ronald W. Moschel, Clarence H. Nixon, John C. Turnier, and Warren T. Salmons, Chief Executive Officer (CEO), ex-officio member of the Board Attendance

Absent: None

Also present were Hazel M. Horti, Chairwoman, Aquatics Advisory Committee; Robert W. Donovan, Chairman, Finance Committee; Carol A. Green, Chairman, Fitness Center Advisory Committee; Patrick T. Kelly, Chairman, Golf Advisory Committee; Richard S. Chakoff, Chief Financial Officer; Mark K. Heptig, Director, Golf Courses/Golf Professional; Shannon M. Walpole, General Counsel, and Director, Confidential Services; Paulette L. Jones, Senior Manager, Executive Services; Maureen A. O'Rourke, Senior Manager, and Wilma Murray, Staff Writer, Communications Department; Judith A. Perkins, Senior Manager, Human Resources; Damien A. Abel, Manager, Resident Services; Masha Hensel, Fitness Supervisor; Susan F. Ritner, Program Manager, and George Ivanov, Program Assistant, Rossmoor Television Channel; and Marisol Gonzalez and James Martin, Custodians/AV Technicians.

A motion was made by Mr. Solloway, seconded by Ms. Mader, and CARRIED, with Mr. Rosenzweig abstaining because he did not attend the meeting, to approve, as written, the minutes of the regular meeting of the Board held on February 28, 2008.

Minutes
Approved

A motion was made by Ms. Mader, seconded by Ms. Folger, and CARRIED, with Messrs. Moschel and Nixon abstaining because they did not attend the meeting, to approve, as written, the minutes of the regular meeting of the Board held on March 11, 2008.

Before proceeding further with the agenda for the meeting, the President introduced the following candidates running for election to the GRB: Jane Carmichael and Judith W. Lichtenstein, District D candidates; Phoebe E. Cortessis, one of the District E candidates; Fred W. Barnes, one of the District H candidates; and himself, David H.

GRB
Candidates
Introduced

Smith, District I candidate who is running unopposed and will be elected by acclamation at the Annual Meeting. Ruth S. Korn, a District E candidate, and Laurence Ringen, a District H candidate, were not present at the meeting. Mr. Smith then thanked the candidates for running for election and encouraged everyone to learn about the candidates by attending the Candidates' Forum on April 14th or watching the Forum on Channel 28.

The President then gave some background information about this month's recipient of The Rossmoor Award, LaVerne H. Gordon, who has been involved in the AARP tax-aid free income tax preparation program since 1996, has served as a leader of the program, and has been responsible for many of the improvements made to the program over the past ten years. Ms. Gordon accepted the Award with thanks.

Rossmoor
Award

Mr. Solloway asked for the floor and said that he wanted to abstain on the motion to approve the minutes of the regular meeting of the Board held on February 28, 2008, as he did not attend the meeting.

The CEO reviewed his written report dated March 27, 2008, which included the manor sales report for the period ending February 29, 2008, and was included in the agenda package.

CEO's
Report

Mr. Rosenzweig gave the Treasurer's report for the period ending February 29, 2008. The report was previously distributed to the members of the Board and is on file.

Treasurer's
Report

During the Residents' Forum, Donna D. Kaufman, President of the Rossmoor Resident Emergency Preparedness Organization, reported on emergency preparedness matters.

Residents'
Forum

Patricia M. McCarthy requested that the Board reconsider raising the Dollar pool temperature based upon the need of residents who alleviate pain with warm water exercise.

Maria C. Rieger requested that the Board reconsider the budget proposal to reconfigure the roof control panel at the Del Valle pool complex to allow for the independent movement of additional groups of roof panels based on the need of residents, such as her, who must completely avoid the sun.

Douglas W. Krutilek, a member of the Aquatics Advisory Committee, also requested that the Board reconsider the budget proposal to reconfigure the roof control panel at the Del Valle pool complex to allow for the independent movement of additional groups of roof panels and explained the rationale therefore.

Hugh M. Grey, President of the Committee for Open and Responsive Governance in Rossmoor (CORG), thanked the President for his conciliatory and clear explanation of

where CORG's March 18th presentation on the Creekside project incorrectly interpreted a \$10 million figure to be an interest obligation rather than what it really is, a borrowing capacity, and unintentionally double-counted certain debt obligations. He also welcomed the President's offer to demystify the Creekside finances and thanked the Rossmoor News for its extensive and mostly accurate reporting of CORG's recent meeting.

Mrs. Horti, Chairwoman of the Aquatics Advisory Committee (AAC), summarized the report of the Committee's March meeting, which was included in the agenda package. Discussion followed.

AAC
Report

The President said that normally the Board does not reconsider actions it has taken, but in this case, the Board did not have all pertinent information when it made its decision to remove the Del Valle control panel reconfiguration for the pool enclosure roof (\$7,000) from the proposed list of discretionary items in the Trust Reserve Work Program for 2008. He then asked if the Board wished to reconsider the budget proposal to reconfigure the roof control panel as recommended by the Aquatics Advisory Committee.

A motion was made by Mr. Solloway and seconded by Ms. Folger to reconsider, as recommended by the Aquatics Advisory Committee, the budget proposal to reconfigure the roof control panel at the Del Valle pool complex to allow the independent movement of additional groups of roof panels. Discussion followed.

A motion was made by Ms. Mader, seconded by Ms. Folger, and CARRIED UNANIMOUSLY to call the question on the motion to reconsider the budget proposal to reconfigure the roof control panel at the Del Valle pool complex to allow the independent movement of additional groups of roof panels.

The vote was then taken on the motion to reconsider, as recommended by the Aquatics Advisory Committee, the budget proposal to reconfigure the roof control panel at the Del Valle pool complex to allow the independent movement of additional groups of roof panels, and the motion CARRIED, with Messrs. Moschel, Nixon, and Rosenzweig voting no.

Board to
Reconsider
Budget
Proposal to
Reconfigure
Roof
Control
Panel at
Del Valle
Pool

Following further discussion, during which staff was requested to provide the Board with additional data regarding the proposal to reconfigure the roof control panel at the Del Valle pool complex, reconsideration of the budget proposal to reconfigure the roof control panel was deferred to the April 24th regular meeting of the Board.

Mr. Donovan, Chairman of the Finance Committee, summarized the report of the Committee's March meeting, which was distributed to the members of the Board and is on file. Discussion followed.

Finance
Committee
Report

The Chairman of the Fitness Center Advisory Committee, Ms. Green, summarized the report of the Committee's March meeting, which was included in the agenda package, and thanked the Board for approving funds last month to install automatic doors at the main entrance to the Fitness Center. Discussion followed.

FCAC
Report

Mr. Kelly, Chairman of the Golf Advisory Committee, said the report of the Committee's March meeting was included in the agenda package. He then emphasized that the golf course is open to anyone who is a guest of a resident, even if the resident chooses not to play, and encouraged residents to take advantage of that option.

GAC
Report

The President called on Ms. Mader, Chairman of the Policy Committee, who explained the reasons for the Committee's recommend revisions to Policy 101.1, Acceptance of Gifts, Donations, and Bequests.

A motion was made by Ms. Mader, seconded by Mr. Moschel, and CARRIED UNANIMOUSLY to approve, as recommended by the Policy Committee, a revised Policy 101.1, Acceptance of Gifts, Donations, and Bequests (agenda attachment 10a-3).

Approved
Revised
Policy 101.1

The President called on the CEO who explained the request for the approval of funds and for the authorization for the CEO to execute an agreement to prepare the soils report for the Creekside project and noted a couple of mistakes in the summary report on the request.

A motion was made by Mr. Moschel and seconded by Mr. Nixon to approve an expenditure up to the amount of \$14,674 from the Trust Estate Fund and to authorize the CEO to execute an agreement to prepare the soils report for the Creekside project. Of the total, \$12,760 is to hire Consolidated Engineering Laboratories, a geotechnical firm, and 15%, or \$1,914, is a contingency to cover reimbursable expenses or possible additional work tasks. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Expenditure
& Authorized
CEO to
Execute
Agreement to
Prepare Soils
Report for
Creekside
Project

A motion was made by Mr. Rosenzweig and seconded by Mr. Moschel to approve a new five-year bulk rate addendum with Comcast and to authorize the CEO to execute the addendum (agenda attachments 11a-2 thru 11a-10). Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Five-Year
Bulk Rate
Addendum
w/Comcast

Following an explanation by the CEO, a motion was made by Ms. Mader and seconded by Mr. Solloway to approve an expenditure up to the amount of \$6,325 from the Trust Estate Fund and to authorize the CEO to execute an agreement to prepare the historical review for the Jr. Dollar House and the Sr. Dollar Clubhouse for the Creekside project. Of the total, \$5,500 is to hire Page & Turnbull, an architectural historian, and 15%, or \$825, is a contingency to cover reimbursable expenses or possible additional work tasks. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Expenditure
& Authorized
CEO to
Execute
Agreement
to Prepare
Historical
Review as
Indicated/
Approved
Appointment
of Audit
Firm to
Count GRF
Ballots

A motion was made by Mr. Solloway, seconded by Ms. Mader, and CARRIED UNANIMOUSLY to approve the appointment of the audit firm Moss Adams LLP to count the ballots for the upcoming election of GRF Directors to represent Districts D, E, and H and to authorize the CEO to execute a letter of understanding outlining the scope of services to be provided.

Adopted
Banking
Resolution

Following an explanation by the CFO, a motion was made by Mr. Nixon, seconded by Mr. Rosenzweig, and CARRIED UNANIMOUSLY to adopt the resolution authorizing specified staff to sign on behalf of the GRF on banking accounts with The Mechanics Bank (agenda attachment 11e-2)

Before concluding, the President announced that the next mid-month informational regular meeting of the Board will be held on Tuesday, April 8, 2008, at 10:00 a.m. in the Board Room at Gateway Complex; that the next regular meeting of the Board will be held on Thursday, April 24, 2008, at 9:00 a.m. in Peacock Hall at Gateway Complex; and that there will be an executive session following this meeting to discuss legal matters.

Announce-
ments

There being no further business to come before the Board, the meeting was recesses at 10:46 a.m. and reconvened in executive session at 11:05 a.m.

Recess

Diane C. Mader, Secretary
Golden Rain Foundation of Walnut Creek