

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JULY 31, 2014, AT 9:03 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Diane C. Guilfooy, at 9:03 a.m. on Thursday, July 31, 2014, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Diane C. Guilfooy, Geraldine Pyle, Barbara S. Jordan, Kenneth W. Haley, Leslie Birdsall, Mary Lou Delpech, who attended a portion of the meeting, Richard E. Hurley, Alice S. Lau, Melvin N. Wall, and Warren T. Salmons, Chief Executive Officer (CEO), ex-officio member of the Board Attendance

Absent None

There being no corrections, the minutes of the regular meeting of the Board held on June 26, 2014, were approved as written by unanimous consent. Minutes
Approved

Mr. Haley gave the Treasurer's report for the period ending June 30, 2014. Treasurer's

The CEO reviewed his written report dated July 23, 2014. Discussion followed. Report/
CEO's
Report

During the Residents' Forum, Lawrence H. Prud'homme, President, Rossmoor Trails Club, and then Christine Barclay thanked the Board for allocating \$10,000 in 2013 for maintenance of existing hiking trails in the hills around Rossmoor and requested that the Board allocate \$10,000 per year in the budget for the continued maintenance of the trails. Residents'
Forum

Robert S. Beach, a member of the Third Walnut Creek Mutual Board of Directors, requested that the Board consider adding an item to its agenda for its August 28th regular meeting to discuss the maintenance of the embankment at the entrance to Rossmoor that drops down from Cactus Court to Rossmoor Parkway.

Beatrice O. Pressley commented on constant technology issues with equipment in the various clubhouses and urged the Board to hire a qualified IT person to oversee the equipment.

Norman P. Gorsuch complained about the number of aquatics exercise class cancellations and asked the Board to approve the use of class substitutes.

Diane C. Mader asked the Board to please have a vision with respect to the renovation of the Del Valle Clubhouse/Fitness Center and make it a

fitness/aquatics center befitting of Rossmoor that meets the needs of its most frail and most vigorous residents.

Paul V. Holland complained about the number of aquatics exercise class cancellations and the failure to provide class substitutes when staff is on vacation or sick and urged the Board to budget funds for class substitutes in 2015.

Patricia M. Zuker asked the Board to reject all of the proposed options for the Del Valle Clubhouse/Fitness Center renovation and explained why.

John J. Cassidy asked the Board to consider revising Policy 301.2, Memorial Services, with regard to allowing memorial services in Rossmoor for former long-term residents.

John H. Nutley commented on the proposed idea of a 2% reduction in the coupon for 2015, The President said that the idea was not one of the Board's priorities even though it had been considered. Mr. Nutley then went on to suggest that the Board consider Paul Donner for the position of CEO to replace Warren Salmons, who is retiring in late 2015.

At this point, some members of the Board took the opportunity to comment on some of the remarks made during the Residents' Forum.

Richard Schuman, Chairman, Aquatics Advisory Committee discussed the March pool statistics.

AAC Report

In the absence of Christopher Yahng, Chairman of the Finance Committee, Acting Committee Chairman Paul Rosenzweig reported on the Committee's July meeting including the Compensation Committee recommendations and the Finance Committee's recommendations. Discussion followed.

Finance Committee Report

A motion was made by Mr. Haley, seconded by Ms. Pyle, and CARRIED UNANIMOUSLY to approve, as recommended by the Finance Committee, the 2015 Operations Budget Principles (agenda attachment 7b1-2 through 7b1-4) as revised by the Finance Committee.

2015 Operations Budget Principles Approved/ 9/25 Board Meeting Rescheduled to 9/24

A motion was made by Ms. Delpech, seconded by Ms. Jordan, and CARRIED UNANIMOUSLY to approve rescheduling the September 25th GRB meeting to September 24th due to the religious holiday on September 25th.

A motion was made by Mr. Haley, seconded by Ms. Jordan, and CARRIED UNANIMOUSLY to approve, the 2015 budget development

2015 Budget Development

calendar (agenda attachment 7b2-2) as recommended by the Finance Committee and revised by the Board.

Calendar
Approved

Claudia Tierney, Chairman of the Fitness Center Advisory Committee, highlighted items in the report of the Committee's July meeting. Discussion followed.

FCAC
Report

In the absence of John McDonnell, Chairman of the Golf Advisory Committee, Mark Heptig, Director of Golf, reported on golf related activities. Discussion followed.

GAC
Report

Ms. Delpech was excused from the meeting at this time.

Alice S. Lau, Chairman of the Compensation Committee, summarized the Committee's recommendations regarding the GRF budget for 2015.

Compen-
sation
Committee
Report/

A motion was made by Mr. Birdsall and seconded by Ms. Pyle to approve, as recommended by the Compensation Committee and the Finance Committee, increasing the GRF employee benefits program budget for 2015 by \$87,470. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Increasing
Employee
Benefits
Program
Budget

A motion was made by Mr. Birdsall and seconded by Ms. Jordan to approve, as recommended by the Compensation Committee and the Finance Committee, including a pool of money in the 2015 budget equal to 3% of wages, up to \$118,000, to be used to adjust non-union compensation (market/merit/promotion pool). Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

for 2015/
Approved
2015 Market/
Merit/Pro-
motion
Pool

A motion was made by Mr. Haley and seconded by Ms. Jordan to approve, as recommended by the Compensation Committee and the Finance Committee, including a pool of \$30,000 in the 2015 budget to allow for a 2015 salary increase and/or a 2015 bonus for the CEO. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
2015 Pool
to Allow
for CEO
Salary
Increase/
Bonus

Geraldine Pyle, Chairman of the Policy Committee, reporting on the Committee's July meeting, discussed the Committee's recommended proposed revisions to Policy 302.0, GRF-Approved Organizations, noting that this was the first reading of the proposed revised Policy. Discussion followed during which clarification of items in the proposed revised Policy was requested. Following further discussion, the proposed revised Policy was referred back to the Policy Committee for further consideration of minor proposed revisions to the Policy with the understanding

Policy
Committee
Report

that it will come back to the Board at its August 28, 2014, regular meeting as a second reading for consideration of approval.

Under Unfinished Business, Ms. Pyle commented on the Policy Committee's recommended new Rule R114.0, Resident and Guest Rules for Access and Use of Rossmoor Table Tennis Facility, as developed and recommended by the Rossmoor Table Tennis Club, noting that it was deferred at the June 26, 2014, regular meeting of the Board for consideration of approval at this meeting.

A motion was made by Ms. Pyle and seconded by Ms. Jordan to approve, as recommended by the Policy Committee, proposed new Rule R114.0, Resident and Guest Rules for Access and Use of Rossmoor Table Tennis Facility (agenda attachment 9a-2 and 9a-3). Following discussion, the vote on the motion was taken, and the MOTION CARRIED, with Ms. Lau voting no.

Approved
Proposed
New Rule
R114.0

The President called on the CEO, who reviewed possible options for the Del Valle Clubhouse/Fitness Center renovation project and follow-up steps for each option. A lengthy discussion followed.

Options re.
Del Valle/
Fitness Ctr
Renovation
Project
Discussed/
Consensus
re. Project


It was the CONSENSUS of the members of the Board that evaluating the current program is a necessary part of going forward with the renovation; that a fitness center operations consultant with senior community experience be retained; that the staffing and operations issues be separated; and that more information be obtained regarding an electronic access system.

Before concluding, the President announced that that there will not be a mid-month regular meeting of the Board in August; that the next end-of-the month regular meeting of the Board will be held on Thursday, August 28, 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 11:32 a.m. and reconvened in executive session at 12:10 p.m. in the Board Room.

Recess


Barbara S. Jordan, Secretary
Golden Rain Foundation of Walnut Creek