

A regular meeting of the Board of Directors of the Golden Rain Foundation of Walnut Creek will be held in Peacock Hall at Gateway Complex commencing at 9:00 a.m. on Thursday, July 26, 2018. The agenda for the meeting is listed below. It is sometimes necessary to add agenda items for consideration by the Board after the agenda has been prepared and distributed. These items will be described in the agenda available at the Board meeting. Regular meetings of the Board of Directors are open, and comments from residents are always welcome during the Residents' Forum.

A G E N D A

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JULY 26, 2018, AT 9:00 A.M.

1. MEETING CALLED TO ORDER: Robert D. Kelso, President
2. ROLL CALL: Kelso (D), Birdsall (I), Pyle (G), Neff (H), Adams (A), Anderson (C), Brown (B), Coenen (E), Roath (F), and O'Keefe, ex-officio member
3. APPROVAL OF MINUTES: Regular meeting of June 28, 2018 (Attachment) **Page 1**
4. UPDATE FROM CINDY SILVA, WALNUT CREEK CITY COUNCIL MEMBER AND THE CITY'S LIAISON TO ROSSMOOR.
5. TREASURER'S REPORT (Attachment) **Page 6**
6. CHIEF EXECUTIVE OFFICER'S REPORT (Attachment) **Page 7**
7. RESIDENTS' FORUM
8. RESIDENT MEMBER COMMITTEE REPORTS
 - a. Finance – David H. Smith, Chairman
 - b. Golf Advisory – John McDonnell, Chairman (Attachment) **Page 10**

9. BOARD COMMITTEE REPORTS

a. Compensation – Mary K. Neff, Chairman (Attachment) **Page 19**

1) Consider recommendation that GRF increase the non-represented employee benefits program budget for 2019 by \$92,000, based on projections from GRF's benefits broker. (Attachment) **Page 21**

2) Consider recommendation that the 2019 GRF operations budget include \$180,000 for increased contractual costs for the GRF union employees. (Attachment) **Page 24**

3) Consider recommendation that funds be allocated in the 2019 GRF operations budget to allow for an increase in CEO wages of up to 3.2% (\$8,182), consistent with that of other employees, as well as an increase of up to 5% (\$12,784) to allow for a potential market/merit adjustment for the CEO, and an additional \$10,000 for a possible CEO performance recognition award, for a total line item increase of \$30,966, all subject to the final determination of such increases by the Board at its November/December 2018 meeting. (Attachment) **Page 29**

b. Planning – Leslie Birdsall, Chairman

c. Policy – Geraldine Pyle, Chairman (Attachment) **Page 31**

1) Consider recommendation that the Board approve proposed revised Rule R108.0, To Establish Guidelines for Parking on GRF property. First reading. (Attachment) **Page 33**

10. UNFINISHED BUSINESS

a. Consider approving proposed revised Policy 102.3, Allocation of Revenue and Expenses, as recommended by the Finance Committee and the Policy Committee. Deferred June 28, 2018. (Attachment) **Page 36**

11. NEW BUSINESS

a. List, discuss, and prioritize the Board of Directors' goals for 2018-2019. (Attachment) **Page 45**

b. Consider updating the Trustee Declaration Page of the 401(k) Plan to name Richard Chakoff, Christopher Preminger, and the GRF Treasurer as Trustees of the Plan. (Attachment) **Page 47**

- c. Consider approving, as recommended by the President, the appointment of Alan Swanson to the Audit Committee for a one-year term, effective immediately, and the appointment of John Kikuchi and Barbara Rothway to the Audit Committee for three-year terms, effective immediately. (Attachment) **Page 51**

12. ANNOUNCEMENTS

- a. There will not be a mid-month regular meeting of the Board in August.
- b. The next end-of-the month regular meeting of the Board will be held on Thursday, August 30, 2018, at 9:00 a.m. in Peacock Hall at Gateway Complex.

13. EXECUTIVE SESSION

- a. If an executive session is necessary, it will be announced during the regular meeting. Executive session topics are restricted to legal, personnel, and third-party contract matters.

14. RECESS OR ADJOURNMENT

pj

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS
THURSDAY, JUNE 28, 2018, AT 9:00 A.M.

A regular meeting of 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 Thursday, June 28, 2018, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

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

Attendance

Absent: None

There being no corrections, the minutes of the regular meetings of the Board held on May 31 and June 12, 2018, were approved, as written, by unanimous consent.

Minutes
Approved

Mary Neff gave the Treasurer's report for the period ending May 31, 2018.

Treasurer's
Report/
CEO's
Report/
Residents'
Forum

The CEO reviewed his written report dated June 21, 2018.

During the Residents' Forum, Dale Harrington expressed his appreciation to the members of the Board for their interest in providing a meaningful and safe place for residents to live. He went on to mention the recent fire prevention safety presentation held at the Event Center, which contained valuable information presented by the Walnut Creek Police Department and the Contra Costa County Fire Protection District.

Albert Lin expressed his concerns over the recent Mutual Two meeting. He then went on to share his concerns over an accident-prone area on the corner of Leisure Lane and Tice Creek Drive. He asked that the Board approve a painted red zone on the corner for better visibility for drivers. The President said that Dennis Bell, Public Safety Manager is looking into the matter.

Dale Reynolds, President of the Rossmoor Pickle Ball Club, expressed his concerns regarding the Planning Committee's priority setting criteria for future capital expenditures. He asked that the Needs and Desires criteria hold a higher weight in the criteria valuation. He also asked that the Board complete a feasibility study for a new permanent Pickleball facility and asked that Mr. Kelso and Mr. O'Keefe place this feasibility study on the agenda for the next Board meeting.

Marilyn Schuyler asked if something could be done about the new solar structure in

the parking lot on Golden Rain Road and making it consistent, in terms of appearance, with the other structures within Rossmoor. The President replied that the Waterford (Mutual 58) installed the solar structure and suggested she attend a Mutual 58 Board meeting to express her concerns about it. He said this is not under the jurisdiction of the GRF.

Nancy Gilbert, Head of L.O.L, Ladies of the Lavatory, asked the Board to consider more environmentally friendly sinks and toilets at Dollar Clubhouse and at Hillside Complex. She then offered to come back at next month's meeting with estimates on replacing the toilets and the sinks and estimates for a total renovation.

Brian Stack, Chairman, Aquatics Advisory Committee, said that the report of the Committee's June meeting is included in the agenda packet and that he would be happy to answer any questions. There were none.

AAC
Report

In the absence of David Smith, Chairman, Finance Committee, Bill Dorband, Vice Chairman of the Committee, reported on the Committee's June meeting at which the Committee recommended that the Board approve the proposed 2019 budget development calendar and that the budget principles as presented by staff be approved with one small clarification. The Committee also recommended that the rate structure for the electrical vehicle charging station meters as proposed by staff be approved. Lastly, the Committee advised the Board that there are sufficient funds in the Trust Fund for the following expenditures; \$15,850 to replace two barcode readers with radio frequency identification readers at the entrance gate; \$202,177 to fund a contract with BKF Engineers to design the erosion repairs of two sections of the creek near the Buckeye Tennis Courts and the Creekside Pickleball Courts, plus a \$20,000 contingency.

Finance
Committee
Report

A motion was made by Mrs. Neff, seconded by Mr. Roath, and CARRIED UNANIMOUSLY to approve, as recommended by the Finance Committee, the 2019 budget development calendar (agenda attachment 7b1-2).

Approved
2019
Budget
Develop-
ment
Calendar/
Approved
2019
Budget
Principles

A motion was made by Mrs. Neff, seconded by Mr. Roath, and CARRIED UNANIMOUSLY to approve, as recommended by the Finance Committee, the FY 2019 Operations Budget Principles, with the exception to item 18 of the principles that the word "shall" be changed to the word "may" (agenda attachment 7b2-3).

In the absence of Claudia Tierney, Chairman, Fitness Center Advisory Committee, Catherine Herdering, Vice Chairman of the Committee, reported on the Committee's June meeting. Discussion followed.

FCAC
Report

Reporting In the absence of John McDonnell, Chairman, Golf Advisory Committee, Mark Heptig, Director of Golf, provided the members of the Board with a summary of the golf course operations for the last 10 years that includes total rounds played, greens fees collected, and golf shop sales. While there are some variances from year-to-year, he noted that they are, at times, collecting over \$1,000,000 in greens fees.

GAC
Report

Mary Neff, Chairman, Compensation Committee, reported that the Committee has been meeting since January to create recommendations for the 2019 salary program and then summarized its recommendations.

Compensation Committee Report/ Approved Creating a Base Pool to Fund Wage Increases

A motion was made by Mrs. Neff and seconded by Mr. Birdsall that a base pool be created to fund wage increases for non-union employees for 2019. This pool will be \$167,000. The amount was determined by looking at a number of factors and for this year was based on the CPI-U for the San Francisco Bay area for the twelve-month period ending April 2018. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY

A motion was made by Mrs. Neff and seconded by Ms. Adams that a market adjustment pool of \$130,000 be created to be used for merit pay, catch-up pay, and other wage adjustments deemed appropriate in 2019. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved Creating a Market Adjustment Pool

Les Birdsall, Chairman, Planning Committee, reporting on the Committee's June meeting, commented on the Committee's work on the Board approved criteria to prioritize projects. He noted that the Committee is still working on that project and has no recommendations at this time.

Planning Committee Report

Geri Pyle, Chairman, Policy Committee, reporting on the Committee's June meeting, reviewed the proposed revisions to Policy 102.3, Allocation of Revenue and Expense, as recommended by the Policy Committee and the Finance Committee. In keeping with the Board's practice that policy, procedure, and rule items be on the agenda for two end-of-the-month meetings to allow time for resident input, consideration of approving proposed revised Policy 102.3 was deferred to the July 26, 2018, regular meeting of the Board.

Policy Committee Report

Following introductory remarks, a motion was made by Ms. Pyle, seconded by Ms. Adams, and CARRIED UNANIMOUSLY to approve the resident member Committee appointments, as recommended by the President, for the terms indicated, effective July 1, 2018:

Committee Appointments Approved

Aquatics Advisory Committee

- E. J. Koch, Three-Year Term
- Carol A. Meehan, Three-Year Term
- Dale O. Reynolds, Three-Year Term

Finance Committee

- F. William Dorband, Three-Year Term
- David H. Smith, Three-Year Term

Fitness Center Advisory Committee

- Alice King, Three-Year Term

Robert Remington, Three-Year Term
Catherine S. Herdering, Two-Year Term

Golf Advisory Committee

William L. Herrick, Three-Year Term

Following introductory remarks by the President, a motion was made by Mr. Roath, seconded by Ms. Adams, and CARRIED UNANIMOUSLY to approve adopting the Mechanics Bank Corporation Banking Resolution authorizing the GRF Board officers, the CEO, and the CFO to sign and act on behalf of the organization (agenda attachment 10b-3).

Approved
Mechanics
Bank
Banking
Resolution

Following introductory remarks, the President called on Dennis Bell, Public Safety Manager, who gave some background information regarding the proposal to replace two barcode readers with radio frequency identification readers at the entrance gate. Discussion followed.

A motion was made by Mr. Anderson, seconded by Mr. Brown, and, and CARRIED UNANIMOUSLY to authorize the CEO to execute a contract to replace two barcode readers with radio frequency identification readers at the entrance gate for \$15,850 from the Trust Estate Fund, which includes a 10% contingency.

Approved
Funds
for Two
Radio Fre-
quency
ID Readers

Following introductory remarks, The President called on Jeff Matheson, Director of Resident Services, who described the proposed strategy for setting the user rates for the new charging stations located at Gateway Complex, the Event Center, and the Tice Creek Fitness Center. Discussion followed.

A motion was made by Mrs. Neff, seconded by Ms. Adams, and CARRIED UNANIMOUSLY to approve the strategy for setting user rates, as outlined in agenda attachments 10d-1 and 10d-2, for use of the new charging stations located at Gateway Complex, the Event Center, and Tice Creek Fitness Center.

Approved
Strategy
for Setting
User Rates
for Charg-
ing
Stations/
Redwood
Room
Survey
Results

Mr. Matheson then reviewed the results of the Redwood Room survey. Following discussion, the Board asked staff to develop a Request for Proposals for an operator of the Redwood Room and to bring it, along with information regarding GRF's total operating costs of the Room, to the Board for review at a future meeting.

Continuing, Mr. Matheson commented on the proposal to authorize the CEO to execute a technology license and service agreement with Transloc, Inc. for the software to implement an On Demand Transit service. Discussion followed.

A motion was made by Mrs. Neff, seconded by Ms. Adams, and, and CARRIED UNANIMOUSLY to approve authorizing the CEO to execute a 42-month technology license and service agreement with Transloc, Inc. in

Authorized
CEO to
Execute
Agreement

the amount of \$131,200 for the software to implement an On Demand Transit service.

for On Demand Transit Service

Lastly, Mr. Matheson introduced discussion regarding the request that the Board approve funding for the design of the erosion repair of two sections of the creek near the Buckeye Tennis Courts and the Creekside Pickleball Courts. Discussion followed.

A motion was made by Mrs. Neff, seconded by Mr. Brown, and CARRIED UNANIMOUSLY to approve an expenditure up to \$222,177 from the Trust Estate Fund and authorize the CEO to execute a contract with BKF Engineers in the amount of \$202,177, plus a \$20,000 contingency, for a total of \$222,177 to design the erosion repair of two sections of the creek near the Buckeye Tennis Courts and the Creekside Pickleball Courts from the Trust Estate Fund.

Approved Funds for Creek Repairs

Before concluding, the President announced that that there will not be a mid-month regular meeting of the Board in July; that there will be a Board retreat on Tuesday, July 10, 2018, at 9:00 a.m. in the Club Room at Creekside Complex. It is not open to the public; that the next regular meeting of the Board will be held on Thursday, July 26, 2018, at 9:00 a.m. in Peacock Hall; and that there will be an executive session of the Board following this meeting to discuss personnel matters.

Announcements

There being no further business to come before the Board, the meeting was recessed at 10:55 a.m.

Recess

Geraldine Pyle, Secretary
Golden Rain Foundation of Walnut Creek

pj



Golden Rain Foundation, Inc.
Treasurer's Report
Board Meeting July 26, 2018

For the month of June, operating results were \$13,000 favorable to budget. Total revenues were under budget by \$2,000 and total expenses were under budget by \$15,000. Cumulative for the first six months of the year, revenues were under budget by \$75,000 and expenses were below budget by \$374,000, for a combined positive cumulative variance for the year of \$299,000. All amounts are rounded to the nearest thousand for this report.

Revenues:

Revenues for June included deficits to budget of \$19,000 in golf revenue and \$12,000 in media revenue. These were partially offset by surpluses to budget of \$12,000 in recreation revenue and \$5,000 in personal training plus a \$10,000 gain on the sale of fixed assets.

Expenses:

Expenses for June included the following variances from budget:

- Salaries and employee expenses were under budget by \$65,000 due to a number of open positions and the Fitness Department manager position being outsourced.
- Total operating expenses were over budget by \$29,000. Significant variances included a deficit of \$15,000 in professional and legal services primarily due to the outsourcing of the Fitness Department manager position that was included in the salary budget for 2018 and a \$13,000 deficit in landscaping supplies due to seasonal fluctuations in expense.
- Total utilities were \$3,000 over budget but included a \$14,000 deficit to budget in water and gas & electricity due to ordinary variations in expense, partially offset by an \$11,000 favorable variance in cable TV/internet due to a reduction in the Comcast contract that occurred after the 2018 budget was approved.
- Total repairs and maintenance exceeded budget by \$20,000. The most significant expenditure was \$12,000 for additional repairs to a restroom for a casualty loss that occurred in 2017. The remainder of the deficit was due to seasonal fluctuations in expense as compared to the budget being allocated in equal monthly increments.

Trust Estate Fund

There were 49 membership fees generating \$441,000, as compared to 46 in 2017 that generated \$414,000. Total expenditures for the month were \$391,000 including \$40,000 for the Fitness Center, \$13,000 for valley wide street paving, \$25,000 for Hillside Clubhouse improvements \$107,000 for machinery and equipment and \$181,000 in debt service.

July 19, 2018

CEO's Monthly Report

By Tim O'Keefe, CEO

Home Safety and Fire Preparedness

Contra Costa Fire Protection District Chief Robert Marshall provided an excellent overview of fire risk and safety at last month's presentation. He indicated that the greatest risks of house fires are smoking in the home and leaving unattended items on the stove. Last week, the second manor fire in less than a year in Rossmoor provides a good reminder of the importance of being prepared for a fire.

According to the American Red Cross:

1. Install the right number of smoke alarms. Test them once a month and replace the batteries at least once a year.
2. Ensure that all household members know two ways to escape from every room of your home and know the family meeting spot outside of your home.
3. Establish a family emergency communications plan and ensure that all household members know who to contact if they cannot find one another.
4. Practice escaping from your home at least twice a year.
5. Teach household members to STOP, DROP and ROLL if their clothes should catch on fire.

The Red Cross also says:

1. Keep items that can catch on fire at least three feet away from anything that gets hot, such as space heaters.
2. If you smoke, take precautions: Smoke outside; choose fire-safe cigarettes; never smoke in bed, when drowsy or medicated, or if anyone in the home is using oxygen. Use deep, sturdy ashtrays and douse cigarette and cigar butts with water before disposal.
3. Turn portable heaters off when you leave the room or go to sleep.
4. Never leave a burning candle unattended, even for a minute.
5. Make sure your home heating sources are clean and in working order.
6. Fix or replace frayed extension cords, exposed wires, or loose plugs.
7. Make sure wiring is not under rugs, attached by nails, or in high traffic areas.
8. Make sure electrical outlets have cover plates and no exposed wiring.
9. Avoid overloading outlets or extension cords.
10. Purchase only appliances and electrical devices (including space heaters) that bear the label of an independent testing laboratory.
11. Store combustible materials in open areas away from heat sources.

12. Place rags used to apply flammable household chemicals in metal containers with tight-fitting lids.
13. Stay in the kitchen when frying, grilling or broiling food. Stay in the home while simmering, baking, roasting or boiling food.
14. Keep pets off cooking surfaces and countertops.
15. Keep the stove area clean and clear of things that can catch fire, such as pot holders, towels, curtains, bags, and other appliances.
16. If you are cooking and a fire starts in a pan, slide a lid over the burning pan and turn off the burner. Leave the lid in place until the pan is completely cool. Moving the pan can cause serious injury or spread the fire. Never pour water on grease fires.
17. Keep a fire extinguisher in the kitchen.

Project updates:

Water Reclamation Feasibility Study: The consultant completed testing of our sewage last week and has indicated it is of 'good quality.' Presumably, you can continue eating your bran muffins, but please keep non-organic materials including medicines, chemicals and so-called 'flushable wipes', out of the sewer system.

EV Charging Stations: The first bank of 10 chargers at the Gateway Clubhouse is awaiting approval from the City of Walnut Creek and subsequent activation by Green Lots. Construction has begun for the remaining 20 chargers split between Tice Creek Fitness Center and the Event Center parking lots. During the hours of 6am until 10pm, parking in these stalls will not be limited to electric vehicles, but EV's can plug in during the day at regular rates for the first 3 hours. After 3 hours, rates will double. Between 10pm and 6am, the parking will be exclusively limited to EV charging, subject to standard billing rates.

Gateway Studios: An architect is drawing up the plans for the remodel and working with the City on accessibility.

Garden Club improvements: Construction began last week. The improvements include trenching for electrical and plumbing, installation of roadway and parking, and a new gate. This part of the project is being funded by Pulte Homes in exchange for Rossmoor's support of the housing project next door. Once Pulte's work is complete, GRF will be installing a restroom.

Dollar Clubhouse accessibility ramp: An architect is drawing up the plans for the installation of an accessible ramp into the Clubhouse.

Employee Transitions

In June, two employees commenced employment with the GRF: Jaymar Jacinto, EQ Operator, GC Operation; and Rita Tasi, AP/AR Specialist, Accounting.

One employee left employment with the GRF in June: Jaymar Jacinto, EQ Operator, GC Operation.

One employee transferred in June: Rafael Dominguez, Landscape Technician, Landscape, to Carpenter, Building Maintenance.

GOLF ADVISORY COMMITTEE REPORT

REGULAR MEETING
FRIDAY, JULY 13, 2018, AT 9:00 A.M.

A regular meeting of the Golf Advisory Committee (GAC) was convened by the Chairman, John McDonnell, at 9:00 a.m. on Friday, July 13, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were William L. Herrick, Vice Chairman, Mary Jane Hargrove, Mary Hufford, Michael D. Wener, Susan Williamson, Michael Weisenberg and Stephen D. Roath, ex-officio member and GRF Board representative. Also attending were Kenneth Anderson, Director, GRF; Mark K. Heptig, Director of Golf; Blake Swint, Golf Course Superintendent; Dickey Nitta, Chief Golf Course Marshal; and Paul Rosenzweig reporting for Susan Williamson. Attendance

The report of the Committee's regular meeting held on June 8, 2018, was approved as written. Report Approved

The Chairman reviewed the agenda for the meeting.

There was no correspondence.

No residents spoke at the Residents' Forum.

On a motion made, seconded, and CARRIED UNANIMOUSLY, William L. Herrick was elected Vice Chairman of the GAC.

Vice
Chairman
Elected

Ms. Hufford, representing the Women's 18-Hole Club, reported that the Club currently has 120 members. The 18ers voted yesterday on whether to delete the article in its by-laws that prohibit a woman from being a member in both a 18 and 9 hole women's golf group. A 2/3 vote was required to make the change. The change did not pass. Club Reports

Ms. Hargrove, representing the Women's 9-Hole Club, reported the following: the Club currently has 155 members. The June 28, 2018, Jamboree sponsored by Berkshire Hathaway Home Services was a success with 106 golfers on the Dollar Ranch course. Three Niners were paired with one First Tee girl for each of the 9 holes for golf and then lunch on July 12. At the July 19, general meeting, a vote will be held on the proposed amendment to the Niner by-laws allowing Niners to belong to an 18-hole Club. The annual Tournament of Champions will start on August 2. The 3-day tournament will determine its 2018 Club champion.

Dr. Weisenberg, representing the Rossmoor Men's Golf Club (RMGC), reported the following: the RMGC gained two new members, for a total of 356. Its "Meet and Greet" for new members and the BBQ for all RMGC members have been combined. It will be held on August 4 at 1 P.M. The emergency protocol stickers are being distributed by the Golf Pro Shop. The Club appreciates the cooperation of Securitas in getting the information out so quickly.

There has been an e-mail scam going around using Fred Sun's e-mail address requesting a check be sent. Please be aware of this. The Club website has been hacked and was fixed quickly, but at a significant expense. So be careful about opening new sites or being diverted to sites that are not of your intent. The Club discussed the "M" handicap status. This is a status that can be requested by a golfer with a sudden temporary disability. How much can the handicap be raised in this situation and for how long should it be in effect for the individual? The Club has also started posting all its Home and Home events as "T" scores. A discussion of getting more members to participate in its events continued. An effort will be made to reach out and publicize that the Club events are for all golfers of any handicap and hope to encourage their participation. Also, new members will be encouraged to meet and play with a Board member to help with their introduction to events and how the Club operates. The Hawaiian Night dinner dance will now be a joint event with all the Golf Clubs (Happy Hackers have not yet responded). Previously, it was an RMGC event and all the other Clubs were invited. This year it will be a joint responsibility of all the Golf Clubs. This Hawaiian night will trade dates next year with the Men's Invitational. The invitational will be held on a Saturday in September. Arrangements have been made with Mark Heptig, but sponsors and other issues still have to be addressed. An issue of emergency and timely expenditures was brought to the Club's attention. There have been certain necessary and some optional expenses that have been incurred. The Club dealt with these by voting to approve them and pay for them retroactively as they are integral to the activities of its organization.

Mr. Rosenzweig, representing the Happy Hackers, reported the following: the Club currently has 175 members, which is one less as of last year at this time. The Club just held a Clinic, where 17 golfers participated. The next Hackers event is the Scramble and dinner on July 21. Hacker charity drive for Meals on Wheels continues at every Hacker dinner, as it has for >10 years. Last year, the Happy Hackers collected and turned over \$1,600; this year's collections so far this year are \$100 ahead of last year.

Mr. Heptig presented the financial reports, which are attached. The financials continue to show it is a good year.

Staff
Reports

Mr. Swint's Golf Course Superintendent's report is attached. He noted that the shortage of a trained staff person is putting stress on the maintenance schedule. An active search for a trained replacement is ongoing.

During Unfinished Business, The Committee continued discussion on the proposed Golf Course Marshall Committee Charter.

Discussion
re. Golf
Course
Committee
Charter

There being no further business to come before the Committee, the meeting was adjourned at 10:30 a.m.

Adjournment

The next regular meeting of the Committee will be held on Friday, August 10, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

Next Mtg. 8/10/18

John McDonnell, Chairman
Golf Advisory Committee

JM/dr

DRAFT

2018 Golf Course Rounds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2018 YTD	2017 YTD
Golf Cards														
18 hole - prepaid	905	1,074	907	949	1,212	1,280							6,327	5,541
9 hole - prepaid	856	864	620	1,073	1,136	1,025							5,574	4,010
Sponsored Guest													0	0
Subtotal - Cards	1,761	1,938	1,527	2,022	2,348	2,305	0	0	0	0	0	0	11,901	9,551
Greens Fees														
Residents														
18 holes @ 25.00	421	526	365	495	807	767							3,381	2,948
9 holes @ 13.00	346	567	396	844	921	944							4,018	3,343
18 holes @ 9 hole rate \$13.00	10	18	12	16	85	24							165	171
18 holes late @ 20.00	35	79	59	69	65	71							378	420
9 holes late @ 10.00	356	546	315	667	761	745							3,390	2,917
Subtotal - Residents	1,168	1,736	1,147	2,091	2,639	2,551	-	-	-	-	-	-	11,332	9,799
Sponsored Guest														
18 holes @ 25.00	36	39	46	41	69	58							289	156
9 holes @ 13.00	6	19	10	17	25	28							105	53
18 holes late @ 20.00	6	1	3	3	1	9							23	14
9 holes late @ 10.00	36	22	14	13	23	24							132	76
Subtotal - Sponsored Guest	84	81	73	74	118	119	0	0	0	0	0	0	549	299
Guests - Weekdays														
18 holes @ 40.00	60	99	77	80	147	112							575	427
9 holes @ 20.00	74	121	82	178	241	265							961	625
18 holes late @ 32.00	11	40	24	27	36	42							180	131
9 holes late @ 16.00	93	124	115	119	160	202							813	595
18 holes special @ \$24.00				20	100								120	206
9 holes special @ \$12.00				4									4	26
Subtotal - Guests weekdays	238	384	298	428	684	621	-	-	-	-	-	-	2,653	2,010
Guests - Weekends & Holidays														
18 holes @ 50.00	79	77	58	93	106	240							653	398
9 holes @ 25.00	39	64	51	84	99	109							446	318
18 holes late @ 40.00	22	20	18	27	27	26							140	103
9 holes late @ 20.00	65	60	51	55	57	69							357	258
Subtotal - Guests Weekends & Holidays	205	221	178	259	289	444	-	-	-	-	-	-	1,596	1,077
Total - Guests	527	686	549	761	1,091	1,184	0	0	0	0	0	0	4,798	3,386
Tournaments				120	115	46							281	485
Total Rounds Played	3,456	4,360	3,223	4,994	6,193	6,086	-	-	-	-	-	-	28,312	23,221

2018 Golf Course Cash Receipts

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Actual 2018 YTD	YTD 2018 Budget	Actual 2017 YTD	YTD 2017 Budget
Golf Cards																
Annual 18 holes @ \$1875	54,375.00												54,375.00		60,600.00	
1st Qtr (Jan-Mar) @ \$425	4,250.00												4,250.00		3,200.00	
2nd Qtr (Apr-Jun) @ \$625	0.00	625.00	5,000.00	8,125									13,750.00		18,000.00	
3rd Qtr (Jul-Sep) @ \$625	0.00					5,625							5,625.00		7,800.00	
4th Qtr (Oct-Dec) @ \$425	0.00												-		-	
Annual 9 holes @ \$975	13,650.00		(975.00)										12,675.00		16,200.00	
1st Qtr (Jan-Mar) @ \$200	2,600.00	200.00											2,800.00		1,400.00	
2nd Qtr (Apr-Jun) @ \$325	0.00		3,900.00	8,450									12,350.00		12,300.00	
3rd Qtr (Jul-Sep) @ 325	0.00					4,550.00							4,550.00		4,200.00	
4th Qtr (Oct-Dec) @ \$200	0.00												-		-	
Sponsored Guest @ \$1,000	13,000.00	7,000.00	2,000.00	1,800	1,600	800.00							26,200.00		19,800.00	
Golf Card Income Deferred	131,950.00												131,950.00		105,100.00	
Subtotal - Cards	219,825.00	7,825.00	9,925.00	18,375.00	1,600.00	10,975.00	-	-	-	-	-	-	268,525.00	264,692.00	248,600.00	248,154.00
Greens Fees																
Residents																
18 holes @ 25.00	10,525.00	13,150.00	9,125.00	12,416.00	20,175.00	19,175.00							84,566.00		70,752.00	
9 holes @ 13.00	4,498.00	7,371.00	5,148.00	10,972.00	11,973.00	12,272.00							52,234.00		40,116.00	
18 holes @ 9 hole rate \$13.00	130.00	234.00	156.00	208.00	1,105.00	312.00							2,145.00		2,052.00	
18 holes late @ 20.00	700.00	1,580.00	1,180.00	1,380.00	1,300.00	1,420.00							7,560.00		7,560.00	
9 holes late @ 10.00	3,560.00	5,460.00	3,150.00	6,670.00	7,610.00	7,450.00							33,900.00		26,253.00	
Subtotal - Residents	19,413.00	27,795.00	18,759.00	31,646.00	42,163.00	40,629.00	-	-	-	-	-	-	180,405.00	182,366.00	146,733.00	181,550.00
Sponsored Guest																
18 holes @ 25.00	900.00	975.00	1,150.00	984.00	1,725.00	1,450.00							7,184.00		3,744.00	
9 holes @ 13.00	78.00	247.00	130.00	221.00	325.00	364.00							1,365.00		636.00	
18 holes late @ 20.00	120.00	20.00	60.00	60.00	20.00	180.00							460.00		252.00	
9 holes late @ 10.00	360.00	220.00	140.00	130.00	230.00	240.00							1,320.00		684.00	
Subtotal - Sponsored Guest	1,458.00	1,462.00	1,480.00	1,395.00	2,300.00	2,234.00	0.00	0.00	0.00	0.00	0.00	0.00	10,329.00		5,316.00	
Guests - Weekdays																
18 holes @ 40.00	2,400.00	3,960.00	3,080.00	3,200.00	5,880.00	4,480.00							23,000.00		17,080.00	
9 holes @ 20.00	1,480.00	2,420.00	1,640.00	3,560.00	4,820.00	5,300.00							19,220.00		12,500.00	
18 holes late @ 32.00	352.00	1,280.00	768.00	864.00	1,152.00	1,344.00							5,760.00		3,930.00	
9 holes late @ 16.00	1,488.00	1,984.00	1,840.00	1,904.00	2,560.00	3,232.00							13,008.00		8,925.00	
18 holes special @ \$24.00				500.00	2,500.00	0.00							3,000.00		4,944.00	
9 holes special @ \$12.00				52.00	0.00	0.00							52.00		312.00	
Subtotal - Guests weekdays	5,720.00	9,644.00	7,328.00	10,080.00	16,912.00	14,356.00	-	-	-	-	-	-	64,040.00		47,691.00	
Guests - Weekends & Holidays																
18 holes @ 50.00	3,950.00	3,850.00	2,900.00	4,650.00	5,300.00	12,000.00							32,650.00		19,900.00	
9 holes @ 25.00	975.00	1,600.00	1,275.00	2,100.00	2,475.00	2,725.00							11,150.00		7,950.00	
18 holes late @ 40.00	880.00	800.00	720.00	1,080.00	1,080.00	1,040.00							5,600.00		3,914.00	
9 holes late @ 20.00	1,300.00	1,200.00	1,020.00	1,100.00	1,140.00	1,380.00							7,140.00		4,902.00	
Subtotal - Guests Weekends & Holidays	7,105.00	7,450.00	5,915.00	8,930.00	9,995.00	17,145.00	-	-	-	-	-	-	56,540.00		36,666.00	
Total - Guests	14,283.00	18,556.00	14,723.00	20,405.00	29,207.00	33,735.00	0.00	0.00	0.00	0.00	0.00	0.00	130,909.00	126,474.00	89,673.00	133,403.00
Tournaments					5,700.00	2,300.00							8,000.00	17,347.00	18,650.00	11,766.00
Total Play Revenue	253,521.00	54,176.00	43,407.00	70,426.00	78,670.00	87,639.00	-	-	-	-	-	-	587,839.00	590,879.00	503,656.00	574,873.00
Misc income/Gas Sales													-		60.00	
Total Golf Course Revenue	253,521.00	54,176.00	43,407.00	70,426.00	78,670.00	87,639.00	-	-	-	-	-	-	587,839.00	590,879.00	503,716.00	574,873.00

2018 Pro Shop Cash Receipts

Golf Shop Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2018 YTD	2018 Budget	2017 YTD	2017 Budget
1.Golf Balls	1,140.73	2,245.77	1,936.18	3,444.15	2,223.63	2,506.44							13,496.90		15,187.58	
2.Golf Clubs	1,395.97	1,300.46	700.98	11,661.99	7,000.95	5,538.41							27,598.76		19,461.68	
3.Men's Wear	1,025.40	1,647.24	4,753.17	2,661.16	4,305.26	7,666.88							22,059.11		9,501.88	
4.Women's Wear	915.56	1,154.00	4,821.04	3,345.63	4,463.65	3,412.98							18,112.86		25,232.35	
5.Shoes	465.25	1,693.95	939.50	917.80	1,198.20	1,218.60							6,433.30		4,727.89	
6.Gloves	406.47	586.14	360.77	784.01	662.33	598.03							3,397.75		3,033.56	
7.Golf Bags/Golf Club Had Covers	240.53	59.00	440.95	223.24	519.93	503.90							1,987.55		3,428.65	
8.Misc Items	1,821.93	1,872.88	2,023.10	2,010.44	2,726.54	2,478.91							12,933.80		19,464.05	
Subtotal	7,411.84	10,559.44	15,975.69	25,048.42	23,100.49	23,924.15	-	-	-	-	-	-	106,020.03	117,789.00	100,037.64	127,181.00
Tax	591.15	846.06	1,294.27	2,033.71	1,867.13	1,935.20							8,567.52		8,141.44	
9.Pro shop Cart Rental	4,607.00	6,464.00	5,309.00	7,972.00	12,156.00	12,597.00							49,105.00	49,840.00	38,006.00	44,738.00
10.Pro Shop Club Repair	-	20.00	730.00	2.00	3.00	20.00							775.00	252.00	336.13	252.00
11.Pro Shop Golf Lesson	1,362.00	3,600.00	2,625.00	4,855.00	2,875.00	3,865.00							19,182.00	17,591.00	16,449.61	19,005.00
12.Pro Shop Driving RNG	2,855.00	4,213.00	3,576.00	4,896.00	4,805.00	5,654.00							25,999.00	28,558.00	23,338.00	32,319.00
13.Gift Certificate	(1,101.57)	(300.98)	(104.14)	244.52	405.37	105.00							(751.80)		673.43	
14.Misc Items	-												-		-	
Golf Shop Sales Total	15,725.42	25,401.52	29,405.82	45,051.65	45,211.99	48,100.35	-	-	-	-	-	-	208,896.75	214,030.00	186,982.25	223,495.00
-Member Charges	986.61	1,724.89	4,795.26	1,138.68	3,261.98	8,955.75							20,863.17		27,107.09	
-Credit Books	946.36	1,206.25	2,144.52	1,227.39	1,452.90	3,011.33							9,988.75		10,359.32	
Subtotal	13,792.45	22,470.38	22,466.04	42,685.58	40,497.11	36,133.27	-	-	-	-	-	-	178,044.83		149,515.84	
+Rec'd Acct													-		-	
Golf Shop Cash Balance	13,792.45	22,470.38	22,466.04	42,685.58	40,497.11	36,133.27	-	-	-	-	-	-	178,044.83	214,030.00	149,515.84	223,495.00

2018 Golf Shop Sales

Golf Shop Sales	June	2018 YTD	2017 YTD
Merchandise Sales	23,924	106,020	100,038
Cart Rental	12,597	49,105	38,006
Club Repair	20	775	336
Golf Lesson	3,865	19,182	16,450
Driving RNG	5,654	25,999	23,338
Total	46,060	201,081	178,167

July 2018

GOLF MANAGEMENT REPORT

- The month of June saw good weather and considerable play. Rounds for the month totaled 6,086. It was a lower total than the month of May but still puts us in good shape for the year. Totals through June show rounds at 28,312 compared to 23,221 last year. Income to budget with greens fees is almost a match at approximately \$590,000 collected so far. This is way ahead of last year's total through June of \$503,700. The Director of Golf sees these numbers as positive and expects the months of July, August and September to be strong!
- The golf shop continues to mirror the excellent increase in play by producing numbers that meet or beat our budget. Merchandise sales are at \$106,000 compared to \$100,000 last year. Cart rental, golf lessons and driving range numbers are all up from last year.
- The legal council has come back with a rewrite of the "SUB-COMMITTEE FOR GOLF COURSE MARSHALS". This next document will be discussed at the Golf Advisory Meeting for further discussion and possible changes.
- The Director of Golf made a presentation at the last GRF Board meeting on play during the last 10 years. It gives a good picture of how play and income have changed during this period.
- New tee signs will be placed on the Creekside Golf Course soon. These new signs will be matching other signs around the golf courses, they will be dark green. Also, new "ACCESS POINT" signs for emergency personnel and vehicles will be built and placed along the streets in the future. The "EMERGENCY STICKERS" for golf carts have been made available at the golf shop. Many golfers have already placed them on their carts. The Director of Golf has placed them on each rental cart windshield.
- The Director of Golf now reports to "Resident Services Director Jeff Matheson. There were several changes made within the organization within the last two weeks. This one will have a very small impact on day to day operations.

Superintendent's Report

July 13, 2018

We have completed the first of two planned applications this year with a fertilizer that also includes a broadleaf herbicide that will reduce broadleaf weeds growing in our turf. The second application will be made next month.

We have been fully staffed this year for about 1 month and 1 day. The last maintenance worker we hired lasted only 1 day. Our secondary foreman's position continues to not be filled. We are hoping to add for an experienced leader to our team. Our primary foreman is currently on vacation and will return to work in August. Several of our maintenance workers are serving as acting foremen rotating on a weekly basis.

During the past 3 months someone has been tampering with our pump station settings. We have hired a welder to make repairs to our rusty pump station building and make it more secure.

We have created a river rock water trail near the 4th tee on Creekside that will direct some of the storm water runoff away from the parking lots at Gateway during the periods of heavy rain.

Compared to last year the amount of Glyphosate applied on the golf courses this year has been reduced by 37%. (2,700 ounces though June 2017 compared to 1,700 ounces through June in 2018)

COMPENSATION COMMITTEE REPORT

REGULAR MEETING
THURSDAY, JULY 19, 2108, AT 9:30 A.M.

A regular meeting of the Compensation Committee was convened by the Chairman, Mary K. Neff, at 9:30 a.m. in the Board Room at the Gateway Complex.

Present, in addition to the Chairman, were Leslie Birdsall and Carl W. Brown. Stephen D. Roath was absent. Also in attendance were Timothy O'Keefe, CEO; Anthony W. Grafals, General Counsel and Director of Confidential Services; and Richard S. Chakoff, CFO. Judith Perkins, Sr. Manager Human Resources was absent.

Attendance

The draft report of the Committee's meeting held on Wednesday, June 13, 2018, was reviewed and approved with one correction noted by the Committee.

Report of
6/13/18
Approved/
Residents'
Forum

No residents spoke at the Residents' Forum.

Under New Business, the Committee reviewed item 5a of the agenda packet, which asks the Committee to recommend to the Board of Directors that it approve increasing the non-represented employee benefits program budget for 2019 by \$92,000, based on projections from GRF's benefits broker. Mr. Chakoff provided an overview. Discussion followed.

A motion was made by Mr. Birdsall, seconded by Mr. Brown, and CARRIED UNANIMOUSLY to recommend to the GRF Board that it approve the Compensation Committee's recommendation to increase the non-represented employee benefits program budget for 2019 by \$92,000, based on projections from GRF's benefits broker.

Recom-
mendation
re.Increase
in Benefits

The Committee then reviewed item 5b of the agenda packet, which asks the Committee to recommend to the Board of Directors to include \$180,000 in the 2019 GRF operations budget for increased contractual costs for the GRF union employees. Messer's Chakoff and Grafals provided an overview. Discussion followed.

A motion was made by Mr. Birdsall, seconded by Mr. Brown, and CARRIED UNANIMOUSLY to recommend to the GRF Board that it approve the Compensation Committee's recommendation to include \$180,000 in the 2019 GRF operations budget for increased contractual costs for the GRF union employees.

Recom-
mendation
re.Union
Increase

Lastly, the Committee reviewed item 5c of the agenda packet, which asks the Committee to recommend to the Board of Directors that it approve fund allocations in the 2019 budget to allow for an increase in CEO wages of up to 3.2% (\$8,182), consistent with that of other employees, as well as an increase of up to 5% (\$12,784) to allow for a potential market/merit adjustment for the CEO, and an additional \$10,000 for a possible CEO performance recognition award, for a total line item increase of \$30,966, all subject to the final determination of such increases

by the Board at its November/December 2018 meeting.

A motion was made by Mr. Birdsall and seconded by Mr. Brown and CARRIED UNANIMOUSLY to recommend to the GRF Board that it approve the Compensation Committee's recommendation to allocate funds in the 2019 budget to allow for an increase in CEO wages of up to 3.2% (\$8,182), consistent with that of other employees, as well as an increase of up to 5% (\$12,784) to allow for a potential market/merit adjustment for the CEO, and an additional \$10,000 for a possible CEO performance recognition award.

Recom-
mendation
re.
Increase in
CEO Wages

The next meeting of the Compensation Committee will be at 1:30 p.m. on Wednesday, August 15, 2018, in the Board Room at Gateway Complex. **There will not be a regular meeting of the Compensation Committee in September. A regular meeting of the Committee will be held on Wednesday, October 10, 2018, at 1:30 p.m. in the Board Room at Gateway Complex.**

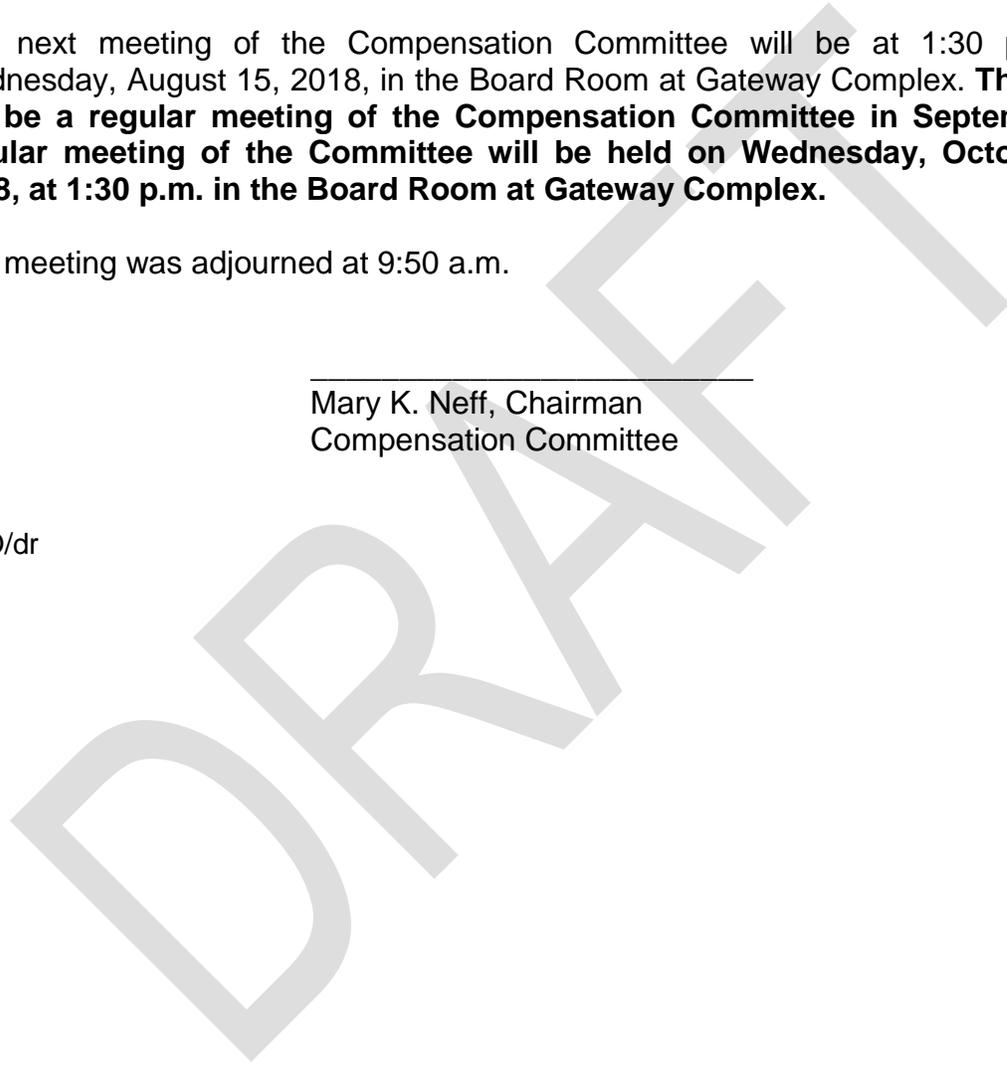
Next Mtg.
8/15/18

The meeting was adjourned at 9:50 a.m.

Adjournment

Mary K. Neff, Chairman
Compensation Committee

TO/dr



Meeting Date: July 26, 2018

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Judith Perkins, Sr. Manager Human Resources

REQUESTED ACTION/RECOMMENDATION:

Approve the recommendation of the Compensation Committee that GRF increase the non-represented employee benefits program budget for 2019 by \$92,000, based on projections from GRF's benefits broker.

BACKGROUND:

At its July 19, 2018, meeting, the Compensation Committee voted unanimously to recommend to the Board that it approve the Compensation Committee's recommendation to increase the non-represented employee benefits program budget for 2019 by \$92,000, based on projections from GRF's benefits broker.

The Golden Rain Foundation provides medical benefits to full-time non-union employees and part-time non-union employees regularly scheduled to work a minimum of 20 hours per week. All other benefits are available only to full-time non-union employees regularly scheduled to work a minimum of 32 hours per week. Specific non-represented employee classifications (e.g., seasonal lifeguards; range workers; news carriers, etc.) are not eligible for health benefits, regardless of the number of hours worked per week. Medical benefits are cost shared on an 80/20 basis with employees. Dental and vision benefits are cost shared on a 75/25 basis with employees. Employees may enroll as employee only, employee plus one dependent, or family coverage. 2018 enrollment numbers in the Foundation benefits are summarized in Table 1 on the following page.

Medical Benefits Summary

The Foundation currently offers full-time non-union employees a cafeteria plan with a choice among 3 medical benefits plans through Kaiser Permanente: 2 HMO plans, and a High-Deductible health plan.

Dental Benefit

Eligible full-time non-union employees of the Foundation may enroll in the dental coverage offered through MetLife Dental.

Vision Benefit

Eligible full-time non-union employees of the Foundation may enroll in the vision coverage offered through Vision Service Plan.

Other Benefits

The Foundation also provides other specific benefits to full-time employees regularly scheduled for 32 or more hours per week. These include group term life and accidental death & dismemberment insurance (AD&D), long-term disability (LTD) insurance, and an employee assistance program which provides free or low-cost assistance to employees on a wide range of issues.

Table 1 a: Benefits Eligible Employees as of June 1, 2018	
Benefit	GRF Budget
Medical	68
Dental & Vision	55
Other Benefits	68
Table 1 b: Benefits Enrollment as of DATE, 2018	
Benefit	GRF
Core HMO	7
Buy-Up HMO	46
High Deductible Plan	0
Dental	56.5
VSP	49

Rate Changes

Actual 2019 rate increases may not be available until the fourth quarter of 2018. However, working in consultation with GRF's benefits broker, Table 2 below itemizes the preliminary projected rate increases for employees funded by the GRF operating budget. Note that these projections are based on current enrollment rates; actual enrollment in 2019 may vary.

Table 2: 2019 Projected Rate Increases by Benefit							
Benefit	Medical	Dental	Vision	Life/AD&D	LTD	EAP	Total
OPERATING BUDGET							
2018 Budget	\$ 835,000	\$ 55,000	\$ 6,200	\$ 31,000	\$16,000	\$3,000	
Projected Increase Range	5% - 9%	18-21%	Flat (rate guarantee)	10%	10%	Flat (rate guarantee)	
* Projected 2019 Budget	\$910,000	\$67,000	Same as 2018	\$ 34,000	18,000	Same as 2018	

* All projected cost figures are based on the preliminary high-end range estimate and rounded to next thousand.

Based on these preliminary rate increase projections, the estimated total increase anticipated during 2019 is \$92,000 (rounded to thousands). As in years past, staff will

continue to work with the Foundation’s benefits broker to more narrowly calibrate the projected ranges and will keep the Committee apprised of adjustments. Historically, early projections have been high and we eventually lock in lower increases than the initial upper projections, reducing the budgeted amounts and potential coupon increases. This generally occurs before the draft budget is presented for approval at the Board of Director’s September month-end meeting.

ATTACHMENTS:

None

CRITERIA	Project:
Financial Impact	\$92,000 estimated increase in benefits program costs
Operational Efficiencies	
Dependencies	
Subsequent Actions	
Alternatives/Options	
Time-Frame	
Advantages/Benefits	
Disadvantages/Risks	

Meeting Date: July 26, 2018

SUMMARY REPORT

GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Judith Perkins, Sr. Manager Human Resources

REQUESTED ACTION/RECOMMENDATION:

Approve the recommendation of the Compensation Committee that the 2019 GRF operations budget include \$180,000 for increased contractual costs for the GRF union employees

BACKGROUND:

At its July 19, 2018, meeting, the Compensation Committee voted unanimously to recommend to the Board that it approve the Compensation Committee's recommendation to include \$180,000 in the 2019 GRF operations budget for increased contractual costs for the GRF union employees.

The Foundation currently has 50 union employees which are covered by a Collective Bargaining Agreement (CBA) with Laborers' Union, Local 324 AFL-CIO (the "Union") dedicated to the GRF operations budget. The CBA contains terms and conditions of employment for Union employees including wages, pension contributions, and health & welfare contributions. Budgeting for Union expenses is complicated by the fact that neither GRF nor the union has any control over pension or welfare benefits costs, and by the fact that the fiscal years for GRF, the union, and the union benefits and pension plans do not correspond with each other. GRF's fiscal year is the calendar year. The CBA generally follows the union's fiscal year, which is August 1 to July 31 of the following year. The health and welfare plan year begins February 1 of each year. And, the plan year for the Union pension starts on July 1.

In 2012, GRF finalized an amendment to the CBA that included predetermined increases in wages, health and welfare, and pension benefits, subject to caps, through August 1, 2014. A significant consideration that went into the negotiation was the need for more certainty for budgeting purposes, and the need to limit GRF's exposure to substantial unbudgeted increases. Steps were taken to bring wage increases in line with GRF's fiscal year, linking union wage increases to the percentage allocated for non-union wage increases (Non-Union Wage Adjustment).

The most recent CBA amendment (Amendment 3) included as Attachment 1 to this Summary Report, and expiring July 31, 2018, provided for the formulaic increases in the Foundation’s contributions to both Health and Welfare (H&W) and pension expenses, capped at an 80%/20% split.

The Foundation is currently in negotiations with Local 324, AFI-CIO. Pending ratification of the Foundation’s current offer, staff recommends the Compensation Committee recommend to the Board that a maximum increase of \$180,000 be allocated in the 2019 budget for cost increases related to the GRF operations budgeted-represented employees. The breakdown of these costs is as follows:

3.2% wage increase	\$77,000
H&W premium	\$47,000
Pension	\$55,000
Shift Differential	\$1,000
Total	\$180,000

Figures rounded to nearest thousand.

ATTACHMENTS:

Attachment #1: CBA Amendment 3

CRITERIA	Project:
Financial Impact	\$180,000 increase in union costs
Operational Efficiencies	
Dependencies	Final amount could change depending on outcome of negotiations
Subsequent Actions	
Alternatives/Options	
Time-Frame	
Advantages/Benefits	
Disadvantages/Risks	

MEMORANDUM OF UNDERSTANDING (AMENDMENT 3)
between
GOLDEN RAIN FOUNDATION OF WALNUT CREEK,
and
LABORERS' LOCAL UNION 324,
and
THE NORTHERN CALIFORNIA DISTRICT COUNCIL OF LABORERS

This Memorandum of Understanding shall serve as the third amendment of that certain Collective Bargaining Agreement dated December 15, 2009, and as subsequently amended (the "Agreement") by and between the GOLDEN RAIN FOUNDATION OF WALNUT CREEK, (the "Employer"), and LABORERS' LOCAL 324 (the "Union"), and the NORTHERN CALIFORNIA DISTRICT COUNCIL OF LABORERS, and is hereby adopted pursuant to Section 17 of the Agreement, on the date last set forth below, as follows:

1. Term of Agreement (§17):

Section 17 of the Agreement as amended is hereby deleted in its entirety and replaced with the following language:

"This Agreement shall remain in effect from the first day of August 2009, to and including the 31st day of July, 2018, and shall continue thereafter from year to year on the same terms, unless at least sixty (60) days prior to the first day of August 2018, or any subsequent anniversary thereof, either party shall serve written notice upon the other of its desire to amend, modify, or terminate this Agreement."

2. Pension/Retirement (§12A) Section 12A of the Agreement as amended, is hereby amended to incorporate the following provisions, which shall be appended to the end of Subsection A:

"Notwithstanding any other provision of this Agreement to the contrary, Employer's pension contributions shall at all times be limited to not more than 80% of the total pension contribution amount.

Beginning on July 1, 2015 and each succeeding July 1 thereafter during the term of this agreement, if Employer's pension contribution is less than 80% of the total required pension contribution, Employer agrees to increase its pension contribution by up to a maximum of fifty cents (\$0.50) per hour for all hours worked, or such lesser amount required or necessary to bring employer's contribution to eighty percent (80%) of the total required pension contribution per employee.

If the Pension Trustee determines that any additional increase is required for Pension Rehabilitation or under the Funding Improvement Plan, such additional increase may be reallocated by the Union from wages or other fringe benefits.

If, during the term of this Agreement and any extensions thereof, the Plan Trustee requires increases to the Pension contributions of greater than \$1.00 per hour, the Union may, upon notice as set forth in Section 17 of this Agreement as amended, reopen the Agreement in order to renegotiate changes in Pension contribution amounts and wages."

3. Health & Welfare (§ 12B) Section 12B of the Agreement as amended, is hereby amended to incorporate the following provisions:

"Beginning February 1, 2015 and each anniversary thereof during the term of this Agreement, Employer shall increase its contribution to the Laborers Health and Welfare Trust Fund by an amount not to exceed 5% of the prior year's total premium, provided however, that Employer's share of the premiums shall not exceed eighty percent (80%) of the total premiums for Health and Welfare benefits.

In the event additional increases greater than those set forth above are required by the Plan Trustee for Health and Welfare premiums, such additional amounts may be allocated from wages and fringe benefits by the Union.

If, during the term of this Agreement and any extensions thereof, the Plan Trustee requires increases to the Health and Welfare premiums of greater than ten percent (10%) of the prior year's total premium, the Union may, upon notice as set forth in Section 17 of this Agreement as amended, reopen the Agreement in order to renegotiate changes in premium amounts and wages."

4. Wages:

Appendix A of the Agreement, as amended, is hereby amended to incorporate the following language:

"Effective January 1, 2015, and each succeeding January 1 where there was no reopener for Pension and/or Health and Welfare benefits during the preceding calendar year, the Employer shall increase union wages commensurate with the percentage increase budgeted for all non-represented employees, but in any case not less than one percent (1%).

The Union may, upon notice to the Employer, allocate to health and welfare and/or pension, such wages as may be necessary to maintain health and welfare and/or pension at their current level of benefits. Except as specified in Section 12, any additional costs of maintaining health and welfare and/or pension during the life of this Agreement shall be deducted from wages."

5. Work Shoe Allowance:

A. Section 7 of the Agreement is hereby amended to add new paragraph R, which shall read as follows:

"R. Safety Boots. Employees will be reimbursed up to \$200 per year, for up to two (2) pairs of properly fitted and pre-approved steel-toed boots. Boots must meet ANSI standards and the employee must provide documentation certifying this when requesting reimbursement. With prior

approval, the cost of resoling steel-toed boots may be reimbursed as well, subject to the same requirements as new purchase. Employees will not be reimbursed for a second pair of steel-toed boots within 12 months of purchasing the first pair, unless the supervisor and Director agree that the first pair is no longer functional.

Employees will also be reimbursed up to \$40 per year, for one pair of pre-approved ankle-length "chukka" style boots. A second pair of chukka boots may be reimbursed up to \$40 within 12 months of purchasing the first pair, at the supervisor's discretion, based on the nature of the work performed and the condition of the first pair of boots.

In order to receive any reimbursement, the employee must turn in the original receipt, signed and dated by the employee with an approved form appropriately signed by the supervisor. Duplicate copies of the original receipt will not be accepted."

6. Temperature Extremes:

Section 13 of the Agreement is hereby amended to add new paragraph H, which shall read as follows:

"The parties agree that on mutual consent of the Employer and the employee, employees may be released from work without pay when the temperature exceeds 100° F or when weather conditions otherwise prevent employees from performing their jobs safely and comfortably."

All other terms and conditions of the Agreement not referenced above shall remain unchanged.

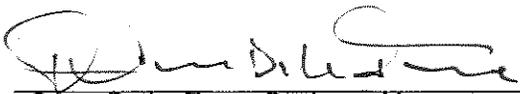
Agreed to and accepted by:

FOR THE EMPLOYER
GOLDEN RAIN FOUNDATION
OF WALNUT CREEK, TRUSTEE



Warren T. Salmons, Chief Executive Officer
Date: 12/18/2014

FOR THE UNION
NORTHERN CALIFORNIA DISTRICT
COUNCIL OF LABORERS



Oscar De La Torre, Business Manager
Date: 12/17/14

LABORERS' LOCAL 324


Randy LeMoine, Business Manager
Date: 11-26-2014

Meeting Date: July 26, 2018

SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

REPORT PREPARED BY:

Judith Perkins, Sr. Manager Human Resources

REQUESTED ACTION/RECOMMENDATION:

Approve the recommendation of the Compensation Committee that funds be allocated in the 2019 budget to allow for an increase in CEO wages of up to 3.2% (\$8,182), consistent with that of other employees, as well as an increase of up to 5% (\$12,784) to allow for a potential market/merit adjustment for the CEO, and an additional \$10,000 for a possible CEO performance recognition award, for a total line item increase of \$30,966, all subject to the final determination of such increases by the Board at their November-December 2018 meeting.

BACKGROUND:

At its July 19, 2018, meeting, the Compensation Committee voted unanimously to recommend to the Board that it approve the Compensation Committee's recommendation to allocate funds in the 2019 budget to allow for an increase in CEO wages of up to 3.2% (\$8,182), consistent with that of other employees, as well as an increase of up to 5% (\$12,784) to allow for a potential market/merit adjustment for the CEO, and an additional \$10,000 for a possible CEO performance recognition award.

The CEO's current (2018) compensation package consists of an annual salary of \$255,680. The CEO was hired pursuant to an employment contract effective November 16, 2015, for a term of four years. Per the contract, compensation changes are at the discretion of the Board. The contract calls for an annual performance review by the Board to determine the actual amount of any salary increase. Additional items include the provision of all benefits available to non-union employees of the Foundation, including accrual of twenty (20) days' vacation per year.

The recommendation is for a budget line item only. The Board will evaluate the CEO's performance late in 2018, and will decide at that time what, if any, changes should be made to the CEO's compensation.

ATTACHMENTS:

None

CRITERIA	Project: Potential CEO Wage Adjustments, 2019 Budget
Financial Impact	As proposed, \$30,966 available for 2019 wage adjustments for the CEO

Operational Efficiencies	
Dependencies	
Subsequent Actions	
Alternatives/Options	Different amount; no adjustment funds budgeted
Time-Frame	
Advantages/Benefits	Maintains market-appropriate salary, provides for additional recognition as determined by Board of Directors
Disadvantages/Risks	

POLICY COMMITTEE REPORT

REGULAR MEETING
TUESDAY, JULY 3, 2018, AT 1:30 P.M.

A regular meeting of the Policy Committee was convened by the Chairman, Geraldine Pyle, at 1:30 p.m. on Tuesday, July 3, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Kenneth Anderson and Robert D. Kelso. Barbara Coenen was excused. Also attending were Mary K. Neff, Treasurer, GRF; Attendance and Timothy O'Keefe, CEO; Anthony W. Grafals, General Counsel; Paulette L. Jones, Senior Manager, Executive Services; and one resident.

During the Residents' Forum, Cynthia Schneider addressed her concerns regarding the guest usage fee and the non-resident usage fee. Residents' Forum

Mary K. Neff next addressed her concerns regarding the proposed exemption of non-resident club members.

The Policy Committee's report of its meeting held on June 5, 2018, was approved as written. Report Approved

A discussion was held regarding the report of the Policy Committee's meeting on June 5, 2018, and the recommendation made by the Fitness Center Advisory Committee to request to exempt non-resident club members from guest usage fee found in Policy 304.1, Guest Usage Policy. Discussion re. Policy 304.1, Guest Usage Fee

A motion was made by Mr. Kelso and DIED for lack of a second to accept the proposed change to Policy 304.1 with the change noted by the CEO that the wording "Tice Creek Fitness Center" be removed and made into an Addendum. Motion Died re: Policy 304.1

A motion was made by Mr. Kelso and seconded by Mr. Anderson to accept the proposed change to Policy 304.1 with the change noted by the CEO that the wording "Tice Creek Fitness Center" be removed and made into an Addendum. Following discussion, Mr. Anderson withdrew his motion and the motion DIED for lack of a second

The Chairman announced that the discussion regarding Policy 304.1 will be postponed until the next meeting when all Committee members will be in attendance. Announcement

The Chairman then introduced item 6 of the agenda, which covers Rule R108.0, Parking, with a recommendation by staff that it be amended in order to accommodate overnight parking for electric recharging stations.

A motion was made by Mr. Anderson, seconded by Ms. Pyle, and CARRIED UNANIMOUSLY to recommend that the Board approve the proposed changes to Rule R108.0 (agenda attachment page 6-2). Recommendation to Approve Proposed

The Chairman announced that the next regular meeting of the Policy Committee will be held on Tuesday, August 7, 2018, at 1:30 p.m. in the Board Room at Gateway Changes to Rule R108.0

Complex.

Next Mtg.
8/7/18

There being no further business to come before the Committee, the meeting was adjourned at 2:40 p.m.

Adjourn-
ment

Geraldine Pyle, Chairman
Policy Committee

dr

DRAFT

Meeting Date: July 26, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS**

REPORT PREPARED BY:

Jeff Matheson, Director of Resident Services

REQUESTED ACTION/RECOMMENDATION:

Consider amendments to Rule 108.0, To Establish Guidelines for Parking on Golden Rain Foundation Property, to accommodate overnight parking at EV charging stations.

BACKGROUND:

The GRF Board has authorized staff to apply for a PG&E grant to install charging stations at three GRF locations in Rossmoor. Each location will have 10 stations including two ADA compliant stations per site. The parking stalls will be designated as open parking during the hours of 6:00 a.m. to 10:00 p.m. From 10:00 p.m. to 6:00 a.m. the parking stalls will be dedicated to EV charging.

The current parking policy 108.0 prohibits overnight parking at GRF clubhouses. The proposed amendments would allow overnight parking for the purpose of using one of the designated charging stations.

At its July 3, 2018, meeting, the Policy Committee voted to recommend the changes reflected in the attached redline version to the GRF Board for adoption.

ATTACHMENTS:

Attachment #1: Policy 108.0 redline edits

Subject: Parking

Purpose: To Establish Guidelines for Parking on Golden Rain Foundation Property

1. The term Vehicle shall have the same meaning as set forth in Rule R201.0 (Traffic Rules and Regulations).
2. This Rule does not apply to:
 - Golden Rain Foundation owned Vehicles,
 - Vehicles belonging to utility companies or vendors/contractors in the employ of utility companies working in Rossmoor,
 - Vehicles belonging to federal, state or local authorities.
3. General Requirement
 - a. The parking regulations in the California Vehicle Code as currently constituted shall apply to all Foundation streets.
 - b. Except as otherwise provided in Foundation Policies or Rules, only Vehicles may be parked on Foundation streets, subject to the limitations of this Rule.

4. Overnight parking at Foundation clubhouses and buildings is prohibited with the following exceptions:

4. Vehicles may be parked overnight while charging at one of the designated charging stations at Gateway, the Event Center, and Tice Creek Fitness Center.

5. Exceptions may be made in the Gateway parking lot for Foundation sponsored overnight events, ~~with prior approval by the Foundation as set forth below.~~

6.5. No Recreational Vehicle, as defined in the California Vehicle Code, including but not limited to campers, house trailers, motor homes or boat trailers, shall be parked on Foundation streets except for the purpose of actually loading or unloading, for no more than 12 hours.

7.6. For the purpose of identifying parking limitations, the following curb markings apply:

- | | |
|-------------|---|
| red curb | no parking |
| green curb | not to exceed 10 minutes or as posted |
| yellow curb | stopping only for loading and unloading |
| blue curb | handicapped parking only |
| unpainted | parking permitted unless posted |

- ~~8.7.~~ No Vehicle may be continuously parked on any Foundation street for more than seventy-two hours.
- ~~9.8.~~ Commercial Vehicles may not be parked on Foundation streets between the hours of 5:00 p.m. and 7:00 a.m.
- ~~10.9.~~ PODS/storage containers may not be parked on Foundation streets or in Foundation parking areas.
- ~~11.10.~~ No Vehicles, including golf carts and bicycles, may be parked on sidewalks or courtyards on Foundation property.

Exceptions to this Rule may be authorized by the Foundation upon prior approval, to be requested at the Public Safety Office.

Authority: Rule

- 1/31/69
- 5/29/69 Rev.
- 5/27/71 Rev.
- 7/1/76 Rev.
- 6/6/89 Rev.
- 12/3/98 Rev.
- 5/29/03 Rev.
- 4/18/06 Rev. (Comm.)
- 5/25/06 Rev.
- 5/26/11 Rev.
- 1/28/16 Rev.
- ~~1.~~

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION POLICY COMMITTEE**

REPORT PREPARED BY: Anthony Grafals, General Counsel

REQUESTED ACTION/RECOMMENDATION: At its meeting on June 5, 2018, the Policy Committee voted to recommend changes to Policy 102.3 (Allocation of Revenue and Expenses) as recommended by the Finance Committee.

BACKGROUND: Section 6 of Exhibit B to the GRF Trust Agreement (hereinafter referred to as, “the Bank Agreement”) as currently amended, sets forth the funding requirements for GRF’s annual operating budget. Generally, this section requires GRF to establish an annual budget for the operation and management of the GRF Trust Estate and the provision of administrative and recreational services for the members of the Mutuals and their successors in interest.

Such budget is to include administrative expenses, operating expenses, utilities, hazard insurance, taxes, assessments, interest, amortization and a reasonable contingency reserve.

Also, to be prepared in the same manner, GRF is to annually prepare a repair and maintenance budget to cover the repair and maintenance of the improvements included in the GRF Trust Estate, plus a reasonable reserve for replacement and renovation.

Both the operation and management budget and the repair and maintenance budget are to be calculated net of the use fees charged for the golf course and facilities and the lawn bowling greens and facilities. A copy of the referenced language is attached.

Pursuant to the GRF Trust Agreement, the funding for both of the foregoing budgets is to come from carrying charges allocated on a pro rata basis to the members of the Mutuals benefiting from the GRF Trust.

GRF Policy 102.3 (Allocation of Revenue and Expenses) was established in 2011 and amended in 2014, in order to, “describe the types of revenues and expenses that are classified as trust or operations and list some examples in each category.”

At its meeting on February 20, 2018, the Finance Committee voted to recommend changes to Policy 102.3 (Allocation of Revenue and Expenses) for consideration by the Policy Committee for possible further recommendation to the GRF Board for adoption.

Subsequently, at the March 6, 2018 Policy Committee meeting, the Policy Committee recommended additional changes for referral back to the Finance Committee, including a change to the format of P102.3 to reformat the Policy so that it more closely mirrors the format of the language in the GRF Trust Agreement.

At its April 24, 2018 meeting, The Finance Committee considered the changes recommended by the Policy Committee at its March 6, 2018 meeting and rejected those recommendations. Instead, the Finance Committee made further refinements to its original recommendation, and returned those for consideration by the Policy Committee. A copy of that recommendation is attached.

This matter was presented to the GRF Board for consideration at its June 28, 2018 regular meeting.

ATTACHMENTS:

Attachment #1: Minutes from the April 24, 2018, Finance Committee Meeting.

Attachment #2: GRF Trust Agreement, Exhibit B, Section 6, as amended.

Attachment #3: Blue-line revision from Finance Committee.

CRITERIA	Project:
Financial Impact	Undetermined
Operational Efficiencies	None.
Dependencies	Amended Section 6 of Exhibit B to the GRF Trust Agreement
Subsequent Actions	Recommendation to the Board only if approved.
Alternatives/Options	<ul style="list-style-type: none"> • Accept the Finance Committee’s recommendations • Reject the Finance Committee’s recommendations • Make alternate recommendations to the Board
Time-Frame	Unspecific.
Advantages/Benefits	Undetermined
Disadvantages/Risks	Potential violation of the terms of the Trust Agreement by the Trustee.

FINANCE COMMITTEE REPORT

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

A regular meeting of the Finance Committee was convened by F. William Dorband, Vice Chairman, at 9:00 a.m. on Tuesday, April 24, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Vice Chairman, were Jean A. Autrey, Mary K. Neff, Della C. Temple, and Gery Yearout. David Smith, Chairman and Paul Rosenzweig were excused. Also attending were Geraldine Pyle, President, Stephen D. Roath, Vice President, Leslie Birdsall, Carl Brown, Barbara Coenen, Sue DiMaggio Adams, and Melvin C. Fredlund, 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; Anthony W. Grafals, General Counsel; Deborah Rose, Senior Administrative Assistant, Executive Services; and three residents.

The report of the Committee's regular meeting of March 27, 2018, was approved as written. Report Approved

Mr. O'Keefe provided an update and overview regarding the water reclamation project soon to be addressed at the upcoming GRF Board meeting. He then reminded the Committee about a drought mitigation mandate created by the State last summer, which eliminates all water on City owned medians and how that affects the medians just outside of the Rossmoor gates. He concluded his report with a status update regarding the Planning Committee and its continued study of the traffic and pedestrian safety study. Staff Reports

Mr. Chakoff reviewed the GRF Statement of Operations for March, the MOD financial statements for March and answered questions from Committee members.

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

The Vice Chairman introduced agenda item 7a, to discuss Trust versus Operating expenditures policy and reviewed agenda attachment pages 7a3-7a8, which are the proposed rewritten versions of Policy 102.3, Allocation of Revenue and Expenses. Discussion followed. Discussion re. the Rewritten Policy 102.3

A motion was made by Mrs. Temple and seconded by Mrs. Neff to recommend to the Policy Committee that in Policy 102.3, the first paragraph should read as "The categories shown on the following two pages describe the types of revenues and expenses that are classified as trust or operations and list some examples in each category. These lists should not be considered exhaustive but are merely illustrative." Also, in the last paragraph of the Policy to read as "For purposes of this Policy, a capital expenditure is defined as a purchase of tangible property costing over \$5,000 per item wherein the property

Recommendation to Policy Committee re. Policy 102.3, First Paragraph

will not be consumed or converted to cash in one year. Capital assets may be purchased with Trust funds or funds from the operating budget.”.

Following discussion, a motion was made by Mrs. Temple, seconded by Mrs. Neff, and CARRIED, with Mr. Dorband voting no, to amend the main motion as follows: Only the first paragraph out of the six paragraphs are to be included in the recommendation to the Policy Committee.

A motion was made by Mrs. Temple, seconded by Mrs. Neff, and CARRIED UNANIMOUSLY to recommend to the Policy Committee that in Policy 102.3, Section I. Trust Revenues, should accept the language as read on page 7a-6 and the top of page 7a-7 of the Finance Committee agenda packet.

Recom-
mendation
to Policy
Committee re.
Policy 102.3,
Section I

A motion was made by Mrs. Temple and seconded by Ms. Autrey to recommend to the Policy Committee that in Policy 102.3, Section II. Trust Expenditures, bullet points 1, 2, 3, and 4 to read as redlined; bullet point 5 to be reinstated from being stricken and to read as “bank charges, loan fees and debt service (principle and interest) for loans associated with Trust operations.”; bullet point 6 verbiage to be deleted and replaced with the following: “Pooled Assets – tangible property costing \$5,000 or less per item but capitalized when part of a set.” Following discussion, the vote on the motion was taken and the motion CARRIED UNANIMOUSLY.

Recom-
mendation
to Policy
Committee re.
Policy 102.3,
Section II

A motion was made by Ms. Autrey, seconded by Mrs. Neff, and CARRIED UNANIMOUSLY to recommend to the Policy Committee that in Policy 102.3, the Purpose of the Policy be rewritten as follows: “To Establish a Policy to Differentiate Trust Revenues and Expenses From Operating Revenues and Expenses in Accordance with Section 6 of Exhibit B of the Golden Rain Foundation Trust Agreement.”

Recom-
mendation
to Policy
Committee re.
Policy 102.3,
Purpose

A motion was made by Mrs. Temple, seconded by Mrs. Yearout, and CARRIED UNANIMOUSLY to recommend to the Policy Committee that in Policy 102.3, Section III. Operating Revenues, be reinstated from being stricken and with a change to the second bullet point to read as “fees collected for normal operation of Trust properties, including but not limited to, all golf course related revenue; room rental charges; sales of advertising; Creekside restaurant, catering and bar rents and revenues; and sales of Vehicle Access Devices.” And for the fifth bullet point to read as “miscellaneous items including but not limited to facilities usage fees, guest fees, handyman income, personal training income, RV rental fees.”

Recom-
mendation
to Policy
Committee re.
Policy 102.3,
Section III

A motion was made by Mrs. Temple, seconded by Ms. Autrey, and CARRIED UNANIMOUSLY to recommend to the Policy Committee that

Recom-
mendation

in Policy 102.3, Section IV. Operating Expenditures, that all redlined verbiage be reinstated.

to Policy
Committee re.
Policy 102.3,
Section IV

Mr. Chakoff then reviewed items 8a thru 8c of the agenda, which asked the Committee to advise the Board if there are sufficient funds in the Trust Estate Fund to fund these items. Discussion followed.

A motion was made by Ms. Autrey and seconded by Mrs. Neff to recommend to the GRF Board that there is sufficient money in the Trust Estate Fund to pay for these expenses should they choose to do them. Following discussion, a vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Recom-
mendation
to GRF
Board
re.Funds for
Projects

There being no further business to come before the Committee, the meeting was adjourned at 11:18 a.m.

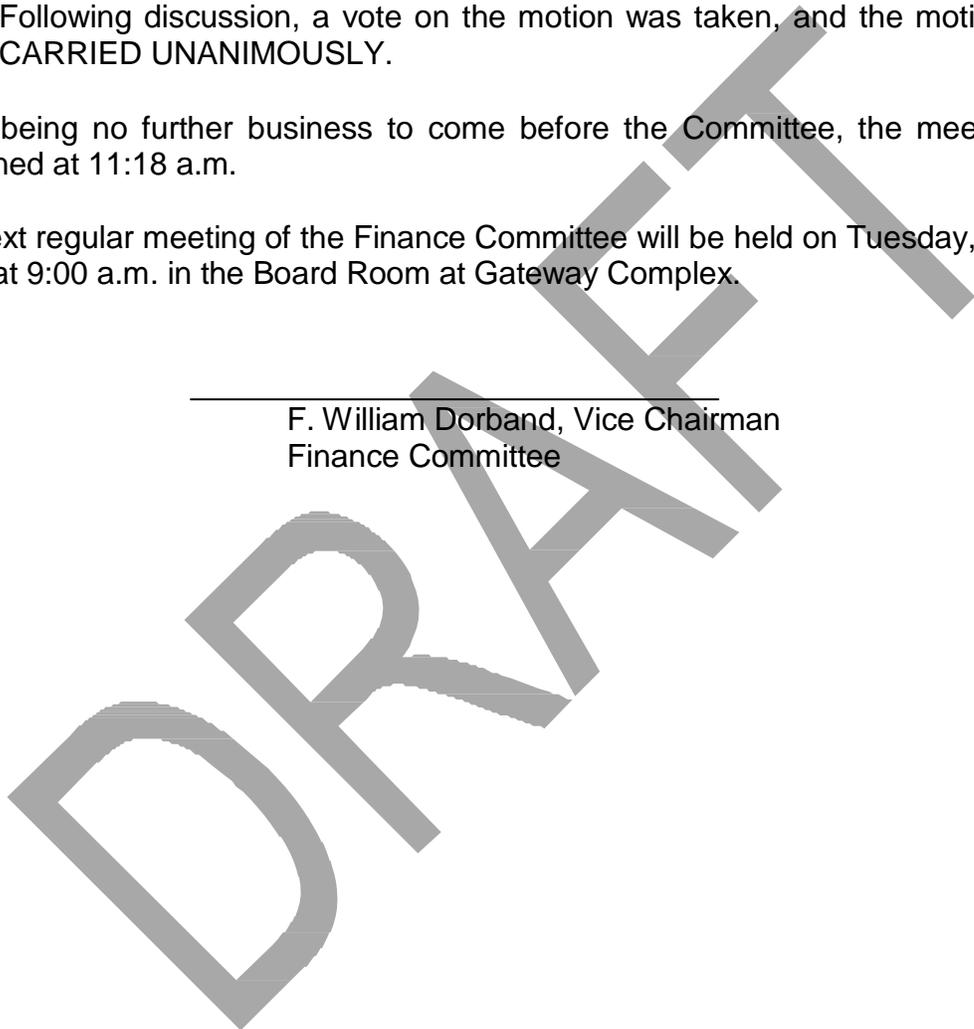
Adjourn-
ment

The next regular meeting of the Finance Committee will be held on Tuesday, May 29, 2018, at 9:00 a.m. in the Board Room at Gateway Complex.

Next Mtg.
5/29/18

F. William Dorband, Vice Chairman
Finance Committee

dr



COPY 0450 251290

AGREEMENTS

FIRST WALNUT CREEK MUTUAL, WALNUT CREEK MUTUAL NO. TWO, WALNUT CREEK MUTUAL NO. EIGHT, WALNUT CREEK MUTUAL NO. TEN, WALNUT CREEK MUTUAL NO. ELEVEN, WALNUT CREEK MUTUAL NO. TWELVE, WALNUT CREEK MUTUAL NO. THIRTEEN, WALNUT CREEK MUTUAL NO. FOURTEEN, WALNUT CREEK MUTUAL NO. FIFTEEN, WALNUT CREEK MUTUAL NO. SIXTEEN, WALNUT CREEK MUTUAL NO. SEVENTEEN, GOLDEN RAIN FOUNDATION OF WALNUT CREEK and UNITED CALIFORNIA BANK do hereby amend said instruments by the deletion in full of Paragraph 6 of the "Agreement" to which reference is made in Paragraph B hereof and by the substitution of the following provision therein for said Paragraph 6:

"6. GOLDEN RAIN shall operate and manage the Improvements and provide administrative, recreational and medical services for the benefit of the members of the Cooperatives and their successors in interest at cost and on a non-profit basis. The cost thereof (to the extent such cost exceeds receipts from the fees for which provision is hereinafter made) shall be included in the monthly carrying charges charged on a prorata basis to the members by their respective Cooperatives. No less than sixty (60) days prior to the beginning of each fiscal year GOLDEN RAIN shall prepare an operating budget setting forth its estimate of the amount by which the cost of operating and managing the Improvements and providing the other aforesaid services desired for the ensuing year exceeds the estimate of fees to be collected. Copies of same shall be delivered to the members of the Cooperatives or to the Cooperatives for delivery to their members. The estimate shall include administrative expenses, operating expenses, utilities, hazard insurance, taxes and assessments, interest and amortization, and a reasonable contingency reserve. GOLDEN RAIN in its capacity as Trustee of the Golden Rain Foundation Trust shall maintain and repair the Improvements for the benefit of the Cooperatives and their successors in interest at cost and on a non-profit basis and shall prepare and deliver estimates for such maintenance and repair in the same manner and such costs shall be defrayed in the same manner as provided above for operating and managing costs. Such costs shall include a reasonable reserve for replacement and renovation.

BOOK 6450 PAGE 281

GOLDEN RAIN may charge users of the golf course and golf facilities, lawn bowling greens and lawn bowling facilities and stables, horses and riding facilities a reasonable fee for such use, and such fees may be instituted, removed, re-instituted and the amounts thereof established and changed by action of the Board of Directors of GOLDEN RAIN."

IN WITNESS WHEREOF, the parties to said instruments have caused this instrument to be executed by their duly authorized officers and have caused their corporate seals to be affixed as of this 31st day of August, 1970.

Subject: Allocation of Revenue and Expenses

Purpose: To Establish a Policy to Differentiate Trust Revenues and Expenses From Operating Revenues and Expenses [in accordance with Section 6 of Exhibit B to the GRF Trust Agreement](#)

The categories shown on the following two pages describe the types of revenues and expenses that are classified as trust or operations and list some examples in each category. These lists should not be considered exhaustive but are merely illustrative.

For purposes of this Policy, a capital expenditure is defined as a purchase of tangible property costing over \$5,000 per item wherein the property will not be consumed or converted to cash in one year. Capital assets may be purchased with Trust funds or funds from the operating budget.

I. Trust Revenues include:

- membership transfer fees;
- earnings on Trust assets held for investment, including interest and Medical Center rent;
- ~~fees for capital equipment purchased for MOD~~ [Reimbursement by MOD for capital equipment purchased by the trust on their behalf](#);
- gifts to the Trust (either for construction of a specific Trust asset or for general Trust activities);
- [Resale Community Facilities Fee \(policy 102.1.2\)](#)

II. Trust Expenditures include:

- construction of new facilities or [capitalized](#) major renovations to existing facilities;
 1. fees for work done by non-GRF employees in anticipation of a capital project, including architect fees, engineering studies and consultant fees. Abandoned projects are an expense of the Trust.
 2. any cost of temporary facilities required due to construction; and repair of changes that occurred due to construction;
- acquisition or replacement of [capitalized](#) assets, [including but not limited to](#), vehicles, landscape and Golf Course maintenance equipment, large computer systems, major software purchases, and major equipment items such as Fitness Center machines and video projector systems and [roadways](#); and
- bank charges, loan fees and debt service (principal and interest) for loans associated with Trust operations.

- ~~Tangible property costing \$5,000 or less per item comprising a set or system, with an aggregate cost of \$80,000 or greater and a useful life in excess of one year, at the discretion of the GRF Board of Directors upon approval of the annual GRF budget.~~ Pooled Assets - tangible property costing \$5,000 or less per item but capitalized when part of a set.

III. Operating Revenues include:

- monthly fees collected from each manor for the operation of Rossmoor;
- fees collected for normal operation of Trust properties, including but not limited to, all golf course related revenue; room rental charges; sales of advertising; Creekside restaurant, catering and bar rents and revenues; and sales of Vehicle Access Devices.
- charges for programs and activities sponsored by GRF, e.g., Recreation Department concerts or excursions.
- earnings on operating fund assets held for investment, including interest; and
- miscellaneous items including but not limited to facilities usage fee, guest fees, handyman income, personal training income, RV rental fees and contractual business income from the Waterford and from vehicle maintenance.

IV. Operating Expenditures include:

- normal costs of operating GRF assets, including utilities, taxes, insurance, as well as labor and materials for functions such as custodial and landscape maintenance of GRF facilities and land, including temporary facilities;
- labor and materials for programs/services such as aquatics, bus transportation, counseling, communications, fitness and public safety;
- labor and materials for administrative services such as human resources, accounting, legal and executive services;
- purchase of tangible property costing \$5,000 or less per item;
- repairs;
- maintenance of Trust assets, in accordance with the terms of the Trust; and
- banking and financial expenses related to the operating budget.
Authority: Policy

12/1/11 5/29/14

Note : Policy 102.1.1 re: RV lot fee should be reviewed in light of these recommendations.

Meeting Date: July 26, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS**

REPORT PREPARED BY:

Tim O'Keefe, CEO

REQUESTED ACTION/ RECOMMENDATION:

List, discuss, and prioritize the Board of Directors' goals for 2018 – 2019.

BACKGROUND:

Each year it is important for the Board to identify its priority goals. This gives the CEO, staff, and the community insight as to the Board's priorities for what it wishes to accomplish in the upcoming year. To help set the stage for this effort, at the July 10 Board Retreat, the Board determined that there are a number of major projects already in various stages of completion and has elected not to adopt any new major goals until the current projects are completed. Rather, the Board indicated interest in establishing targets for the existing projects.

The list of goals is attached.

ALTERNATIVES AND OPTIONS:

Continue the process to a future meeting.

SUBSEQUENT ACTIONS:

Staff will work on the various goals. If funding or further Board authority is necessary, staff will secure that at subsequent meetings.

FINANCIAL IMPACT:

It is imperative that this process occur at this time of the year, so that any goals with a financial impact can be incorporated into the 2019 Operations and Capital Budgets.

The GRF Trust Estate Fund may need to be utilized to complete some of the goals. Any Trust Estate Fund expenditures will be presented to the Board for approval prior to incurring any costs.

ATTACHMENT:

Attachment #1: Proposed Board Goals 2018-2019

Attachment #1**Proposed Board Goals for 2018-2019 Board Year**

By December 31, 2018

1. Complete Garden Club improvements - automatic gate, pavement and bathroom.
2. Bid package ready for studio remodel.
3. Finish Dollar ramp design.
4. Revise policies to require last 4 social security numbers for all members, including existing members.
5. On demand transit app development and mapping completed.
6. Website redesign plans completed.

By May 31, 2019

1. Clean up Jenark owners' name field so first and last names are in separate fields.
2. Completion of feasibility study for water treatment plant.
3. Finalize planning for revised new resident orientation
 - a. involve clubs, Board, get sponsors.
4. Have at least one revised new resident orientation presentation.
5. Research done for GHAD options.
6. On demand transit pilot started.
7. Website redesign completed.
8. Creek repair plan completed; issue Creek repair RFP.

Meeting Date: July 26, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS**

REPORT PREPARED BY:

Rick Chakoff, CFO

REQUESTED ACTION/RECOMMENDATION:

Update the Trustee Declaration Page of the 401K plan to name Richard Chakoff, Christopher Preminger and the GRF Treasurer as Trustees on the plan.

BACKGROUND:

The Trustee has primary fiduciary responsibility for the 401(k) plan working under the overall guidance of the GRF Board and is able to sign documents relating to the plan. By naming two individuals plus the GRF Treasurer, the plan documents will not need to be changed each time the Board officers change.

ATTACHMENT:

Attachment #1: Amendment

CRITERIA	Project:
Financial Impact	N/A
Operational Efficiencies	N/A
Dependencies	N/A
Subsequent Actions	Once the amendment is approved staff will send the signed document to Mass Mutual.
Alternatives/Options	The Board may approve the resolutions or chose to add different or additional trustees.
Time-Frame	July 2018
Advantages/Benefits	N/A
Disadvantages/Risks	N/A

AMENDMENT TO GOLDEN RAIN FOUNDATION 401(K) RETIREMENT PLAN (“the Plan”)

WHEREAS, Golden Rain Foundation of Walnut Creek (the “Employer”) maintains the Golden Rain Foundation 401(k) Retirement Plan (the “Plan”) for its employees;

WHEREAS, Golden Rain Foundation of Walnut Creek has decided that it is in its best interest to amend the Plan;

WHEREAS, Section 14.01(b) of the Plan authorizes the Employer to amend the selections under the Golden Rain Foundation 401(k) Retirement Plan Adoption Agreement.

NOW THEREFORE BE IT RESOLVED, that the Golden Rain Foundation 401(k) Retirement Plan Adoption Agreement is amended as follows. The amendment of the Plan is effective as of 6-1-2018.

1. The Trustee Declaration Page has been modified. The modified Trustee Declaration Page is attached to this Amendment.

TRUSTEE DECLARATION

This Trustee Declaration may be used to identify the Trustees under the Plan. A separate Trustee Declaration may be used to identify different Trustees with different Trustee investment powers.

Effective date of Trustee Declaration: 6-1-2018

The Trustee's investment powers are:

- (a) **Discretionary.** The Trustee has discretion to invest Plan assets, unless specifically directed otherwise by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.
- (b) **Nondiscretionary.** The Trustee may only invest Plan assets as directed by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.
- (c) **Fully funded.** There is no Trustee under the Plan because the Plan is funded exclusively with custodial accounts, annuity contracts and/or insurance contracts. (See Section 12.16 of the Plan.)
- (d) **Determined under a separate trust agreement.** The Trustee's investment powers are determined under a separate trust document which replaces (or is adopted in conjunction with) the trust provisions under the Plan.

Name of Trustee: _____

Title of Trust Agreement: _____

[Note: To qualify as a Volume Submitter Plan, any separate trust document used in conjunction with this Plan must be approved by the Internal Revenue Service. Any such approved trust agreement is incorporated as part of this Plan and must be attached hereto. The responsibilities, rights and powers of the Trustee are those specified in the separate trust agreement.]

Description of Trustee powers. This section can be used to describe any special trustee powers or any limitations on such powers. This section also may be used to impose any specific rules regarding the decision-making authority of individual trustees. In addition, this section can be used to limit the application of a trustee's responsibilities, e.g., by limiting trustee authority to only specific assets or investments.

- Describe** Trustee powers: Any assets of the Plan invested under a group annuity contract issued by Massachusetts Mutual Life Insurance Company shall not be held under, nor subject to, the Trust Provisions described in Section 12 of this Plan to the extent such assets are not required to be held under a trust pursuant to ERISA §403(b).

[The addition of special trustee powers under this section will not cause the Plan to lose Volume Submitter status provided such language merely modifies the administrative provisions applicable to the Trustee (such as provisions relating to investments and the duties of the Trustee). Any language added under this section may not conflict with any other provision of the Plan and may not result in a failure to qualify under Code §401(a).]

Trustee Signature. By executing this Adoption Agreement, the designated Trustee(s) accept the responsibilities and obligations set forth under the Plan and Adoption Agreement. By signing this Trustee Declaration Page, the individual(s) below represent that they have the authority to sign on behalf of the Trustee. If a separate trust agreement is being used, list the name of the Trustee. No signature is required if a separate trust agreement is being used under the Plan or if there is no named Trustee under the Plan.

Richard S. Chakoff
(Print name of Trustee)

(Signature of Trustee or authorized representative) (Date)

Treasurer
(Print name of Trustee)

(Signature of Trustee or authorized representative) (Date)

Christopher Preminger
(Print name of Trustee)

(Signature of Trustee or authorized representative) (Date)

EMPLOYER SIGNATURE PAGE

PURPOSE OF EXECUTION. This Signature Page is being executed for Golden Rain Foundation 401(k) Retirement Plan to effect:

- (a) The adoption of a new plan, effective [insert Effective Date of Plan]. [Note: Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.]
(b) The restatement of an existing plan, in order to comply with the requirements of PPA, pursuant to Rev. Proc. 2011-49.
(1) Effective date of restatement: . [Note: Date can be no earlier than January 1, 2007. Section 14.01(f)(2) of Plan provides for retroactive effective dates for all PPA provisions. Thus, a current effective date may be used under this subsection (1) without jeopardizing reliance.]
(2) Name of plan(s) being restated:
(3) The original effective date of the plan(s) being restated:
(c) An amendment or restatement of the Plan (other than to comply with PPA). If this Plan is being amended, a snap-on amendment may be used to designate the modifications to the Plan or the updated pages of the Adoption Agreement may be substituted for the original pages in the Adoption Agreement. All prior Employer Signature Pages should be retained as part of this Adoption Agreement.
(1) Effective Date(s) of amendment/restatement: 6-1-2018
(2) Name of plan being amended/restated: Golden Rain Foundation 401(k) Retirement Plan
(3) The original effective date of the plan being amended/restated: 1-1-1997
(4) If Plan is being amended, identify the Adoption Agreement section(s) being amended: The Trustee Declaration Page to remove Kenneth W. Haley and add Treasurer as Trustee of the Plan.

VOLUME SUBMITTER SPONSOR INFORMATION. The Volume Submitter Sponsor (or authorized representative) will inform the Employer of any amendments made to the Plan and will notify the Employer if it discontinues or abandons the Plan. To be eligible to receive such notification, the Employer agrees to notify the Volume Submitter Sponsor (or authorized representative) of any change in address. The Employer may direct inquiries regarding the Plan or the effect of the Favorable IRS Letter to the Volume Submitter Sponsor (or authorized representative) at the following location:

Name of Volume Submitter Sponsor (or authorized representative): Massachusetts Mutual Life Insurance Company
Address: 1295 State Street Springfield, MA 01111-0001
Telephone number: (800) 309-3539

IMPORTANT INFORMATION ABOUT THIS VOLUME SUBMITTER PLAN. A failure to properly complete the elections in this Adoption Agreement or to operate the Plan in accordance with applicable law may result in disqualification of the Plan. The Employer may rely on the Favorable IRS Letter issued by the National Office of the Internal Revenue Service to the Volume Submitter Sponsor as evidence that the Plan is qualified under Code §401(a), to the extent provided in Rev. Proc. 2011-49. The Employer may not rely on the Favorable IRS Letter in certain circumstances or with respect to certain qualification requirements, which are specified in the Favorable IRS Letter issued with respect to the Plan and in Rev. Proc. 2011-49. In order to obtain reliance in such circumstances or with respect to such qualification requirements, the Employer must apply to the office of Employee Plans Determinations of the Internal Revenue Service for a determination letter. See Section 1.66 of the Plan.

By executing this Adoption Agreement, the Employer intends to adopt the provisions as set forth in this Adoption Agreement and the related Plan document. By signing this Adoption Agreement, the individual below represents that he/she has the authority to execute this Plan document on behalf of the Employer. This Adoption Agreement may only be used in conjunction with Basic Plan Document #04. The Employer understands that the Volume Submitter Sponsor has no responsibility or liability regarding the suitability of the Plan for the Employer's needs or the options elected under this Adoption Agreement. It is recommended that the Employer consult with legal counsel before executing this Adoption Agreement.

Golden Rain Foundation of Walnut Creek
(Name of Employer)

(Name of authorized representative) (Title)

(Signature) (Date)

Meeting Date: July 26, 2018

**SUMMARY REPORT
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS**

REPORT PREPARED BY:

Paulette Jones, Senior Manager, Executive Services

REQUESTED ACTION:

Approve, as recommended by the President, the appointment of Alan Swanson to the Audit Committee for a one-year term, effective immediately, and the appointment of John M. Kikuchi and Barbara Rothway to the Audit Committee for three-year terms, effective immediately.

BACKGROUND:

As stipulated in the Audit Committee Charter, the President recommends, and the Board approves the appointment of members to the Committee.

Audit Committee vacancies were announced in the Rossmoor News in May and again in June, and residents were invited to apply for appointment to the Committee. The applicants were interviewed recently by the President, the Board representative to the Committee, and the Chairman of the Committee. The President, with input from the interviewers, then selected the applicants he recommends for appointment to the Committee for Board approval.

The letters of application of the recommended appointees are attached. The letters of application of those applicants who are not being recommended for appointment are on file in the Board Office and can be seen by the members of the Board who wish to see them.

ATTACHMENTS:

Letters of application from the recommended appointees

CRITERIA	Project:
Financial Impact	None

Operational Efficiencies	N/A
Dependencies	N/A
Subsequent Actions	<p>If approved, the appointees will begin serving as members of the Audit Committee, and the Committee roster will be revised to reflect the approved appointments and then distributed.</p> <p>The President will send letters to the newly appointed Committee members advising them of their appointment. He will also send letters to those applicants who were not appointed thanking them for applying and for their interest and to the retiring Committee member thanking him for his service on Committee.</p> <p>Staff will work with the Audit Committee Chairman to orient new Committee members.</p>
Alternatives/Options	Approve all, part, or none of the President's recommended resident member Committee appointments.
Time-Frame	If approved, the appointments will be for the designated terms, effective immediately
Advantages/Benefits	N/A
Disadvantages/Risks	N/A

Alan Wendell Swanson

RECEIVED

May 29, 2018

MAY 31 2018

GRF BOARD OFFICE

Board of Directors
Golden Rain Foundation
1001 Golden Rain Road
Walnut Creek, CA 94595

Gentlemen:

This is an application for reappointment to one of the open positions on the Audit Committee

There is a lack of independence between an auditor and their client because the auditee pays the fee. Independent audit committees evolved in the 70's to try to overcome this lack of independence. First for publically traded companies then private companies, not for profits and governments. Standard audit committee charters are promulgated by the Securities Exchange Commission and the American Institute of Certified Public Accountants.

I practiced as a California Certified Public Accountant in public practice for 49 years before retiring about 5 years ago. I still retain my membership in the California Society and American Institute of Certified Public Accountants.

During the latter stages of my CPA career I contracted to other CPA firms to review their working papers. It was quality control. I am listed with the American Institute of CPAs as a volunteer member of audit committees for charitable organizations in the local area. I consider myself more of an auditor than a bookkeeper.

I served on the GRF General Plan Update Task Force and as the Assistant Treasurer of Third Mutual. A few of the Rossmoor clubs in which I am active include: Rossmoor Couples Club, Penguin Dance Club T.G.I.F., Dixieland Jazz Club, Fireside Dance Club and Happy Hackers.

I have lived, educated and employed my entire life in the San Francisco Bay Area.

Respectfully submitted:



Alan Swanson

Paulette Jones

From: John Kikuchi <
Sent: Wednesday, June 27, 2018 8:40 AM
To: GRB - Golden Rain Board
Subject: Audit committee
Attachments: jmk_resume 6-27-18.doc

If there are still openings on the audit committee, I would be interested in participating.

We have just purchased a residence in Rossmoor. I am a tax accountant in Walnut Creek, transitioning into retirement. I have worked with nonprofit entities for most of my career (although not homeowners associations). Although my focus has been on tax, I have worked together with many audit firms in connection with mutual clients.

I've attached a brief resume.

Thanks.

John

Sent from [Mail](#) for Windows 10

JOHN M. KIKUCHI

John is a CPA in the tax accounting firm of RK Taylor & Associates, Walnut Creek, CA. Prior to joining RK Taylor & Associates in February, 1999, John spent 13 years with KPMG, LLP in San Francisco, where he served as a senior manager in the Exempt Organization tax practice. At RK Taylor & Associates, John has continued to work extensively with tax exempt organizations as well as with individuals and their related trusts and businesses.

John's tax-exempt clients have included:

- American Baptist Homes of the West
- California Genealogical Society
- Dean and Margaret Leshner Foundation
- El Camino Hospital
- Holy Names University
- International Association of Business Communicators
- Sierra Club
- Sierra Club Foundation
- The Health Trust
- University of California

Education

John holds a Bachelor of Arts degree from the University of California at San Diego, a J.D. degree from the University of California at Berkeley (Boalt Hall) and a Master of Science degree in taxation from Golden Gate University.

Affiliations

- State Bar of California
- California Society of CPAs

Board Affiliations

- Lindsay Wildlife Experience, audit committee member
- Kokoro Assisted Living, board and audit committee member

July 3, 2018

RECEIVED

JUL - 3 2018

GRF BOARD OFFICE

To: Paulette Jones, Assistant Secretary
Golden Rain Foundation Board

From: Barbara Rothway

Re: Audit Committee Position

I am submitting a brief summary of my work experience, current activities and interests. I would appreciate your consideration of my background information for the GRF Audit Committee position. I have been a Rossmoor resident for approximately eleven years and know the importance of being involved with our community.

Please contact me if additional information is needed:

Address
Email:
Cell:

I look forward to hearing from you regarding the next step in the selection process.

Barbara Rothway

Education:

BS in Accounting from Milligan College, Johnson City, TN
MBA from Golden Gate University, San Francisco, CA

Work Experience:

Held various accounting, auditor, and tax preparation positions with two small CPA firms for 5 years. I was the assistant controller in charge of cost accounting for a real estate development company for approximately 5 years.

I worked for 30 years with various Federal Government agencies, including the Department of Energy, the US Naval Weapons Station, and the Department of the Interior. I held positions as an accountant, auditor, and audit team supervisor with increasing responsibilities over my career.

License:

During the past 30 years I was a licensed Certified Public Accountant in California. However, upon my retirement I have allowed my license to lapse.

Volunteer Work:

I have been a volunteer at Diablo Valley Foundation for the Aging since 2009 helping with the Bill Payer and Representative Payee Programs. Also, my duties include helping the Money Managers, working with Oversight Committee performing quarterly reviews of various client accounts, and as a board member since 2013, currently serving as Secretary.

I am currently a Tax Counselor volunteer with the AARP Tax-Aide program. I have worked at the Rossmoor site preparing Federal and state tax returns for seniors since 2010.

Interests:

I love playing golf, traveling internationally, reading and exercising.