

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS TUESDAY, NOVEMBER 10, 2009, 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, Ronald W. Moschel, at 9:04 a.m. on Tuesday, November 10, 2009, in the Board Room at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Ronald W. Moschel, Sheldon Solloway, Susan Williamson, Paul Rosenzweig, Fred W. Barnes, Phoebe E. Cortessis, Rita A. Fredlund, David H. Smith, Melvin N. Wall, and Warren T. Salmons, Chief Executive Officer (CEO), ex-officio member of the Board Attendance

Absent: None

Also present were Richard S. Chakoff, Chief Financial Officer; Mark K. Heptig, Director, Golf Courses/Golf Professional; Daniel L. Schrantz, Director, Trust Operations; 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; Dennis Bell, Public Safety Coordinator; Marsha Henzel, Fitness Supervisor; Donald Powell, Aquatics Supervisor; and Susan F. Ritner, Program Manager, and George Ivanov, Program Assistant, Rossmoor Television Channel.

During the Residents' Forum, Eva Zebra suggested a compromise to the pool closing issue; keep both the Dollar and Hillside pools ½ day, Hillside in the morning and Dollar in the afternoon. She also suggested perhaps charging a minimum fee for guests at the pool and the Fitness Center. Residents' Forum

Gwendolyn C. Kilgore, speaking on behalf of herself and her Co-Chair of the Ad Hoc Committee to Save Our Pools thanked the Board and staff for the concerted efforts being made to accommodate Dollar and Hillside swimmers at the Del Valle pool. She also thanked the Board members who have taken the time to listen to them and those they represent. She urged the Board to reconsider today the issue of closing the pools and, as a compromise, to reopen Dollar pool.

Maxine Duncan said she e-mailed the Board some suggestions on methods to save money and wondered if any of the methods had been considered. She said she hopes the Board will reopen the pools.

John Starr applauded the decision of the Board and its courage in these difficult economic times to temporarily close Dollar and Hillside pools during the coldest

months of the year, saying the Board is right in step with many other managing bodies that operate outdoor pools and temporarily close them during the coldest time of the year

Annabelle Cloner suggested that the Del Valle lap pool open at 5:30 a.m. to accommodate early morning lap swimmers.

Julie Goodman said that she went to Del Valle pool and found that parking and access to the facility were serious problems for the handicapped.

Luciana Young spoke in support of keeping Dollar and Hillside pools open.

Robert Dillon asked the Board to reconsider its decision to reduce the Del Valle pool and Fitness Center hours and to consider the needs of residents.

Following introductory remarks, the President called on Ms. O'Rourke who, giving background information, said that, during the 2009 budget discussions last year, she was asked to put together recommendations on how Rossmoor could be marketed to prospective buyers and to establish a marketing budget. She noted that her recommendations included developing more Rossmoor promotional material; such as a video and enhancing the Rossmoor Web site with a video or virtual tour. However, due to tight budget constraint, the Board chose not to fund a marketing program for 2009. She went on to say that, due to a talented staff, some schedule adjustments, and creative thinking, a video promoting Rossmoor is now a reality, and that no additional funds were spent to produce it. She added that the professional video was completely produced in-house by Channel 28 staff and volunteers, noting that staff was asked to work on it between its regular workload and projects. It was estimated it would take nine months to a year for staff to complete the video. Ms. O'Rourke said that Channel 28 staff has invested about 100 hours in this project and that the video is unlike any other done by Channel 28 staff because it required a great deal of setting up and taking down of equipment for short shoots. She then proudly named the contributors to the project: Susan Ritner, Channel 28 Manager, who managed the project, did all the scheduling and directing, and did some videography; George Ivanhov, Videographer, who took a majority of the video footage and did all the editing; resident Fred Krock, who did the voice-over; Mike DiCarlo, who took many of the still photos; departmental staff, who participated as actors; over 140 residents, who participated as "talent"; and herself, who wrote the script. She reported that a great deal of money was saved by producing the video in-house, estimates of which ranged from \$35,000 to \$50,000.

Rossmoor
Promotional
Video

Ms. O'Rourke then showed the video, which was acknowledged with a round of applause. At the conclusion of the video, Ms. O'Rourke reported that, if the Board agrees, the video will be put on the Rossmoor Web site and that prospective buyers requesting promotional material will be directed to that Web site. In addition, the

video will be sent to prospective buyers who want promotional material sent to them because they don't use the Internet with a packet of information that would include a letter, which was previously included in the Rossmoor brochure, and a copy of the Rossmoor News. She added that the video can also be used by the Rossmoor Ambassadors for its presentations outside of Rossmoor. Mr. Smith commended Ms. O'Rourke for developing a wonderful video. Mr. Moschel added that the video was a magnificent effort on the part of Ms. O'Rourke and her staff and that they did a wonderful job. Mr. Barnes commended Ms. O'Rourke for developing the video and said the video could be a valuable tool for real estate agents. Ms. Cortessis said the video was outstanding, and Mr. Wall said staff did a fantastic job on the video. The CEO added his appreciation of Ms. O'Rourke and her staff for taking on this promotional project.

The President called on the CEO who introduced the agenda item regarding discussion of the possibility of designating a building/space/feature in Rossmoor in memory of Stephen P. Adams, former CEO, to honor his contributions to the Rossmoor community and specifically to Mutual Operations. He said that no action on this item was requested at this time, and that the question before the Board is whether it is inclined to designate some feature in memory of Mr. Adams, and, if so, which building/space/feature might be so designated. It was noted that currently GRF has no policy regarding this matter and has not heretofore designated any building space or feature in the community in memory of a resident or a staff member. A request for consideration of this matter was submitted by Mel Fredlund, President of First Walnut Creek Mutual, on behalf of some of the Mutual Presidents. Discussion followed during which members of the Board expressed their reasons for supporting or not supporting the proposal. Following further discussion, the President asked for a show of hands of the members of the Board who would like to have this item included on the agenda for the December 3rd regular meeting of the Board. Mesdames Fredlund and Williamson and Messrs. Rosenzweig, Solloway, and Wall wanted the item included on the agenda for the December 3rd regular meeting of the Board. The type of appropriate memorial was then discussed with suggestions ranging from naming a room at the new Creekside facility after Mr. Adams, naming the MOD conference room after him, and hanging his picture on a wall within Rossmoor, perhaps along with other CEOs. The President encouraged Board members to give any suggestions they have regarding this matter to the CEO, saying that the item will be on the agenda for the December 3rd meeting of the Board.

S. Adams
Memorial

The President called on the CFO who reviewed information regarding an updated Trust Estate Cash Flow Analysis, which reflected updated Creekside Project and other information (agenda attachment 4c-1 through 4c-7), and answered questions from members of the Board. The analysis showed that the Trust Fund will clearly be able to pay the annual debt service of approximately \$936,000 for the estimated \$8.680M, which the GRF would have to borrow to pay the combined costs of the

Updated
Trust Estate
Cash Flow
Analysis

Corporation Yard and the Creekside Projects. It was noted that this was an informational item and did not require Board action.

Mr. Barnes asked for the floor and inquired when the item to consider rescinding the Board's action to close Dollar and Hillside pools for five months beginning November 1, 2009, which he requested at the October 29th Board meeting be placed on the agenda for this meeting, will be addressed. The President explained the background regarding his position at the October 29th Board meeting that he would not include the item on the agenda for this meeting but would include it on the agenda for the December 3rd regular meeting of the Board. For the benefit of the community, he explained the agenda setting process used by the Board for a number of years, saying that the officers of the Board and the CEO create the agenda for a Board meeting several weeks in advance of the meeting itself. The agenda for today's meeting, for example, was created in late October. This allows for notice to the community in accordance with Policy 201.1, Advance Notice of Meeting. Furthermore, not an officer involved in setting the agenda for this meeting had asked to revise it to accommodate Mr. Barnes' request at the end of the October 29th Board meeting. Mr. Moschel went on to explain that traditionally the Board does not take action on items at its mid-month meetings and, in fact, had come to an agreement at its July retreat that action items not be on the agenda for its mid-month meetings. However, despite these good reasons, in the interests of civility and good community government, the President allowed the item to be added to the agenda.

Consideration of Rescinding Dollar & Hillside Pool Closings Added to Agenda

A motion was made by Mr. Barnes and seconded by Mrs. Cortessis to rescind the Board's action taken at its regular meeting on September 24, 2009, to close Dollar and Hillside pools from November 1, 2009, through March 31, 2010. Mr. Barnes, speaking in favor of the motion, read a prepared statement (copy on file) explaining his position on the subject. Following further discussion, the vote on the motion was taken, and the motion FAILED, with Mr. Barnes and Mrs. Cortessis voting yes and Mrs. Fredlund abstaining.

Motion to Rescind Dollar & Hillside Pool Closings Failed

The President called on Mr. Wall who had asked to make some proposals regarding the pool closures. Mr. Wall began by recommending that the Board consider extending the closing hours of the Del Valle pool by one hour on weekdays to accommodate residents who work and give more time to those in the last exercise class to shower and change.

Proposals re. Pool Closures

A motion was made by Mr. Wall and seconded by Mr. Smith to approve extending the closing hours of the Del Valle pool by one hour on weekdays only; i.e., from 8:00 p.m. to 9:00 p.m. Discussion followed during which Mr. Solloway proposed that the motion be amended to include extending the hours of the Del Valle Fitness Center by one hour on weekdays also. Mr. Wall, the maker of the motion, and Mr. Smith, who seconded it, accepted the

Approved Extending Closing Hours of Del Valle Pool &

proposed amendment. Following further discussion, a show of hands vote on the amended motion was taken, and the motion, as amended, CARRIED, with Mrs. Cortessis and Mr. Moschel voting no.

Mr. Wall said he thought his next recommendation that staff provide some type of on-call shuttle bus service for residents to get to the Del Valle pool without having to deal with the parking issues at Del Valle was being handled. Discussion followed during which the CEO explained that the current bus service provides the service Mr. Wall recommended.

Shuttle
Bus
Service to
Del Valle
Pool

Mr. Wall then recommended that the Aquatics Advisory Committee be given the task of studying the possibility of building a small hot water pool so that Dollar pool could be returned for use by swimmers. It was pointed out that Board action was not needed on this item.

Small
Hot Water
Pool

A motion was made by Mr. Wall and seconded by Mrs. Cortessis that Dollar pool be open on March 1, 2010, rather than on April 1, 2010. Discussion followed

Motion to
Open
Dollar Pool
March 1/
Motion
Tabled

A motion was made by Mrs. Fredlund, seconded by Ms. Williamson, and CARRIED to table the motion to open Dollar pool on March 1, 2010, rather than on April 1, 2010, and the motion CARRIED, with Mrs. Cortessis and Mr. Wall voting no.

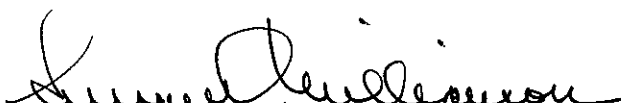
Ms. Williamson said she would like the Board to consider opening Dollar pool for family swim during Easter vacation.

Before concluding, the President announced that there will not be an end-of-the-month regular meeting of the Board in November because of Thanksgiving; that a November/December meeting of the Board will be held on Thursday, December 3, 2009, at 9:00 a.m. in Peacock Hall; that there will not be a mid-month regular meeting of the Board in December; and that the Board will meet in executive session following this meeting to discuss a personnel matter.

Announce-
ments

There being no further business to come before the Board, the meeting was recessed at 11:25 a.m. and reconvened in executive session at 11:45 a.m. in the Board Room at Gateway Complex.

Adjournment


Susan Williamson, Secretary
Golden Rain Foundation of Walnut Creek