

# AGENDA

## FITNESS CENTER ADVISORY COMMITTEE

### REGULAR MEETING WEDNESDAY, AUGUST 9, 2017, AT 9:30 A.M. **BOARD ROOM AT GATEWAY COMPLEX**

1. MEETING CALLED TO ORDER: Claudia Tierney, Chairman
2. ROLL CALL: Tierney, Green, Herdering, Howard, Leonard, Rapp, Smith, and Fredlund, ex-officio member
3. APPROVAL OF REPORT OF JUNE 14, 2017 (Attachment)
4. ELECTION OF VICE CHAIR AND SECRETARY
5. CHAIRMAN'S REPORT
  - a. Monthly attendance reports for July 2017 (Hand-out at meeting)
6. CORRESPONDENCE AND ANNOUNCEMENTS
7. STAFF REPORTS
  - a. Equipment repair and maintenance.
  - b. Special programs report
8. SUB-COMMITTEE REPORTS
9. RESIDENTS' FORUM

FCAC will follow Rossmoor custom and limit comments to 3 minutes.
10. UNFINISHED BUSINESS
  - a. Update regarding the Fitness Center Remodel Project.
11. NEW BUSINESS
  - a. Review of the draft 2018 Fitness Center operating budget. (Attachment)
  - b. Recommend to the GRF Board the name of Del Valle Fitness Center as the formal name of the facility. (Attachment)
12. ADJOURNMENT
13. NEXT MEETING: To be determined

CT/kv

cc: GRF Board

## FITNESS CENTER ADVISORY COMMITTEE REPORT

REGULAR MEETING  
WEDNESDAY, JUNE 14, 2017, AT 9:30 A.M.

A regular meeting of the Fitness Center Advisory Committee (FCAC) was called to order by the Chairman, Claudia Tierney, at 9:30 a.m. on Wednesday, June 14, 2017, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Catherine S. Herdering, Vice Chairman, Attendance Sherry S. Smith, Secretary, Carol A. Green, Charlotte A. Howard, Barbara Leonard, Virginia Lee Rapp, and Melvin C. Fredlund, GRF representative and ex-officio member. Also attending were Tim O'Keefe, CEO; Leslie Birdsall and Mary Lou Delpech, Directors, GRF; Jeffrey P. Matheson, Director of Resident Services; Masha Henzel, Fitness Supervisor; and three residents.

The report of the Committee's regular meeting of May 10, 2017, was approved as Report written. Approved

The Chairman reported 8,627 total fitness visits for the month of April, including Chairman's class totals. Report

Ms. Henzel reported that all equipment is up and working. Staff

During the Residents' Forum, Mary England expressed her concern about Report/ purchasing new equipment. Jim Lee wanted to know if the new equipment would Residents' cover all muscle groups. He was assured that it would. Forum

Mr. Matheson gave an update on the Del Valle Complex renovation project. Update on Demolition work is almost finished, except for removal of large windows. Work is Del Valle proceeding on the two-hour firewall, and roof framing and restroom plumbing is Complex completed. Three cameras have been installed for a time-lapse video of the Renovation construction progress and can be viewed at [www.rossmoorfitness.com](http://www.rossmoorfitness.com). Mr. Project Matheson also reported that the renovations are on schedule and all equipment has been assigned space. Arrangements for an FCAC tour next month to review progress so far and to anticipate future progress is being scheduled. Proposed

The Committee reviewed and discussed proposed equipment for the renovated Equipment Fitness Center. for Fitness

The Chairman adjourned the meeting at 10:00 a.m. Center Reviewed/ Adjourn-

The next regular meeting of the FCAC will be held on Wednesday, July 12, 2017, at ment/ 9:30 a.m. in the Fairway Room at Creekside Clubhouse. Next Mtg. 7/12/17

  
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Claudia Tierney, Chairman *TS*  
Fitness Center Advisory Committee

SSS/kv

Attachment: Fitness Center Statistics

Agenda Item: 11a  
Subject: Fitness Center Annual Operating  
Budget  
Meeting Date: August 9, 2017

**SUMMARY REPORT  
GOLDEN RAIN FOUNDATION  
FITNESS CENTER ADVISORY COMMITTEE**

**REPORT PREPARED BY:**

Jeff Matheson, Resident Services Director

**REQUESTED ACTION/RECOMMENDATION:**

Discussion regarding the 2018 Fitness Center Operating Budget.

**BACKGROUND:**

On an annual basis the Finance Committee and the GRF Board of Directors reviews the draft operating budget for all GRF Departments. The Board then considers adoption of the final GRF operating budget during the end of month meeting in September. The adopted budget will determine the monthly GRF portion of the coupon for 2018. For 2017 the cost on the coupon for the Fitness Center budget is \$9.83 per manor per month.

Each year the FCAC has the opportunity to review the Fitness Center budget and make recommendations to the Finance Committee and the GRF Board. During the August meeting the Committee typically discusses level of service provided for programs, classes, equipment and staffing. In 2016 the Board authorized an evaluation of the Fitness Center operation by The Sports Management Group. The study had several findings and recommendations. One of the recommendations was to increase the level of staffing at the front desk. The new facility will open in January of 2018. Based on the study recommendations, staff is proposing the Board approve additional front desk staffing by 1.5 full time equivalents or 60 hours per week. This will provide for two staff Monday-Friday from 6:00 a.m. – 5:00 p.m., and one staff in the evenings and on the weekends. A memo further explaining the proposal is attached.

A copy of the proposed budget is attached for information. A few highlights include an increase in anticipated revenue for personal training. The current year is off due to the time the facility was closed and the move to the modular buildings. Revenue is also increased based on the anticipated ability to sell merchandise and the initiation of additional services such as adding massage. The line item budget also includes a reduction in supplies. Typically the supply budget contains funds used to replace four pieces of equipment on an annual basis. With the majority of the equipment being new, there will not be a need for replacement for the next few years.

**ALTERNATIVES AND OPTIONS:**

It is recommended that the FCAC discuss the current level of service offered at the Fitness Center and discuss any desired changes beyond the proposed additional front desk staffing.

**ATTACHMENTS:**

- 1) Proposal for new front desk staffing
- 2) Proposed 2018 Fitness Center Operating Budget

## MEMORANDUM

Date: July 21, 2017  
 To: Tim O'Keefe, CEO  
 From: Jeff Matheson, Director of Resident Services  
 Re: New Front Desk Staff at Fitness Center

In 2016 the GRF Board authorized an evaluation of the fitness center operation by The Sports Management Group. The study contained several recommendations including the addition of front desk staff to better serve Residents. The renovated fitness center will open in January of 2018. The facility will contain a new entry system, additional technology, and provide for the option to sell minimal merchandise such as sports drinks. Staff again alerted the Board to the pending need for additional staff during the meeting of February 14, 2017, when the Board approved the overall construction phase budget. The intent at that time was to make clear that construction related expenses would be paid from the Trust Estate Fund while any additional operating expenses related to staffing would come from the annual coupon.

Excerpt from February 14, 2017 staff report requesting approval of the overall project construction phase budget:

***FINANCIAL IMPACT:***

*The total project budget is \$9,616,300.00. This amount includes the \$1,187,000 in planning costs previously approved plus the construction phase costs of \$8,429,300.00. Funding to pay for construction comes from the Trust Estate Fund.*

*Financing for the project will be secured through Mechanics Bank. Approval of the loan documents will be on the February 23, 2017 agenda.*

*New operating costs for the renovated fitness center will be included in the proposed 2018 operating budget. Staff anticipates proposing additional front desk staff and custodial staffing plus some additional contract services. It is also anticipated that property taxes for the building will increase. Some of these increases may be offset by some savings in energy costs as new energy efficient mechanical and lighting systems will be implemented.*

The current 2017 budget has authorization for 2.5 FTE (Full Time Equivalents) staff for the front desk. With the fitness center being open 99 hours per week this authorization provides coverage by one staff person at all times. For the 2018 budget, once the

renovated facility is open, it is recommended that the front desk be staffed by two employees during the week from 6:00 a.m. to 5:00 p.m., one employee in the evenings 5:00 p.m. – 9:00 p.m., and one employee on the weekends 6:00 a.m. – 6:00 p.m. This additional coverage requires adding 1.5 FTE staff (60 hours/week).

With two staff members during the weekday peak hours (6:00 a.m. – 5:00 p.m. Monday-Friday), one staff member would be available to assist residents with class registration, scheduling and payment of personal training, sale of merchandise, and many other tasks, while the second staff member would be responsible for monitoring the check in process and assisting residents with guests and first time members needing to register.

The cost for the additional 1.5 FTE staff is estimated at \$70,000 with all associated costs included.

Having the appropriate coverage at the front desk is vital to a successful operation. The staff provides the first impression to residents using the facility. The front desk staff ensures Residents have proper forms completed and they are able to assist and guide Residents to further information they may need in order to be successful with their fitness goals. The staff also serves a critical safety function as all are CPR and First Aid certified. They are able to respond to emergencies and contact appropriate first responders and provide medical information and contact information as needed.

In 2018 there will be opportunities for additional revenue. The sale of minor merchandise, increases in personal training, and the addition of massage, will produce additional revenue that has been included in the proposed budget. Personal Training revenue is increased by \$30,000 and Misc. Income is increased by \$10,000. It is also anticipated that the Board will adopt a Guest fee that may offset some of the costs but the amount is impossible to determine at this time. In addition the proposed budget has a decrease of \$16,000 for supplies. This amount is typically for the replacement of 3-4 pieces of equipment. As the majority of the equipment will be new this line can be reduced for the next few years.

Dept 221		2015	2016	2017	2017	2018	
		ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	
<b>REVENUES</b>							
5420	COMMUNITY FACILITIES INCOME						
	PERSONAL TRAINING	-118,919	-144,568	-40,185	-110,000	0	140,000
	TOTAL COMMUNITY FACILIT	118,919	144,568	40,185	110,000	0	
5802	OTHER INCOME						
	MISCELLANEOUS INCOME	-12,799	-14,853	-5,254	-15,000	0	25,000
	TOTAL OTHER INCOME	12,799	14,853	5,254	15,000	0	
	TOTAL REVENUE	131,718	159,421	45,439	125,000	0	
<b>EXPENSES</b>							
6104	OVERTIME WAGES	6,844	8,344	2,187	8,000	0	8000
6107	TEMPORARY HELP	1,313	4,793	1,837	5,000	0	5000
6110	SALARIES AND WAGES	571,703	612,520	250,783	585,052	0	
	TOTAL SALARY AND WAGES	579,860	625,656	254,808	598,052	0	
6201	SOCIAL SECURITY TAX	41,611	44,973	18,476	44,756	0	
6202	FEDERAL UNEMPLOYMENT INSURANCE	724	774	475	588	0	
6203	STATE UNEMPLOYMENT INSURANCE	5,437	5,290	3,089	4,018	0	
6204	HEALTH INSURANCE-NON UNION	113,622	110,804	45,110	103,254	0	
6205	LIFE INSURANCE - NON UNION	2,346	2,368	1,147	2,748	0	
6206	LONG TERM DISABILITY INSURANCE	1,777	1,532	692	1,617	0	
6211	WORKER'S COMPENSATION	42,061	41,322	16,030	45,201	0	
6213	TRAVEL AND MEAL ALLOWANCE	2,531	1,337	1,365	3,000	0	3,000
6214	401(k) MATCH GRF	3,967	5,933	2,171	5,724	0	
6219	STAFF TRAINING	1,822	4,505	8,149	5,000	0	8,000
6220	STAFF AMENITIES	0	87	72	0	0	
6222	EMPLOYEE UNIFORMS & LAUNDRY	4,728	1,997	0	3,500	0	3500
6224	DUES AND MEMBERSHIPS	2,020	4,701	1,076	2,500	0	2500
6225	SUBSCRIPTIONS AND BOOKS	1,022	1,031	70	500	0	500
6227	VISION CARE	795	747	350	703	0	
6229	DENTAL INSURANCE	6,617	5,843	2,542	6,234	0	
	TOTAL OTHER EMPLOYEE EXPE	231,081	233,244	100,814	229,343	0	
6311	COPY/PRINTING SERVICES	2,293	3,652	130	2,500	0	2500
6402	ADMINISTRATIVE SUPPLIES	8,674	6,404	3,289	6,500	0	8000
6408	SAFETY/SECURITY SUPPLIES	962	765	0	1,000	0	1000
6420	SUPPLIES	27,901	31,875	5,611	35,000	0	19,000
	TOTAL OPERATING EXPENSES	39,829	42,697	9,029	45,000	0	
6903	EQUIPMENT REPAIR/MAINTENANCE	25,423	15,007	4,344	25,000	0	25,000
	TOTAL REPAIRS AND MAINTEN	25,423	15,007	4,344	25,000	0	
7003	BANK CHARGES-ALL TYPES	1,173	1,654	391	1,400	0	1,400
	TOTAL FINANCIAL EXPENSES	1,173	1,654	391	1,400	0	
	TOTAL EXPENSES	877,366	918,258	369,385	898,795	0	
	DIFFERENCE	-745,648	-758,838	-323,946	-773,795	0	

## FITNESS CENTER

### **5420 Personal Training (Revenue)**

Personal training is one of the most important programs offered at the Fitness Center. Personal training is offered at \$35.00/half hour or \$60.00 for an hour. Group training is also offered at \$10.00/hour per person. It is anticipated that revenue will increase with the new facility opening in January 2018.

Training staff is paid at a flat rate of \$40.00/hour while conducting paid training. Funds are budgeted under salaries and wages for the incremental increase in wages while conducting paid personal training.

\$140,000 is projected (\$30,000 Increase)

### **5802 Miscellaneous Income (Revenue)**

Outside fitness instructors are charged a nominal facility use fee when using GRF facilities to conduct classes for residents and their guests. This would include revenue from massage if added. Also included for 2018 is revenue from the sale of merchandise

\$25,000 is projected (Increase of \$10,000)

### **6104 OVERTIME WAGES**

Overtime wages for trainers who may need to stay to cover extra shifts due to illness, vacation, or when not fully staffed. Includes coverage during holidays when Fitness Center is open. Trainers may not be scheduled for overtime in order to conduct personal training appointments.

\$8,000 is requested

### **6213 TRAVEL & MEAL ALLOWANCE**

Travel for staff to earn CECs (continuing education credits) required to maintain certifications. Staff takes advantage of courses locally and online; however, certain courses which enable staff to better serve Rossmoor residents are only available outside the Bay Area. Budget includes mileage, airfare, meals and lodging expenses.

\$3,000 is requested

### **6219 STAFF TRAINING**

Cost of registrations for continuing education credits for staff. Industry standards require staff maintain a minimum of 50 hours/year and supervisor maintain 90 hours/year. While staff pursues as many courses as possible online and locally, some specific classes are only taught outside the Bay Area. Training also includes customer service training and management training from Active Wellness.

\$5,000 is requested (Increase of \$3,000)

**6222 EMPLOYEE UNIFORMS & LAUNDRY**

The fitness staff is now being required to wear uniforms during their shift. Uniforms are purchased by GRF.

\$3,500 is requested

**6224 DUES & MEMBERSHIPS**

Certifications and memberships with professional organizations and governing industry bodies.

\$2,500 is requested

**6225 SUBSCRIPTIONS AND BOOKS**

The department subscribes to trade publications.

\$500 is requested

**6311 COPY & PRINTING SERVICES**

Production costs of flyers, class schedules, brochures, floor signage, banners, and posters for special events.

\$2,500 is requested

**6402 Administrative Supplies**

Paper, pencils, pens, copier ink cartridges and office supplies. There will be some increased expenses to set-up the new offices in 2018.

\$8,000 is requested (Increase of \$1,500)

**6420 SUPPLIES**

This covers the general supplies needed for classes and programs as well as for operation of the facility. This line typically also includes funds for equipment replacement. In 2018 the vast majority of equipment will be new. This results in a decrease in requested funds for 2018.

\$19,000 is requested (Decrease of \$16,000)

**6903 EQUIPMENT REPAIRS & MAINTENANCE**

This line covers the contract for weekly preventive maintenance and repairs. It also covers needed parts for repair. This line also includes new funds for the updating and ongoing maintenance of the website and the monthly cost for software used at the Fitness Center.

\$25,000 is requested

**7003 Bank Charges**

The Fitness Center collects fees via credit card. Charges are for processing fees.

\$1,400 is requested

Agenda Item: 11b  
Subject: Naming of the Del Valle  
Complex  
Meeting Date: August 9, 2017

***SUMMARY REPORT  
GOLDEN RAIN FOUNDATION  
FITNESS CENTER ADVISORY COMMITTEE***

**REPORT PREPARED BY:**

Jeff Matheson, Resident Services Director

**REQUESTED ACTION/RECOMMENDATION:**

Recommendation to the GRF Board regarding the renaming of the Del Valle Clubhouse and the rooms inside the facility.

**BACKGROUND:**

The FCAC and AAC recommended to the Board that it consider renaming the Del Valle Clubhouse and rooms including the pools. The Board approved a plan for selecting a new name that included seeking community input. The plan also included forming a joint subcommittee of the FCAC and AAC to review suggestions. The Subcommittee met in June and reviewed the recommendations received.

The Subcommittee debated the suggestions and ultimately felt the history of the current name should be included and that the selected names should be simple and descriptive of the main use of each room. The Subcommittee is recommending the following names:

Main Complex:	Del Valle Fitness Center
Multi-Use A:	Dance Studio
Multi-Use B:	Aerobics Studio
Gymnasium:	Gymnasium
Pilates:	Pilates Studio
Current Shasta Room:	Serenity Room
Pools:	Del Valle Pools

**ALTERNATIVE OPTIONS:**

The Committee can discuss additional names to recommend to the Board.

**ATTACHMENTS:**

None