

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, JANUARY 24, 2017, AT 9:02 A.M.

A regular meeting of the Finance Committee was convened by the Vice Chairman, Mary K. Neff, at 9:02 a.m. on Tuesday, January 24, 2017, in the Board Room at Gateway Complex.

Present, in addition to the Vice Chairman, were Jean A. Autrey, F. William Dorband, Attendance Kenneth W. Haley, and Paul Rosenzweig. David H. Smith and Christopher T. Yahng were excused. Also attending were Melvin C. Fredlund, Vice President, Mary Lou Delpech, Secretary, and Robert D. Kelso, Geraldine Pyle, and Stephen D. Roath, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; and Jeffrey P. Matheson, Director of Resident Services.

A motion was made by Mr. Haley and seconded by Mr. Rosenzweig to approve the Finance Committee's report of November 29, 2016, with the following correction to the sixth paragraph on page 2 (correction in *italics*):

Report
Approved
as
Corrected

"A motion was then made by Mr. Yahng and seconded by Mr. Dorband to recommend to the GRF Board that it purchase earthquake insurance for GRF properties in the amount of \$25M at a cost of \$173,413. *The motion FAILED, with Messrs. Smith and Yahng voting 'yes', and Ms. Neff and Messrs. Dorband Haley, and Rosenzweig voting 'no.'*"

Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY to approve the Finance Committee's report of November 29, 2016, as corrected.

Following discussion, with comments from Messrs. Chakoff, O'Keefe, and Matheson, the Committee agreed to hold a special meeting to discuss financing options for the Fitness Center renovation project and review an updated Trust cash flow projection prior to the GRF Board's mid-month meeting on February 14, 2017. After further discussion, the Committee agreed to hold the special meeting on Friday, February 10, 2017, at 9:00 a.m., in a location to be determined.

Financing
Options for
Fitness Cntr.
Renovation
Project &
Special Mtg.

Mr. O'Keefe commented on several matters and answered questions from the Committee.

CEO's
Report

Mr. Chakoff reviewed the preliminary GRF Financials as of December 31, 2016, and answered questions from Committee members and Mr. Kelso.

Staff
Reports

In Mr. Donner's absence, Mr. Chakoff reviewed the December Trust Facilities and Property Maintenance, Projects, and Machinery/Equipment Acquisition Reports. Discussion followed, with Messrs. Chakoff, O'Keefe and Matheson answering questions from the Committee.

Lastly, Mr. Chakoff reviewed the preliminary MOD financials as of December 31, 2016. Discussion followed, with Mr. Chakoff answering questions from Committee members and Mr. Kelso.

The Vice Chairman reminded the Committee that a special meeting will be held on Next Friday, February 10, 2017, at 9:00 a.m., in a location to be determined, and Meetings: announced that the Committee's next regular meeting will be held on February 21, 2/10/17 2017, at 9:00 a.m. in the Board Room at Gateway Complex. & 2/21/17

There being no further business to come before the Committee, a motion was made by Mr. Dorband, seconded by Ms. Autrey, and CARRIED UNANIMOUSLY to adjourn the meeting at 10:18 a.m.

Adjourn-
ment



Mary K. Neff, Vice Chairman
Finance Committee