

# A G E N D A

## FINANCE COMMITTEE

### REGULAR MEETING

TUESDAY, SEPTEMBER 25, 2018, AT 9:00 AM  
BOARD ROOM – GATEWAY COMPLEX

1. MEETING CALLED TO ORDER: F. William Dorband, Chairman
2. ROLL CALL: Dorband, Autrey, Neff, Rosenzweig, Temple, and Yearout
3. APPROVAL OF REPORT: Regular meeting of August 28, 2018 (Attachment)  
Joint meeting of September 12 and 13, 2018  
(Attachment)
4. RESIDENTS' FORUM
5. CHAIRMAN'S REPORT – ANNOUNCEMENTS
6. STAFF REPORTS
  - a. CEO – General Comments
  - b. CFO – Monthly GRF Financials (copy in GRF Board Office Finance Committee mailbox)
  - c. Director of Mutual and Trust Operations – Trust Facilities and Property Maintenance, Projects, and Machinery/Equipment Acquisition Reports (Attachments)
7. UNFINISHED BUSINESS
8. NEW BUSINESS

Matters related to the 2019 GRF Operations Budget:

  - 1) Consider recommendation of the proposed 2019 GRF Operations Budget in the aggregate amount of \$22,692,957, a coupon amount of \$283.27 per manor, per month, including cable TV.
  - 2) Consider motions to amend the main motion to recommend the proposed FY2019 GRF Operations Budget as presented by staff to incorporate: 1) the Finance Committee's recommendations and 2) any other amendments that may be initiated by the Board.

Possible 2019  
Budget Impact

- i. New Programs and Program Augmentation (Tab 2)
  - 1. Consider a motion recommending a Custodial Contract for Fitness Center + \$45,000
  - 2. Consider a motion recommending a New Fitness Specialist at Fitness Center + \$53,000
- ii. Defined Benefit Pension Plan (Tab 5)
  - 1. Recommend 2019 contribution of \$707,250. (No motion needed unless the amount is changed.) \$ \_\_\_\_\_
- iii. Trust Facility/Property Maintenance Projects and Purchase of Tangible Property (Tab 6)
  - 1. Consider recommended projects totaling \$426,000. (No motion needed unless the amount is changed.) \$ \_\_\_\_\_
- iv. Department Budgets (Tab 8)
  - 1. Consider a motion to recommend the operating departments as presented except for decreases in health insurance expense of \$86,680. \$86,680
- v. Consider budget reduction in Cable TV/Internet from amount previously projected. -\$176,401
- vi. Consider any other recommendations from the Finance Committee

9. ADJOURNMENT

10. NEXT REGULAR MEETING: Tuesday, October 23, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

cc: GRF Board

## FINANCE COMMITTEE REPORT

REGULAR MEETING  
TUESDAY, AUGUST 28, 2018, AT 9:00 A.M.

A regular meeting of the Finance Committee was convened by F. William Dorband, Chairman, at 9:00 a.m. on Tuesday, August 28, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Jean A. Autrey, Mary K. Neff, Paul Rosenzweig, Della C. Temple, and Gery Yearout. Also attending were Robert D. Kelso, President, Leslie Birdsall, Vice President, Geraldine Pyle, Secretary, and Sue DiMaggio Adams, Kenneth Anderson, and Stephen D. Roath, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director of Mutual and Trust Operations; Jeffrey P. Matheson, Director of Resident Services; Dennis Bell, Public Safety Manager; Amanda Davis, Senior Accountant; Deborah Rose, Senior Administrative Assistant, Executive Services and three residents. David H. Smith, past Finance Committee member and Chairman of the Committee also attended the meeting. Attendance

The report of the Committee's regular meeting of July 24, 2018, was approved as written. Report Approved

A motion made by Ms. Neff, seconded by Ms. Temple, and CARRIED UNANIMOUSLY, to elect Jean A. Autry Vice Chairman of the Finance Committee. Vice Chairman Elected

No residents spoke at the Residents' Forum.

The Chairman made an announcement that David H. Smith, who recently resigned from the Finance Committee and who was also its Chairman, was invited to today's meeting. The Chairman proceeded to read a letter addressed to Mr. Smith from Robert D. Kelso, Golden Rain Foundation President, thanking him for his service as a member and Chairman of the Finance Committee. The Chairman went on to personally and on behalf of the Finance Committee thank Mr. Smith for his services. Mr. Smith then addressed the Committee, stating it was an honor to serve on the Finance Committee and wished the Committee the best of luck. Chairman's Report and Announcements

The Chairman then announced that interviews took place to fill the vacancy on the Committee left by Mr. Smith. The Chairman reported that Paul Moderacki has been recommended to fill that vacancy and is pending GRF Board approval at its meeting on August 30.

Mr. O'Keefe began his report with an acknowledgement of Rick Chakoff and his staff for all their hard work putting the budget together. He announced that the joint GRB and Finance Committee meeting will be held on September 12 and 13 in the newly renovated Diablo Room at Hillside Clubhouse. He went on to provide an update on the Traffic and Pedestrian Safety study improvements, all of which will be completed by end of this week. He reported that bids for a long-term Capital Needs/Major Maintenance Analysis and a newly developed Project Criteria Template for prioritizing Staff Reports

major capital projects will be discussed at the upcoming regular meeting of the GRB scheduled for Thursday, August 30. He went on to report that the Garden Club improvements are underway and that, after Pulte completes its work, GRF will install a bathroom. Lastly, he reported that the EV charging stations are now up and running. The other two EV charging sites located at the Event Center and the Tice Creek Fitness Center are both in process and due to be completed in two weeks.

Mr. Chakoff reviewed the GRF Statement of Operations for July and answered questions from Committee members.

Mr. Donner reviewed the July Trust Facilities and Property Maintenance Report, the Capital Projects Budget and Expenditure Report, and the Machinery & Equipment Budget and Expenditure Report. Mr. Donner and Ms. Davis then answered questions from Committee members.

Mr. Chakoff introduced and reviewed agenda item 9a, Advise the Board if there are sufficient funds in the Operating Fund to approve an expenditure of \$9,450 for a long-term Capital Needs/Major Maintenance analysis. Discussion followed.

A motion was made by Ms. Neff, seconded by Ms. Yearout, and CARRIED UNANIMOUSLY to advise the GRF Board there are sufficient funds in the Operating Fund to approve an expenditure in the amount of \$9,450 for the proposed work with Facilities Advisors, Inc.

Funds for  
Long-Term  
Capital  
Needs  
Analysis

Mr. Chakoff then reviewed agenda item 9b, Advise the Board if there are sufficient funds in the Operating Fund to approve an expenditure of \$19,000 for a consultant's proposal to evaluate software integration. Discussion followed.

A motion was made by Ms. Neff, seconded by Mr. Rosenzweig, and CARRIED UNANIMOUSLY to advise the GRF Board there are sufficient funds in the Operating Fund to approve an expenditure in the amount of \$19,000 to hire the consultant Data41 to do the integration project.

Consultant's  
Proposal to  
Evaluate  
Software  
Integration

Mr. Bell introduced and reviewed agenda item 9c, Advise the Board if there are sufficient funds in the Trust Estate Fund to approve an expenditure of \$26,021 to remove the landscape island on Stanley Dollar Drive, replacing it with four parking spaces. Discussion followed.

A motion was made by Ms. Neff to advise the Board there are sufficient funds in the Trust Estate Fund to approve an expenditure in the amount of \$26,021 for the project to add four parking spaces on Stanley Dollar. The motion DIED for lack of a second.

Motion Died  
re. the  
Removal  
of Landscape  
Island on  
Stanley  
Dollar Drive

The Chairman reviewed agenda item 9d, Develop a process by which the GRF Finance Committee reviews and recommends possible changes to the GRF Membership Transfer Fee pursuant to its Charter. Following discussion, the Chairman asked Committee members to put together a list of every possible consideration that it would need to put together so that the Committee can do a study of where the Committee currently is and what the Committee needs are, how any of these would affect the MTF, and bring their lists back to the next regular meeting of the Finance Committee.

The Chairman announced that the joint GRB and Finance Committee meeting to hear the presentation of the proposed GRF Operations Budget for 2019 will be held on September 12 and 13 at 9:00 a.m. in the Diablo Room at Hillside Clubhouse.

There being no further business to come before the Committee, the meeting was adjourned at 10:09 a.m.

The next regular meeting of the Finance Committee will be held on Tuesday, September 25, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

---

F. William Dorband, Chairman  
Finance Committee

dr

MINUTESJOINT MEETING OF THE FINANCE COMMITTEE AND  
THE GOLDEN RAIN BOARD OF DIRECTORSWEDNESDAY, SEPTEMBER 12, AND  
THURSDAY, SEPTEMBER 13, 2018, AT 9:00 A.M.  
DIABLO ROOM – HILLSIDE CLUBHOUSE

A joint meeting of the Finance Committee and the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Robert D. Kelso, at 9:00 a.m. on Wednesday, September 12, 2018, in the Diablo Room at Hillside Clubhouse.

ROLL CALL: Present: Finance Committee members, F. William Dorband, Jean A. Autrey, Mary K. Neff, Paul Moderacki, Paul Rosenzweig, Della C. Temple, and Gery Yearout

Attendance

Absent: None

Present: GRB members Robert D. Kelso, Leslie Birdsall, Geraldine Pyle, Mary K. Neff, Sue DiMaggio Adams, Kenneth Anderson, Carl W. Brown, Stephen D. Roath, and Timothy O'Keefe, Chief Executive Officer, ex-officio member of the Board

Excused: Barbara Coenen

The President welcomed the audience to the beginning of the 2019 GRF Operations Budget process and then thanked staff for preparing all of the material the Board and the Finance Committee will be reviewing today and tomorrow. He noted that there will be no decisions made at today's or tomorrow's meeting.

President's  
Opening  
Remarks

There were no Resident Forum speakers.

Residents'  
Forum/

Following opening remarks by the CEO and then the CFO, the Board and the Finance Committee reviewed the draft FY 2019 GRF Operations Budget with staff, which included departmental presentations by management staff.

Draft FY  
2019 GRF  
Operations  
Budget

The meeting was recessed at 11:53 a.m.

Reviewed/  
Recess/

The meeting was reconvened at 9:00 a.m. on Thursday, September 13, 2018, in the Diablo Room at Hillside Clubhouse.

Meeting  
Reconvened  
9/13/18

All of the members of the Finance Committee were present except F. William Dorband, who was excused. All of the members of the Board were present.

Attendance

There were no Resident Forum speakers.

Residents'  
Forum

Joint Meeting of the  
Finance Committee and  
the GRF Board

-2-

September 12 & 13, 2018

The Finance Committee and the Board then continued their review of the draft FY 2019 GRF Operations Budget with staff (Sections 2 through 7). This was an informational meeting, and no final actions were taken; however, straw votes of the members of the Board and the members of the Finance Committee were taken on the following items:

Custodial Service Contract – 14 out of 14 Yes

Fitness Specialist – 5 out of 14 Yes

Selling Non-Resident Memberships – 0 out of 14 Yes

Changes to the amount of the Pension Contribution – 0 out of 14 Yes

Trust Facility/Property Maintenance Projects – 14 out of 14 Yes

Surplus cash contributed to fund – 13 out of 14 Yes

In closing, Mr. Moderacki, Finance Committee, thanked Mr. O’Keefe, Mr. Chakoff and the GRF staff for putting together a superior budget presentation with very thorough material. Mr. Roath, GRF Board, complimented Mr. Kelso, stating that he did a nice job running the meeting. Before concluding, the President announced that the Finance Committee will meet on Tuesday, September 26, 2018, at 9:00 a.m. in the Board Room at Gateway Complex to further consider the draft FY 2019 GRF Operations Budget and make recommendations to the Board about it; and that the next end-of-the-month regular meeting of the Board will be held on Thursday, September 27, 2018, at 9:00 a.m. in Peacock Hall at Gateway Complex, at which time the Board will consider the Finance Committee’s recommendations regarding the draft FY 2019 GRF Operations Budget and other matters.

There being no further business to come before the Finance Committee and the Board, the meeting was adjourned at 11:04 a.m.

Continued  
Review of  
Draft FY  
2019 GRF  
Operations  
Budget/  
Results of  
Straw Votes

Announce-  
ments

Adjournment

---

F. William Dorband, Chairman  
Finance Committee





**CAPITAL PROJECTS  
BUDGET AND EXPENDITURE REPORT**  
Reporting Period AUGUST 2018

<b>Project</b>	<b>Approved Budget</b>	<b>Reporting Period Expenditures</b>	<b>Incurred To-Date</b>	<b>Forecast To-Complete</b>	<b>Est. Final Expenditure</b>	<b>Under/(Over) Budget</b>
Del Valle Renovating Project	9,705,085	3,641	9,753,874	0	9,753,874	(48,789)
Valley-Wide Paving	460,000		360,338	99,662	460,000	0
Drop Creek Structure Construction	950,000		832,104	8,396	840,500	109,500
Del Valle Pools Project	520,000		533,736	0	533,736	(13,736)
Creek Restoration Design & Project Management	222,177			222,177	222,177	0
Repave MOD Parking Lot	211,500			211,500	211,500	0
Water Reclamation Facility Study	150,000	14,670	16,010	133,990	150,000	0
Hillside Clubhouse Improvements	130,000	25,587	119,441	10,559	130,000	0
Corp Yard Fire & Domestic Water Lines Replacement	120,000			120,000	120,000	0
Vehicular and Pedestrian Safety Improvements	115,899	1,884	1,884	114,015	115,899	0
Rossmoor Gardens Restroom	88,000		4,371	83,629	88,000	0
Gateway Workshops Renovation Design	83,000	5,668	12,668	70,332	83,000	0
Dollar Clubhouse Accessibility Improvements	80,000	5,500	8,267	71,733	80,000	0
Rossmoor & Cactus Gardens Fencing Replacement	65,000	41,687	41,687	23,313	65,000	0
Dollar Ranch Ninth Green Reconstruction	60,000			60,000	60,000	0
Electric Charging Stations	55,000		37,222	17,778	55,000	0
Stanley Dollar Drive Parking	26,021			26,021	26,021	0
Landscape Median Renovation	25,000		8,725	1,275	10,000	15,000
Sportsman's Park Pergola	18,000	5,000	6,000	0	6,000	12,000
MOD Conference Room Remodel	16,500		14,742	1,758	16,500	0
<b>TOTAL</b>	<b>13,101,182</b>	<b>103,638</b>	<b>11,751,069</b>	<b>1,276,138</b>	<b>13,027,207</b>	<b>73,975</b>

**MACHINERY & EQUIPMENT  
BUDGET AND EXPENDITURE REPORT**  
Reporting Period: AUGUST 2018

Project	Approved Budget	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget
MOD Vehicles (9)	308,000	280,725	27,275	308,000	0
Backup Generators-Business Resumption	93,000		93,000	93,000	0
Mowers (2)	77,000	71,701	5,299	77,000	0
GRF Vehicles	63,500	58,803	4,697	63,500	0
Nimble Data Storage System-Business Resumption	58,600	58,491	(0)	58,491	109
Rossmoor Website Redesign	49,000	39,200	9,800	49,000	0
Sprayer	45,000	43,295	0	43,295	1,705
NewTek TriCaster Streaming System	45,000	45,000	0	45,000	0
Windscreens Replacement Buckeye Tennis	30,000	8,651	21,349	30,000	0
Tractor	30,000	26,934	(0)	26,934	3,066
Heater Replacement Hillside Clubhouse Pool	28,000		28,000	28,000	0
Barracuda Cloud Backup System	20,000	16,933	0	16,933	3,067
RFID Readers	15,850	2,882	12,968	15,850	0
Radio Repeaters (2)	13,000	12,390	610	13,000	0
Backup Network Server-Business Resumption	11,100	11,587	0	11,587	(487)
Phone System Controller-Business Resumption	10,350	9,283	(0)	9,283	1,067
Battery Backup Gateway-Business Resumption	9,000	8,854	(0)	8,854	146
Flat Screen TV Replacement Event Center	8,000	7,358	0	7,358	642
Scrubber for Hillside Clubhouse	7,900	7,490	(0)	7,490	410
Heater Replacement Dollar Clubhouse Pool	7,000		7,000	7,000	0
Sod Cutter	5,500	5,430	0	5,430	70
<b>TOTAL</b>	<b>934,800</b>	<b>715,008</b>	<b>209,997</b>	<b>925,005</b>	<b>9,795</b>