

# A G E N D A

## FINANCE COMMITTEE

REGULAR MEETING  
TUESDAY, OCTOBER 23, 2018, AT 9:00 AM  
BOARD ROOM – GATEWAY COMPLEX

1. MEETING CALLED TO ORDER: F. William Dorband, Chairman
2. ROLL CALL: Dorband, Autrey, Moderacki, Neff, Rosenzweig, Temple, and Yearout
3. APPROVAL OF REPORT OF SEPTEMBER 25, 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
  - a. Consider approving the 2019 rates for recreational vehicle parking. (Attachment)
  - b. Planning Committee to present a status update regarding the Project Criteria Template and scores. (Attachment)
9. ADJOURNMENT
10. NEXT REGULAR MEETING: Tuesday, December 4, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

cc: GRF Board

## FINANCE COMMITTEE REPORT

REGULAR MEETING  
TUESDAY, SEPTEMBER 25, 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, September 25, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Jean A. Autrey, Mary K. Neff, Paul Moderacki, Della C. Temple, and Gery Yearout. Paul Rosenzweig was excused. Also attending were Leslie Birdsall, Vice President, Geraldine Pyle, Secretary, and Kenneth Anderson, Barbara Coenen, and Stephen D. Roath, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director, Mutual and Trust Operations; Jeffrey P. Matheson, Director, Resident Services; Judith A. Perkins, Senior Manager, Human Resources; Amanda Davis, Senior Accountant; Deborah Rose, Senior Administrative Assistant, Executive Services; and one resident. Attendance

The reports of the Committee's regular meeting of August 28, 2018, and its joint meeting with the GRB on September 12 and 13, 2018, were approved with a correction to the report of August 28 changing the spelling of Jean Autrey's name in the section regarding the election of the Committee's Vice Chairman from Jean Autry to Jean Autrey. Reports Approved

There were no Resident Forum speakers.

Residents'  
Forum/  
Staff  
Reports

Mr. O'Keefe began his report by updating the Committee regarding the Solar Farm construction, which is getting closer to completion. He then noted that the RVs have been moved from the lot for repaving, which will take approximately three months if the weather is good and may take longer if the weather is not good. He secondly noted that a possible discussion may be had at next month's Finance Committee regarding the change in the RV rates, which hasn't changed in several years. Thirdly, he noted that the EV chargers at Gateway are working and that the Event Center and Tice Creek chargers are pending PG&E hookup and are on hold until PG&E completes this portion of the project. Lastly, he reported that the traffic and pedestrian safety improvements are mostly finished. There will be one modification to the Oakmont intersection, which will be an update to the flashing signage as the company sent an incorrect model.

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

Mr. Donner reviewed the August Trust Facilities and Property Maintenance Report, the Capital Projects Budget and Expenditure Report, and the Machinery & Equipment Budget and Expenditure Report. Messrs. Chakoff and Donner answered questions from the Committee.

The Chairman explained the purpose of today's meeting is to make recommendations to the GRF Board regarding the 2019 Operations Budget for its meeting on Thursday, September 27. Purpose of Meeting

The Committee then discussed the proposed 2019 GRF Operations Budget and made the following recommendations:

**Item 8-1 (Main Motion)**

A motion was made by Ms. Temple and seconded by Ms. Neff to recommend approval 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.

Recommendations re.  
2019 GRF  
Operating  
Budget

**Item 8i-1 (New Programs/Augmentation)**

**Item 8i1-1 (Fitness Center - Custodial Contract)**

A motion was made by Ms. Neff and seconded by Ms. Autrey to amend the main motion to approve the 2019 GRF Operations Budget and recommend approval of the Custodial Contract for the Fitness Center at a cost of \$45,000. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

**Item 8i2-1 (Fitness Center - Fitness Specialist)**

A motion was made by Ms. Neff to amend the main motion to approve the 2019 GRF Operations Budget and recommend approval of a new Fitness Specialist at the Fitness Center at a cost of \$53,000. The motion DIED for lack of a second.

**Item 8ii-1 (Defined Benefit Pension Plan)**

The Committee did not need to take action on this matter, and no action was taken.

**Item 8iii-1 (Trust Facility/Property Maintenance Projects)**

A request was made to correct the wording in item #10 of the 2019 Trust Facility and Property Maintenance Project list under tab 6 in the 2019 Budget Binder, from "Upgrade the Garden Room at Dollar Clubhouse" to read as "Additional New Materials for the Ivy Room at Dollar Clubhouse". An additional request was made to change the wording of item #10 listed on the first page within tab 6 of the 2019 Budget Binder from "Hillside Clubhouse" to "Dollar Clubhouse".

**Item 8iii1-1 (Items totaling \$426,000)**

The Committee did not need to take action on this matter, and no action was taken.

**Item 8iv-1 (Department Budgets)**

A motion was made by Ms. Neff and seconded by Mr. Moderacki to amend the main motion to approve the proposed 2019 GRF Operations

Budget and recommend approval of budgets for the Operating Departments except for decreases in health insurance expenses of \$86,680. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

**Item 8v-1 (Budget Reduction in Cable TV/Internet)**

A motion was made by Ms. Neff and seconded by Ms. Autrey to amend the main motion to approve the proposed 2019 GRF Operations Budget and recommend approval of a budget reduction of -\$176,401 in Cable TV/Internet from amount previously projected. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

**Item 8vi-1 (Other Recommendations)**

A motion was made by Ms. Neff and seconded by Ms. Autrey to amend the main motion to approve the proposed 2019 GRF Operations Budget and recommend a reduction in media revenue by \$80,000 in 2019 rather than the \$50,000 as proposed. A vote on the motion was taken, and the motion CARRIED, with Ms. Temple voting no.

**Item 8-1 (Main Motion)**

The vote was then taken on the motion to recommend approval of the proposed 2019 GRF Operations Budget in the amount of \$22,504,876, and the motion, as amended, CARRIED UNANIMOUSLY.

**Summary**

The Committee recommendations itemized above resulted in the following total change:

**Net Decrease \$188,061**

The recommendations resulted in a 2019 GRF coupon of \$280.92 per manor, per month including cable TV, decreasing the 2019 GRF coupon (over 2018) from \$6.81 to \$4.46.

There being no further business to come before the Committee, the meeting was adjourned at 9:44 a.m. Adjournment

The next regular meeting of the Finance Committee will be held on Tuesday, October 23, 2018, at 9:00 a.m. in the Board Room at Gateway Complex. Next Mtg. 10/23/18

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F. William Dorband, Chairman  
Finance Committee



**CAPITAL PROJECTS  
BUDGET AND EXPENDITURE REPORT**  
Reporting Period SEPTEMBER 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 Renovation Project	9,705,085		9,753,874	0	9,753,874	(48,789)
Valley-Wide Paving	460,000	29,700	390,038	69,962	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	17,926	33,936	116,064	150,000	0
Hillside Clubhouse Improvements	130,000	3,287	122,728	7,272	130,000	0
Corp Yard Fire & Domestic Water Lines Replacement	120,000			120,000	120,000	0
Vehicular and Pedestrian Safety Improvements	115,899	440	2,324	113,575	115,899	0
Rossmoor Gardens Restroom	88,000		4,371	83,629	88,000	0
Gateway Workshops Renovation Design	83,000		12,668	70,332	83,000	0
Dollar Clubhouse Accessibility Improvements	80,000	4,207	12,474	67,526	80,000	0
Rossmoor & Cactus Gardens Fencing Replacement	65,000		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	0	8,725	16,275
MOD Conference Room Remodel	16,500		14,742	1,758	16,500	0
<b>TOTAL</b>	<b>13,083,182</b>	<b>55,560</b>	<b>11,800,629</b>	<b>1,219,303</b>	<b>13,019,932</b>	<b>63,250</b>

**MACHINERY & EQUIPMENT  
BUDGET AND EXPENDITURE REPORT**  
Reporting Period: SEPTEMBER 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	(0)	8,651	21,349
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	13,441	(0)	13,441	(441)
Backup Network Server-Business Resumption	11,100	11,587	0	11,587	(487)
Phone System Controllor-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>716,060</b>	<b>188,037</b>	<b>904,097</b>	<b>30,703</b>

**SUMMARY REPORT  
GOLDEN RAIN FOUNDATION FINANCE COMMITTEE**

**REPORT PREPARED BY:**

Jeff Matheson, Director of Resident Services

**REQUESTED ACTION/RECOMMENDATION:**

Consider recommendation to the GRF Board the annual lease rates for the RV parking lot for 2019 and a 3.0% escalator for each year after.

**BACKGROUND:**

The Golden Rain Foundation operates an RV storage lot in two parking areas above the MOD offices. The GRF Board has approved a Power Purchase Agreement with NextEra Energy for the construction of a 1.0 MW solar array to be located on the hillside along Rockview Drive and on car ports to be constructed over a portion of the lower RV storage lot. The GRF Board has also approved funding to repave the lower RV storage lot once the construction of the car ports is complete. All the car ports will be high enough to provide clearance for all RV's. Once complete there will be 53 covered spaces and 66 uncovered spaces between both lots.

The GRF does require members to sign an annual lease and pay a rental fee in order to park an RV in the storage lot. The rental fee has been \$277.00 since 2011. Staff is proposing an adjustment to the fee for 2019 and to build in an annual 3.0% escalator for each year after. Staff is also recommending a two-tiered fee structure for covered versus uncovered spaces. Covered spaces would lease for \$500 per year and uncovered would lease for \$350/year. The lease for 2019 will be prorated based on the completion date of the solar construction project.

Staff has met with the Roadrunner RV Club to review the proposed rates. In addition, a letter has been sent to all current lessees with information regarding the proposed new rates. The Roadrunner Club is in agreement with the proposed rate and the annual 3.0% escalator. Lessees were asked to notify staff if they are interested in covered spaces at a higher rate. As of the date of this report a total of 30 current lessees have indicated an interest in a covered space.

The current lease amount was set in 2011 based on an analysis of the annual operating cost and projections of long-term maintenance such as paving. Staff has updated the



cost allocation for the operation and maintenance of the lots. The current projection works out to \$375/space based on 117 spaces. By having a two-tiered rate the GRF will be recouping the estimated annual cost for operation and maintenance of the lots.

**Financial Impact**

If fully leased the RV lots would generate \$48,900 in revenue. The revenue for 2019 will be less based on the final completion date of the solar project.

**Dependencies**

The new rates will go into effect once the solar project is complete. The 2019 rates will be prorated.

**Subsequent Actions**

Current lessees will be notified of the 2019 rates when annual lease agreements are due.

**Alternatives/Options**

The Finance Committee can recommend a different rate structure.

**Advantages/Benefits**

The proposed rates cover the projected cost to operate the lots. The Roadrunner RV Club has agreed to the proposed rates.

**ATTACHMENTS:**

RV Lot Operational Cost Estimate

**RV LOT COST  
2019 EST  
117 RV STALLS**

	<b>BASIS</b>	<b>COST</b>	<b>ANNUAL RATE</b>
Accounting	40 hours	\$ 1,200	
Admin	60 hours	1,600	
Misc		300	
Prop Tax	actual	1,600	
Securitas	1% of contract (\$50/day)	18,700	
Paving Depreciation	\$211,500 cost / 20 years	10,600	
Business Liability Insurance	3%	5,800	
Umbrella Liability Insurance	3%	3,000	
Property Insurance	1%	1,100	
		<hr/>	
		\$ 43,900	\$ 375

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Hypothetical rate at 3% increase/year	\$ 277	\$ 285	\$ 294	\$ 303	\$ 312	\$ 321	\$ 331	\$ 341

## PLANNING COMMITTEE REPORT

REGULAR MEETING  
THURSDAY, OCTOBER 11, 2018, AT 10:06 A.M.

A regular meeting of the Planning Committee was convened by the Vice Chairman, Kenneth Anderson, at 10:06 a.m. on Thursday, October 11, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Kenneth Anderson, Vice Chairman, Carl W. Brown, and Mary K. Neff. Also attending were Robert D. Kelso, President and Sue DiMaggio Adams, Director, GRF; Timothy O'Keefe, CEO; Jeffrey P. Matheson, Director of Resident Services; Dennis Bell, Public Safety Manager; Deborah Rose, Senior Administrative Assistant, Executive Services; and one resident.

Attendance

The Planning Committee's report of its meeting held on September 18, 2018, was approved as written.

Report  
Approved

There were no Resident Forum speakers.

Residents'  
Forum

The Vice Chairman introduced agenda item 7a1, review and consider recommending to the Board the addition of a right turn only lane northbound Tice Creek at Golden Rain Road.

Right Hand  
Turn

The Vice Chair then turned the meeting over to the Chairman who entered the meeting.

Addition on  
Tice Creek  
and

After discussion, a motion was made by Ms. Neff, seconded by Mr. Brown, and CARRIED; with Mr. Anderson voting no, to not recommend to the Board the addition of a right turn only lane northbound Tice Creek at Golden Rain Road.

Golden Rain  
Not Recomm-  
ended

A discussion was held regarding the low visibility due to the Hillside sign on Golden Rain Road and the merge on northbound Golden Rain Road. After further discussion, the Committee asked Dennis Bell to look into options regarding correcting these two issues including the possibility of bringing in a Traffic Engineer.

Discussion  
Re. Merge  
On Golden  
Rain/  
Review of

The Chairman then reviewed agenda item 7b, consider a practice exercise to score an expanded list of potential major projects. Mr. O'Keefe reviewed the Project Criteria Template scores (attachments), which were submitted by the Committee prior to the meeting. Discussion followed.

Project  
Criteria  
Template  
Scores/

The Chairman proposed to present a status update regarding the Project Criteria Template with scores to the Finance Committee and to the Board. Discussion followed.

Presenting  
Status  
Update to  
Board and  
Finance  
Committee

A motion was made by Ms. Neff, seconded by Mr. Brown and CARRIED UNANIMOUSLY to present a status update to the Finance Committee and to the Board.

There being no further business to come before the Committee, the meeting was adjourned at 11:40 a.m.

Adjournment

The next regular meeting of the Planning Committee will be held on Thursday, November 8, 2018, at 10:00 a.m. in the Board Room at Gateway Complex.

Next Mtg. 11/8/18

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Leslie Birdsall, Chairman  
Planning Committee

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PRIORITIZATION OF GRF INITIATIVES		Hillside Renovation	Dollar Clubhouse Renovation	Pedestrian/Traffic safety projects	Renovate Fireside Kitchen	MOD Office Renovation	Alternative Energy/Conservation Projects	Gateway Studios Improvements	Pickleball Court Complex	Creek Restoration	Water Reclamation Facility	Drought tolerant design - Golf & Entry Monument at RM Pkwy and Golden Bell Rd	Restrooms (Buckeye, Dollar Clubhouse)	Restrooms Synchronization Project	Artificial Turf for Lawn Bowling
PRIORITY SETTING CRITERIA		SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10	SCORE OUT OF 10
why (select 1)	5	Amenity Enhancement													
	6	Asset Replacement													
	9	Asset Preservation													
	10	Regulatory Compliance													
	10	Safety													
evaluate	8	Financial Impact: Value vs. Cost													
	7	Return on Investment													
	8	Number of Residents Receiving Benefits													
	9	Availability of Resources: People, Capital, Equip, etc													
	7	Benefits/Advantages vs. Risks/Disadvantages													
	8	Cost of Timing													
	7	Dependencies													
	5	Need vs Desire													
Prioritization score		0	0	0	0	0	0	0	0	0	0	0	0	0	0

## COMMITTEE MEMBER AVG. WTD. SCORING ( Some work has been approved for projects marked with \*)

