

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, SEPTEMBER 24, 2014, AT 9:01 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 9:01 a.m. on Wednesday, September 24, 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, Attendance
Kenneth W. Haley, Leslie Birdsall, Mary Lou Delpech,
Richard E. Hurley, Alice S. Lau, 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 August 28, 2014, and the minutes of the joint meeting of Approved
the Board and the Finance Committee held on September 9 and 10,
2014, were approved as written by unanimous consent.

Mr. Haley gave the Treasurer's report for the period ending August 31, 2014. Treasurer's
Report/
The CEO reviewed his written report dated September 17, 2014. CEO's
Report/
The President took this opportunity to thank, on behalf of the Board, the 50th 50th
Anniversary Committee and staff for their work on the anniversary celebration Anniversary
project during the past 19 months. Committee
Thanked

During the Residents' Forum, Patricia A. Dickson spoke about a security system Residents'
for the Fitness Center and commended Communications Department Senior Forum
Manager Maureen O'Rourke for her exceptional exemplary work on Rossmoor's
50th Anniversary celebration.

Karl H. Livengood expressed his objection to the proposal to increase the facility
use fee charged to independent fitness instructors.

Roxanne Stallings reviewed the statistics for recent classes taught at Del Valle
Clubhouse.

Emily Ehm and then Beth Gannon expressed their objection to the proposal to increase the facility use fee charged to independent fitness instructors.

Sally S. Lowry, representing the Friends of Animals, inquired if the contract for resurfacing the dog park has been signed and then requested that consideration be given to having a separate entrance and exit at the dog park.

Randy P. Kuhl asked the Board to approve the proposal to construct four additional parking spaces at the Buckeye parking lot at the time the lot is repaved in 2015.

Nazli I. Monahan read a written statement from Josephine A. Canterbury supporting a proposal to turn the Fairway Room in Creekside Clubhouse into a coffee shop. Ms. Monahan then reported that she met with a representative from Peet's Coffee to discuss the proposal, noting that the representative said that Peet's would like to consider the project and present a formal proposal to the GRB.

Bradley L. Waite, Treasurer of the Rossmoor Garden Club, spoke in support of the proposal to provide funds in the 2015 GRF Operations Budget for basic maintenance and operations of the Rossmoor garden area.

John H. Nutley commented on the Board's budget deliberations.

In response to the inquiry earlier in the Residents' Forum regarding the status of the contract for resurfacing the dog park, Mr. Donner reported that the contract has not yet been signed, and, while he didn't have a scheduled start date, he anticipated the project would start in October.

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.

Jo Jones, Vice Chairman, Aquatics Advisory Committee, highlighted items in the report of the Committee's September meeting. Discussion followed.

AAC
Report

Paul Rosenzweig, Chairman of the Audit Committee, had no comments regarding the Committee's September meeting.

Audit
Com. Rpt.

Jean Autrey, Vice Chairman of the Finance Committee, reporting on the Committee's September meeting, commented on the Committee's recommendations regarding the proposed 2015 GRF Operations Budget.

Finance
Committee
Report

Claudia Tierney, Chairman of the Fitness Center Advisory Committee, gave the Fitness Center usage statistics for August and commented on the Committee's recommendation regarding full-time staffing of the front desk at the Fitness Center. Discussion followed.

FCAC
Report

Mark Heptig, Director of Golf, who was filling in for John McDonnell, Chairman of the Golf Advisory Committee, asked if there were any questions regarding the Committee's report of its September meeting. There were none. Discussion followed.

GAC

Geraldine Pyle, Chairman of the Policy Committee, reporting on the Committee's September meeting, discussed the Committee's recommendation that Policy 301.1, Non-Smoking Areas, be rescinded, noting that this was the first reading on rescinding the 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 rescinding Policy 301.1, was deferred to the October 30, 2014, regular meeting of the Board.

Policy
Committee
Report

Alice Lau, Chairman of the Compensation Committee, reported on the Committee's September meeting at which the Committee received additional information regarding the employees' current medical benefit program.

Compen-
sation
Committee
Report

Under Unfinished Business, the CEO made some introductory remarks regarding the draft Request for Qualifications (RFQ) for the evaluation of the Del Valle Clubhouse sports and fitness programs, management, and facilities and the list of consultants to receive the RFQ (agenda attachment 9a-3 through 9a-12). This item was deferred at the August 28, 2014, regular meeting of the Board for consideration of approval at this meeting. During discussion minor revisions to the RFQ were suggested.

Draft
RFQ for
Evaluation
of Del Valle
Sports &
Fitness
Programs,
Management,
& Facilities
Approved
as Revised

A motion was made by Ms. Jordan, seconded by Ms. Delpech, and CARRIED UNANIMOUSLY to approve the draft Request for Qualifications for the evaluation of the Del Valle Clubhouse sports and fitness programs, management, and facilities as revised and the list of consultants to receive the RFQ.

A motion was made by Mr. Haley and seconded by Ms. Jordan to approve the proposed 2015 GRF Operations Budget in the aggregate amount of \$19,012,247, a coupon amount of \$237.26, including cable TV, as presented by staff. The proposed budget is a baseline budget, and staff's recommendations were based on the Budget Principles adopted by the Board at its meeting on July 31, 2014.

Motion to
Approve
Proposed
2015 GRF
Operations
Budget

A motion was made by Mr. Haley and seconded by Ms. Lau to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and authorize funding in the amount of \$45,000 for Fitness Center front desk staffing. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Mr. Haley voting no.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, funding in the amount of \$41,000 to hire trainers for Fitness Center floor and class coverage. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Mr. Wall voting no.

A motion was made by Mr. Haley and seconded by Mr. Birdsall to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, funding in the amount of \$58,500 to hire an event sound/lighting technician. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Ms. Lau and Mr. Hurley voting no.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, funding in the amount of \$8,500 for an additional 8 hours per week for the Recreation Assistant. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Mr. Hurley voting no.

A motion was made by Mr. Haley and seconded by Mr. Hurley to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, funding in the amount of \$11,600 for garden area operating expenses. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, funding in the amount of \$50,000 for the recruitment of a CEO. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Main
Motion to
Approve
Proposed
2015 GRF
Operations
Budget
Amended as
Indicated

A motion was made by Mr. Haley and seconded by Mr. Birdsall to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, GRF landscape/irrigation modifications at a gross cost of \$74,000 and a net cost of \$31,500. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, golf turf/irrigation modifications at a gross cost of \$78,000 and a net cost of \$67,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Delpech to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, a \$2.00 ticketed event sound/lighting fee with an aggregate revenue of \$24,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve establishing a Del Valle guest access fee with an aggregate revenue of \$22,000. Following discussion, the vote on the motion was taken, and the motion FAILED, with Ms. Pyle and Mr. Hurley voting yes.

A motion was made by Mr. Haley and seconded by Ms. Delpech to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, the Rossmoor News advertising fee increase with an aggregate revenue of \$20,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Mr. Birdsall to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, the Fitness Center personal trainer fee increase with an aggregate revenue of \$18,000.

A motion was made by Ms. Jordan and seconded by Ms. Lau to amend the motion to amend the main motion to approve the proposed 2015 GRF

Operations, Budget, as presented by staff, and approve the Fitness Center personal trainer fee increase with an aggregate revenue of something less than \$18,000 and that the increased fee be for personal training of individuals and not for small group classes. Following discussion, the vote on the motion was taken, and the motion CARRIED, with Mr. Haley voting no.

The vote was then taken on the motion, as amended, to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve the Fitness Center personal trainer fee increase with an aggregate revenue of something less than \$18,000 and that the increased fee be for personal training of individuals and not for small group classes. Following discussion, the vote on the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, the Fitness Center independent instructor facility use fee increase with an aggregate revenue of \$3,500. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Ms. Jordan to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, the Trust Facility/Property Maintenance Projects and Purchase of Tangible Property excluding item 4, Hillside Clubhouse atrium re-roof design \$12,000, and item 5, Gateway Clubhouse lapidary studio floor covering replacement, for a net reduction in the proposed 2015 GRF Operations Budget of \$20,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley and seconded by Mr. Hurley to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, increasing Recreation Department line 5409, Excursion Collection Revenue, by \$125,000, and line 6463, Cost of Resident Excursions, by \$120,000, yielding a net increase in revenue of \$5,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

A motion was made by Mr. Haley, seconded by Mr. Hurley, and CARRIED, with Ms. Jordan voting no, to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, increasing Golf Course Operations Department line 5404, Guest Golf Fees, and line 5405, Resident Golf Fees, by an aggregate amount of \$15,000.

A motion was made by Mr. Haley, seconded by Ms. Delpech, and CARRIED UNANIMOUSLY to approve, as recommended by the Finance Committee, an expenditure of \$12,000 from the Trust Estate Fund for the design work for the Hillside Clubhouse atrium roof replacement.

A motion was made by Mr. Haley and seconded by Ms. Jordan to approve, as recommended by the Finance Committee, an expenditure of \$16,000 from the Trust Estate Fund to construct four additional parking spaces at the Buckeye parking lot at the time the lot is repaved in 2015.

A motion was made by Ms. Guilfooy and seconded by Ms. Jordan to amend the motion to approve, as recommended by the Finance Committee, an expenditure of \$16,000 from the Trust Estate Fund to construct four additional parking spaces at the Buckeye parking lot at the time the lot is repaved in 2015 to include painting the curbs red on the south side of Tice Creek. The vote on the motion was taken, and the motion CARRIED, with Messrs. Birdsall and Wall voting no.

A roll call vote was then taken on the motion, as amended, to approve, as recommended by the Finance Committee, an expenditure of \$16,000 from the Trust Estate Fund to construct four additional parking spaces at the Buckeye parking lot at the time the lot is repaved in 2015 to include painting the curbs red on the south side of Tice Creek Drive. The vote on the motion was taken, and the motion FAILED, with Ms. Guilfooy, Ms. Jordan, Ms. Lau, Ms. Pyle and Messrs. Hurley and Wall voting no.

A motion was made by Mr. Haley and seconded by Ms. Delpech to amend the main motion to approve the proposed 2015 GRF Operations Budget, as presented by staff, and approve, as recommended by the Finance Committee, increasing the use of operating cash by \$250,000 to a total of \$728,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

The vote was then taken on the motion to approve the proposed 2015 GRF Operations Budget, and the motion, as amended, CARRIED UNANIMOUSLY.

Budget
Approved
as Amended

Before concluding, the President announced that there will not be a mid-month regular meeting of the Board in October; that the next end-of-the month regular meeting of the Board will be held on Thursday, October 30, 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 11:40 a.m. and reconvened in executive session at 11:55 a.m. in the Board Room.

Recess



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