

A G E N D A

FINANCE COMMITTEE

REGULAR MEETING
TUESDAY, AUGUST 28, 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 OF JULY 24, 2018 (Attachment)
4. ELECTION OF VICE CHAIRMAN
5. RESIDENTS' FORUM
6. CHAIRMAN'S REPORT – ANNOUNCEMENTS
7. 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)
8. UNFINISHED BUSINESS
9. NEW BUSINESS
 - a. 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. (Attachment)
 - b. 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. (Attachment)
 - c. 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. (Attachment)
 - d. Develop a process by which the GRF Finance Committee reviews and recommends possible changes to the GRF Membership Transfer Fee pursuant to its Charter. (Attachment)
10. ADJOURNMENT
11. NEXT REGULAR MEETING: Tuesday, September 25, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

cc: GRF Board

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, JULY 24, 2018, AT 9:00 A.M.

A regular meeting of the Finance Committee was convened by David H. Smith, Chairman, at 9:00 a.m. on Tuesday, July 24, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were F. William Dorband, Vice Chairman, Jean A. Autrey, Mary K. Neff, Paul Rosenzweig, and Della C. Temple, (who participated via conference call). Gery Yearout was excused. Also attending were Robert D. Kelso, President, 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 of Mutual and Trust Operations; Amanda Davis, Senior Accountant; and Deborah Rose, Senior Administrative Assistant, Executive Services. Attendance

The report of the Committee's regular meeting of June 26, 2018, was approved as written. Report Approved

On a motion made, seconded, and CARRIED UNANIMOUSLY, F. William Dorband was reelected Vice Chairman of the Finance Committee. Vice Chairman Elected

Mr. O'Keefe provided an update regarding the Water Reclamation Feasibility Study, which will be completed by spring. He went on to provide an update regarding the Garden Club installation, which is in process. The EV charging stations at Gateway have been completed and are just waiting on City approval and the final rate structure from Green Lots. The EV charging station construction is already underway at both the Event Center and the Tice Creek Fitness Center. The Diablo Room renovation at Hillside Clubhouse is underway. He lastly provided an updated regarding the Solar Farm project, which is pending a few mitigating issues, with an estimated project completion of spring. Staff Reports

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

Mr. Donner reviewed the June Trust Facilities and Property Maintenance Report, the Capital Projects Budget and Expenditure Report, and the Machinery & Equipment Budget and Expenditure Report.

Mr. Chakoff then went on to review the MOD financial statements for June and answered questions from Committee members.

Mr. Chakoff then reviewed agenda item 9a, which asks the Committee to discuss the December 31, 2018, Operating Cash Forecast. Discussion followed. Discussion re. 12/31/18 Operating Cash Forecast

There being no further business to come before the Committee, the meeting was Adjourn-
adjourned at 9:31 a.m. ment

Next Mtg.

The next regular meeting of the Finance Committee will be held on Tuesday, August 8/28/18
28, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

F. William Dorband, Vice Chairman
Finance Committee

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**YR2018 TRUST FACILITY / PROPERTY MAINTENANCE
COST & COMMITMENT REPORT**

Reporting Period: July 2018

Project	Approved Budget	Reporting Period Expenditures	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget	Status
Dollar							
Pool Deck Repairs	20,000	0	0	20,000	20,000	0	
Patio Lights Replacement	8,000	0	0	8,000	8,000	0	
Restroom Casualty Loss	0	0	126,546	0	126,546	(126,546)	* See Note
Gateway							
Painting	75,000	0	0	75,000	75,000	0	
Public Works							
Street Maintenance	50,000	0	16,500	33,500	50,000	0	
Sidewalk Maintenance	65,000	0	22,800	42,200	65,000	0	
Water, Drainage, Sewer Maintenance	16,000	0	1,963	14,038	16,000	0	
Open Space							
Open Space Maintenance	25,000	0	13,150	11,850	25,000	0	
Defensible Space Fire Abatement	15,000	0	6,360	8,640	15,000	0	
Trails Maintenance	10,000	0	1,326	8,674	10,000	0	
Valleywide							
Equipment Replacements	38,000	0	7,820	30,180	38,000	0	
Fence Painting (Dollar & Hillside Pools)	22,000	0	17,105	4,895	22,000	0	
Facilities Wood Staining	50,000	17,415	36,135	13,865	50,000	0	
Flooring Repairs	15,000	0	0	15,000	15,000	0	
Golf Course							
Cart Path Repair Program	45,000	0	0	45,000	45,000	0	
TOTAL	454,000	17,415	249,704	330,842	580,546	(126,546)	

* Note: Incurred to date includes all cost incurred for this project.

2017 - \$106,167

2018 - \$20,379

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

Project	Approved Budget	Reporting Period Expenditures	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget
Del Valle Renovation Project	9,705,085	6,536	9,750,233	0	9,750,233	(45,148)
Valley-Wide Paving	460,000		360,338	99,662	460,000	0
Drop Creek Structure Construction	950,000	1,412	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	1,340	1,340	148,660	150,000	0
Hillside Clubhouse Improvements	130,000	47,399	93,854	36,146	130,000	0
Corp Yard Fire & Domestic Water Lines Replacement	120,000			120,000	120,000	0
Vehicular and Pedestrian Safety Improvements	115,899			115,899	115,899	0
Rossmoor Gardens Restroom	88,000		4,371	83,629	88,000	0
Gateway Workshops Renovation Design	83,000		7,000	76,000	83,000	0
Dollar Clubhouse Accessibility Improvements	80,000		2,767	77,233	80,000	0
Storm Water Filtration System	70,000			0	0	70,000
Rossmoor & Cactus Gardens Fencing Replacement	65,000			65,000	65,000	0
Dollar Ranch Ninth Green Reconstruction	60,000			60,000	60,000	0
Electric Charging Stations	55,000	2,722	37,222	17,778	55,000	0
Landscape Median Renovation NOTE 1	25,000	(450)	8,725	1,275	10,000	15,000
Sportsman's Park Pergola	18,000		1,000	17,000	18,000	0
MOD Conference Room Remodel	16,500		14,742	1,758	16,500	0
TOTAL	13,145,161	58,958	11,647,432	1,362,113	13,009,545	135,616

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

Project	Approved Budget	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget
MOD Vehicles (9)	308,000	203,756	104,244	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		15,850	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 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
TOTAL	934,800	635,157	289,848	925,005	9,795

Meeting Date: August 28, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION
FINANCE COMMITTEE**

REPORT PREPARED BY:

Rick Chakoff, CFO

REQUESTED ACTION/ RECOMMENDATION:

Approve \$9,450 from the Operating Fund for a proposal from Facilities Advisor, Inc. to prepare a long-term Capital Needs/Major Maintenance Analysis.

BACKGROUND:

In 2017, staff prepared a Long Range Maintenance/Capital Needs Analysis. Included in the Analysis was a schedule of major components with projected major repair and replacement dates. The purpose of this proposal is to have a consultant who specializes in providing facilities analyses and funding plans to prepare a comprehensive major repair and replacement plan for exterior and interior of GRF's buildings to be incorporated in the overall plan.

Staff received two proposals. Facilities Advisors was the least expensive and has been working successfully on other projects within Rossmoor.

ATTACHMENT:

Proposal from Facilities Advisors

CRITERIA	Project:
Financial Impact	The proposal is for \$9,450.
Operational Efficiencies	N/A
Dependencies	N/A
Subsequent Actions	Once approved, staff will work with Facilities Advisors to prepare the report.
Alternatives/Options	N/A
Time-Frame	September through December 2018

Advantages/Benefits	The report will provide an in-depth analysis and funding plan for GRF's facilities.
Disadvantages/Risks	N/A

Meeting Date: August 28, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION
FINANCE COMMITTEE**

REPORT PREPARED BY:

Rick Chakoff, CFO

REQUESTED ACTION/ RECOMMENDATION:

Consider approving an amount not to exceed \$19,000 from the Operating Fund for a consultant's proposal to evaluate software integration.

BACKGROUND:

The primary resident database resides in the Jenark system. In addition to Jenark, there are separate resident databases for the Fitness Center, the Recreation Department, the Golf Department and the front gate. With the exception of the SiPass system at the Fitness Center, each database is populated separately. This leaves the possibility of having inconsistent data.

The objective is to identify a consultant who will develop a recommended proposal to integrate our data sources. We received a proposal from Looking Point who would charge \$275/hour for engineering work and \$150/hour for project management. They estimate that they would need 32 engineering hours and 6 project management hours for a total of \$9,700. We received an additional proposal from Data 41. Their fee is \$210/hour plus travel expense. They estimate the job would take 80 hours for a cost of \$16,800 with the cost of travel to be determined. We're recommending that we engage Data 41. Although their overall cost is potentially higher than Looking Point's, they charge less per hour and seem to offer a more comprehensive solution.

ATTACHMENT:

Proposal from Data 41

CRITERIA	Project:
Financial Impact	The proposal is for \$16,800 plus travel expenses.
Operational Efficiencies	N/A
Dependencies	N/A

Subsequent Actions	Once approved staff will work with Data41 to identify a proposal to integrate our databases.
Alternatives/Options	N/A
Time-Frame	September through December 2018
Advantages/Benefits	The integration of the various databases will make data entry more efficient and provide consistent information.
Disadvantages/Risks	N/A

Meeting Date: August 28, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION
FINANCE COMMITTEE**

REPORT PREPARED BY:

Dennis Bell, Public Safety Manager

REQUESTED ACTION/RECOMMENDATION:

Consider authorizing the CEO to execute a contract with Silicon Valley Paving and Terra Landscape in the amount of \$26,021, which includes a 10% contingency, to remove the landscape island on Stanley Dollar Drive, replacing it with four parking spaces.

Additionally, consider a recommendation to add a red curb on the northwest corner of Tice Creek and Leisure Lane.

BACKGROUND:

At its July 23, 2018, meeting, the Planning Committee considered two traffic related projects. The first was the removal of the landscape island on Stanley Dollar and the second was the addition of a red curb on Tice Creek and Leisure Lane. After review of these two projects, the Planning Committee recommended that both projects be considered by the Board.

Stanley Dollar Landscape Island:

The Planning Committee considered the suggestion to add parking spaces on Stanley Dollar by removing the landscape island on the south side of Stanley Dollar Drive located midblock (see attachments #1 and #2). It is important to note that at the May 31, 2018, GRF Board meeting, the Board agreed to remove one parking space on Stanley Dollar, near the Event Center, to improve safety by increasing the sight line for golf carts.

Staff determined that removing the island will create an additional four parking spaces. This will result in a net increase of three parking spaces on Stanley Dollar as one space was removed in June of 2018. The removal of the landscape inside the island, the removal of the concrete island and the repaving and striping of the roadway for parking needs to be contracted. Staff received a bid of \$22,800 for the removal of the concrete island and repaving and striping the roadway. Additionally, staff received a bid of \$855 for the removal of the landscaping in the island and the capping of irrigation lines.

The landscape island provides a barrier between the Dollar Ranch 18th tee and the road. While there have not been any issues with golf balls hitting moving vehicles on Stanley Dollar, parked vehicles in this location may be hit by golf balls. Mark Heptig, Director of Golf, is concerned about the removal of this island as it provides a buffer zone between the 18th green and the roadway. The Planning Committee recommended that if this area is converted to vehicle parking, that the Board consider adding signs warning that vehicles parked in this location may be hit by golf balls.

Landscape Island and Landscape Removal, Paving and Striping:

The removal of the landscape island, paving and striping is considered small scale work. Receiving bids for these projects is difficult as most paving companies will only bid on large projects. For many years, the Foundation has worked successfully with Silicon Valley Paving and in March of 2018, the Board approved Silicon Valley Paving as the vendor for the Foundation's 2018 paving work. Additionally, the Board approved Silicon Valley paving as the contractor for the vehicular and pedestrian safety improvement projects. Silicon Valley Paving has a long history with the Foundation and understands the Foundations needs and requirements and has current insurance certificates on file. Silicon Valley Paving will complete all the concrete and restriping. Based on these considerations, Staff recommends Silicon Valley Paving as the vendor for this project.

Silicon Valley Paving bid: \$22,800

Landscape Removal:

Terra Landscape, Trust's landscape contractor, will complete the landscape removal and capping of the irrigation lines. Since Terra Landscape is currently under contract with Trust, staff recommends Terra Landscape complete the landscape removal and irrigation work.

Terra Landscape bid: \$855

Total Cost: \$23,655 (without contingency)

Red Curb Addition:

The Planning Committee reviewed a resident request to add a red curb on Tice Creek Drive north of Leisure Lane. The purpose of this new red curb is to improve sight distance when turning north (left) from Leisure Lane to Tice Creek (see attachment #3).

Staff reviewed this request and visited and drove through the intersection, and made the turn described above. At the time there were vehicles parked southbound on Tice Creek Drive at Leisure Lane and these vehicles interfered with sight distance. Staff then drove through the intersection when vehicles were not parked and found the sight distance improved. Additionally, staff reviewed the other Tice Creek Drive intersections and found that the Leisure Lane intersection was the only intersection without a northwest corner red curb. Staff also met with a Second Mutual Director and reviewed the request, and he

supported the addition of the red curb. Finally, staff reviewed the TJKM Vehicular and Traffic Safety Study, but did not find this intersection listed. Adding the red curb will eliminate two and a half parking spaces; however, staff believes that this red curb will improve sight distance.

The Planning Committee recommends that a red curb be added to the northwest corner of Tice Creek and Leisure Lane.

Cost: None. The work can be done by Trust Maintenance and absorbed in the current budget.

ATTACHMENTS:

- Attachment #1: Stanley Dollar Landscape Island
- Attachment #2: Stanley Dollar Landscape Island
- Attachment #3: Tice Creek Drive and Leisure Lane Red Curb

CRITERIA	Project: Traffic Safety and Additional Parking
Financial Impact	<p>Landscape Island: \$26,021, which includes a 10% contingency from the Trust Estate.</p> <p>Tice Creek Red Curb: No impact for the red curb, the work will be part of the existing budget.</p>
Operational Efficiencies	N/A
Dependencies	Completion of the removal of the landscape island and adding parking spaces is dependent on available funding.
Subsequent Actions	<p>Landscape Island: The landscaping will be removed, and the CEO will execute the contract to remove the Stanley Dollar landscape island and add four parking spaces.</p> <p>Tice Creek Red Curb: If approved Trust Maintenance staff will paint the curb.</p>
Alternatives/Options	Implement both recommended projects, either one of the projects, or decide not to complete either project.
Time-Frame	Landscape Island: If approved staff will work with the contractor to schedule the work.

	<i>Tice Creek Red Curb:</i> If approved the curb will be painted red within two weeks.
Advantages/Benefits	<i>Landscape Island:</i> Four parking spaces will be added on Stanley Dollar around the Event Center (after the removal of one space in early June, this project nets three new spaces around the Event Center). <i>Tice Creek Red Curb:</i> Increases sight distance for drivers.
Disadvantages/Risks	<i>Landscape Island:</i> It is possible that vehicles parked in the new parking spaces on Stanley Dollar could be hit by golf balls. <i>Tice Creek Red Curb:</i> Two and a half parking spaces will be removed from the area of Tice Creek and Leisure Lane.

DATE: August 28, 2018

TO: Finance Committee

FROM: F. William Dorband, Chairman

SUBJECT: Develop a process by which the Finance Committee reviews and recommends modifications to the GRF Membership Transfer Fee pursuant to its Charter obligation.

Develop a process by which the Finance Committee reviews and recommends modifications to the GRF Membership Transfer Fee pursuant to its Charter obligation.

The GRF Membership Transfer Fee is a fee that is assessed on any qualifying transfer of a Rossmoor manor to a new buyer. The Membership Transfer Fee is a major source of revenue to the Trust Estate Fund. The current Transfer Fee is \$9,000, which was raised from \$7,000 in September 2015. The Charter of the Finance Committee requires an annual review of the GRF Membership Transfer Fee to recommend if it should be increased, decreased, or remain the same. In order to review the Membership Transfer Fee, information must be available to the Finance Committee.

What information is needed to complete a review of the Member Transfer Fee and what is the timing of that review process?

Attachment: Finance Committee Charter

FINANCE COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of seven (7) members, six (6) non-GRF Board members, all nominated by the GRF President and approved by the GRF Board. The GRF Board Treasurer shall be the 7th and voting member. Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and be interviewed by the GRF President, GRF Treasurer and the Committee Chairperson. If the Chairperson or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chairperson, to serve a one-year term, effective July 1 of the appointment year.

The non-GRF Board Committee members shall be appointed to staggered three-year terms, two each year. Terms shall begin July 1 of their appointment year. Should a vacancy occur among the non-GRF Board Committee members, the replacement shall serve out the term of the vacating member. There is no specified limit to the number of terms served by members or officers.

The frequency, dates, times and location of the Committee meetings shall be established by the Committee Chairperson.

The Committee shall annually elect its own Vice-Chairman, and any other officers necessary. The Committee shall appoint subcommittees, as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings, and provide a Residents' Forum in which Residents may address concerns to the Committee.

Robert's Rules of Order shall govern all Committee proceedings.

PURPOSES AND RESPONSIBILITIES

The Committee shall be advisory to the Board on all matters relating to the financial well being of the Foundation, including consideration, adoption and oversight of the Operations and Capital Equipment Budgets and the Capital Improvement Plan. The Committee has no responsibility for the affairs of the Mutual Housing Corporations.

The Committee shall examine budget proposals and recommend changes as needed. It will hold scheduled public hearings throughout the budget preparation process to receive input and recommendations from other Committees of the Board and interested groups and members of the Foundation. The Committee will review the proposed budget(s) at a public meeting, following which the budget(s) will be presented with Committee recommendations to the Board.

The Committee shall provide oversight review of the Trust Estate and other restricted and designated funds, providing continuing oversight of revenues and expenditures.

The Committee shall, annually, review the Golden Rain Foundation Membership Transfer Fee, established by Policy 102.1.4, to determine if the Fee should be held the same, raised, or reduced. The Committee shall report its finding to the Board of Directors.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON APRIL 30, 2015.