

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, APRIL 24, 2014, AT 9:00 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Donald J. Liddle, at 9:00 a.m. on Thursday, April 24, 2014, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Donald J. Liddle, Barbara S. Jordan, Alice S. Lau, Attendance
Kenneth W. Haley, James W. Giffin, Diane C. Guilfooy,
Richard E. Hurley, Geraldine Pyle, Melvin N. Wall, and
Warren T. Salmons, Chief Executive Officer (CEO), ex-
officio member of the Board

Absent None

There being no corrections, the minutes of the regular meeting of the Minutes
Board held on March 27, 2014, were approved, as written, by unanimous Approved
consent.

Mr. Haley gave the Treasurer's report for the period ending March 31, 2014. Treasurer's
Discussion followed. Report

The CEO reviewed his written report dated April 17, 2014. Discussion followed. CEO's
Report

During the Residents' Forum, Gerald M. Priebat requested that the contents of Residents'
proposed new or changes to proposed revised policies, procedures, and rules be Forum
given when presented to the Board.

Kathleen Epperson requested that a committee be formed to work with her to find
a common ground among residents with regard to the Del Valle
Clubhouse/Fitness Center Upgrade Project.

Les Edwards and then Eldon Rowe requested that the Board approve the Letter
Agreement with Pulte Homes to memorialize improvements to GRF property.

John H. Nutley explained why GRF's 50th annual meeting is four months before
Rossmoor's 50th anniversary in September.

At this point, the President offered the members of the Board the opportunity to
comment on the remarks made during the Residents' Forum. There were none.

Richard Schuman, Chairman of the Aquatics Advisory Committee, reporting on AAC
the Committee's April meeting, thanked the Board for opening Dollar and Hillside Report

pools earlier this year, noting a 13% increase in pool attendance in March. Discussion followed.

The Chairman of the Audit Committee, Paul Rosenzweig, reported on the Committee's April meeting, noting that the main item of discussion at the meeting was regarding the audited financial statement report for the year ended December 31, 2013, and that the Committee recommended the Board accept the report.

Audit
Committee
Report

A motion was made by Ms. Lau, seconded by Ms. Guilfooy, and CARRIED UNANIMOUSLY to accept, as recommended by the Audit Committee, the audited financial statement report for the year ended December 31, 2013, as submitted by the Foundation's independent audit firm, Burr Pilger Mayer, Inc. (agenda attachment 7b1-3 through 7b1-27).

Accepted
Audit Report
for Year
Ended
12/31/14

David Smith, Chairman of the Finance Committee, reporting on the Committee's April meeting, discussed the two "take out" loan options presented by representatives of Mechanics Bank regarding the existing construction line of credit and the Committee's recommended option.

Finance
Committee
Report

A motion was made by Mr. Haley and seconded by Ms. Guilfooy to authorize staff, as recommended by the Finance Committee, to pursue an equal principal payment take-out loan with Mechanics Bank in the amount of approximately \$8,485,000 for 15 years at a fixed interest of 2.8% above the seven year Treasury rate in replacement for the current construction line of credit. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Authorized
Staff to
Pursue
Take-Out
Loan as
Indicated

Carol Green, Chairman of the Fitness Center Advisory Committee, highlighted items in the report of the Committee's April meeting. Discussion followed.

FCAC
Report

John McDonnell, Chairman of the Golf Advisory Committee, reported that golf course rounds played and cash receipts are up and things are going smoothly on the golf course. Discussion followed.

GAC
Report

Diane Guilfooy, Chairman of the Policy Committee, reporting on the Committee's April meeting, commented on the Committee's recommended proposed new Rule R114.0, Resident and Guest Rules for Access and Use of Rossmoor Table Tennis Facility, as developed and revised by the Rossmoor Table Tennis Club, noting that this was the first reading of the proposed new Rule. Discussion followed during which Ms. Guilfooy said that an "s" should be added at the end of "non-member" in #2 of the Rule. In keeping with the Board's practice that policy, procedure, and rule items be on the agenda for two end-of-the-month meetings to allow time for resident input, consideration of approving proposed new Rule R114.0 was deferred to the May 29, 2014, regular meeting of the Board.

Policy
Committee
Report

Ms. Guilfooy then explained the Policy Committee's proposed revisions to Policy 102.3, Allocation of Revenue and Expenses, noting that this was the first reading of the proposed revised Policy. Discussion followed.

A motion was made by Mr. Liddle and seconded by Mr. Haley to refer proposed revised Policy 102.3, Allocation of Revenue and Expenses, to the Finance Committee for consideration and report back to the Board. Following discussion, a roll call vote on the motion was taken, and the motion FAILED, with Ms. Lau and Messrs. Haley and Liddle voting yes.

Motion
Failed
to Refer
Policy 102.3
to Finance
Committee
for Con-
sideration

In keeping with the Board's practice that policy, procedure, and rule items be on the agenda for two end-of-the-month meetings to allow time for resident input, consideration of approving proposed revised Policy 102.3, Allocation of Revenue and Expenses, was deferred to the May 29, 2014, regular meeting of the Board.

Continuing, Ms. Guilfooy explained the Policy Committee's proposed revisions to Policy 502.0, Bulletin Boards and Display Cases, noting that this was the first reading of the proposed revised Policy. Discussion followed. In keeping with the Board's practice that policy, procedure, and rule items be on the agenda for two end-of-the-month meetings to allow time for resident input, consideration of approving proposed revised Policy 502.0 was deferred to the May 29, 2014, regular meeting of the Board.

Consider-
tion of
Proposed
New Rule &
& Proposed
Revised &
New
Policies
Deferred
to 5/29/14

Lastly, Mr. Guilfooy explained the Policy Committee's reasons for recommended proposed new Policy 502.1, Flyers and Petitions, noting that this was the first reading of the proposed revised Policy. In keeping with the Board's practice that policy, procedure, and rule items be on the agenda for two end-of-the-month meetings to allow time for resident input, consideration of approving proposed new Policy 502.1 was deferred to the May 29, 2014, regular meeting of the Board.

A motion was made by Ms. Lau, seconded by Mr. Wall, and CARRIED UNANIMOUSLY to approve, as recommended by the President, the appointment of Diane C. Guilfooy as the Board representative on the Trust Agreement Review and Revisions Committee, effective immediately, to replace Donald J. Liddle, who resigned, and to serve for an indefinite term at the pleasure of the Board.

Approved
Appointment
of D. Guilfooy
to TARRC

A motion was made by Mr. Giffin and seconded by Ms. Guilfooy to approve an expenditure of up to \$94,800 from the Trust Estate Fund and to authorize the CEO to execute a contract with Field of Green Grass Solutions for resurfacing the dog park with artificial turf with the understanding that the work will be done in the latter part of 2014. Following discussion, a roll call vote on the motion was taken, and the motion CARRIED, with Ms. Lau and Messrs. Haley, Hurley, and Liddle voting no.

Approved
Funds for
Resurfacing
Dog Park
w/Artificial
Turf

A motion was made by Mr. Giffin and seconded by Mr. Haley to approve the Letter Agreement with Pulte Group to memorialize certain improvements to GRF property and GRF's support of Pulte's proposed residential condominium project on the former Jewish Community Center site and to authorize the CEO to execute the Letter substantially consistent with the proposed Letter included in the agenda package for this meeting (agenda attachment 10c-3 through 10c-17). Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Letter
Agreement
w/Pulte
Group

A motion was made by Ms. Lau and seconded by Mr. Haley to approve additional Trust funding in the amount of up to \$38,000 to cover cost overruns for the Buckeye Tennis Complex Expansion Project. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Additional
Funding for
Buckeye
Tennis
Complex
Cost
Overruns/
Authorized
CEO to
Execute
Agreement
to Install
Slot Drain
on Buckeye
Tennis
Complex
Court 5

A motion was made by Mr. Haley and seconded by Ms. Guilfooy to authorize the CEO to execute an agreement with Silicon Valley Paving to install a slot drain along the west side of court number 5 at the Buckeye Tennis Complex in an amount not to exceed \$22,735, which includes a 15% contingency, to be paid from the Trust Estate Fund. During discussion Ms. Guilfooy proposed that the motion be amended to include that the work be deferred until September 2014. Mr. Haley, the maker of the motion, and Ms. Guilfooy, who seconded it, accepted the amendment. Following further discussion, the vote was taken on the amended motion, and the motion, as amended, CARRIED, with Messrs. Hurley and Wall voting no and Ms. Lau abstaining.

Before concluding, the President announced that that the Fiftieth Annual Meeting of Members of the GRF will be held on Monday, May 12, 2014, at 9:30 a.m. in Peacock Hall at Gateway Complex and that an organizational meeting of the Board will be convened following the Annual Meeting; that there will not be a mind-month regular meeting of the Board in May; that a Board retreat will be held on Friday, May 23, 2014, at 8:45 a.m.; that the next end-of-the month regular meeting of the Board will be held on Thursday, May 29, 2014, at 9:00 a.m. in Peacock Hall at Gateway Complex; and that the Board will meet in executive session following this meeting to discuss contract and legal matters and any other appropriate business.

Announce-
ments

There being no further business to come before the Board, the meeting was recessed at 10:50 a.m. and reconvened in executive session at 11:02 a.m. in the Board Room.

Recess



Alice S. Lau, Secretary
Golden Rain Foundation of Walnut Creek