

A G E N D A

FINANCE COMMITTEE

REGULAR MEETING

TUESDAY, DECEMBER 3, 2019, AT 9:00 AM
BOARD ROOM – GATEWAY COMPLEX

1. MEETING CALLED TO ORDER: F. William Dorband, Chairman
2. ROLL CALL: Dorband, Autrey, Lau, Moderacki, Neff, Thomas and Yearout
3. APPROVAL OF REPORT: Regular meeting of October 29, 2019 (Attachment)
4. RESIDENTS' FORUM
5. CHAIRMAN'S REPORT – ANNOUNCEMENTS
6. STAFF REPORTS
 - a) CEO – General Comments
 - b) CFO – Monthly GRF Financials (copy in GRF Board Office Finance Committee mailbox) (Attachments)
 - c) Director of Mutual and Trust Operations – Trust Facilities and Property Maintenance, Projects, and Machinery/Equipment Acquisition Reports (Attachments)
7. UNFINISHED BUSINESS
 - a) Review the Trust Estate Fund projection.
8. NEW BUSINESS
 - a) Review 2020 Trust Estate Capital Budget expenditures and recommend to the GRF Board the status of available funds for 2020 based on an updated Trust Estate Fund Projection. (Attachments)
 - b) Review Section 6 Finance from the Golden Rain Foundation General Plan 2024, and the GRF Finance Committee Charter to plan committee activities for 2020 (Attachments)
9. ADJOURNMENT
10. NEXT REGULAR MEETING: Tuesday, January 28, 2020, at 9:00 a.m. in the Board Room at Gateway Complex.

cc: GRF Board

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, OCTOBER 29, 2019, AT 9:00 A.M.

A regular meeting of the Finance Committee was convened by F. William Dorband, Chairman, at 9:00 a.m. on Tuesday, October 29, 2019, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Jean A. Autrey, Vice Chair, Alice Lau, Paul J. Moderacki, Mary K. Neff, Deborah Thomas, and Gery Yearout. Also attending were Robert D. Kelso, President, Leslie Birdsall, Vice President, Barbara Coenen, Secretary, and Kenneth Anderson, Sue DiMaggio Adams; Dale J. Harrington, and Kathleen Stumpf, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director of Mutual Operations; Jeffrey P. Matheson, Director of Resident Services; Amanda Davis, Accounting Manager; Deborah Rose, Executive Services Manager; Lisa Lou, Administrative Assistant, Executive Services; and two residents. Attendance

The report of the Committee's regular meeting of September 24, 2019, was approved as written. Report Approved

There were no Resident Forum speakers. Residents' Forum/

The Chairman reported that the Committee will not meet in the month of November and that it will next meet on Tuesday, December 3; and that the Committee's first meeting in 2020 will be held on Tuesday, January 28. He then reported that at its Tuesday, December 3, meeting, the Committee will review two items. The first, planning for 2020, will include the calendar for 2020 and what the Committee will be doing specifically on a month-to-month basis. He also asked that the Committee review the finance section of the General Plan 2024 (a copy was distributed to all Committee members) and note to what extent modifications or changed activities for the Finance Committee will be necessary. The second item will be putting together the draft 2020 Trust Estate Budget and an estimate to advise the Board of available funds for Trust activity. Chairman's Report

Mr. O'Keefe reported that the solar farm project is almost complete, and that the RV's have begun moving back into the lot; that the Stanley Dollar Clubhouse entry door and ramp project has been completed; and that the creek restoration project has been placed on hold pending permits and is estimated to begin in the Spring of 2020. Lastly, he provided an update regarding of the medical center lease and went on to provide an extensive overview of potential items for financial consideration that may be brought before the Committee for recommendation to the GRF Board. Staff Reports

Mr. Chakoff reviewed the GRF Statement of Operations for September, provided an overview of the General Fund balance, and reviewed the Trust Estate Fund balance.

Mr. Chakoff reviewed the MOD Statement of Operations for September and answered questions from Committee members.

Mr. Donner reviewed the September Trust Facilities and Property Maintenance

Report, the Capital Projects Budget and Expenditure Report, and the Machinery & Equipment Budget and Expenditure Report and answered questions from members of the Committee.

The Chairman introduced agenda item 7a, Review the Trust Estate Fund projection. The Chairman noted that the attachments referenced during its discussion can be found on pages 6b-1 through 6b-3 of the agenda packet. Discussion followed.

Trust Estate
Fund
Projection
Review/
Medical
Center Lease
Status

The Chairman introduced agenda item 8a, Review the medical center lease status. It was noted that Mr. O’Keefe had extensively reviewed this item during the CEO’s Report. A brief discussion followed. This was an informational item and no action was taken.

Lastly, the Chairman introduced agenda item 8b, Consider recommending to the Board the expenditure of \$15,000 from the Trust Estate Fund for a contract amendment to update the water reclamation feasibility study. Mr. Matheson provided an overview of this line item. Discussion followed.

Recomm-
endation of
Available
Funds
for Water
Reclamation
Feasibility
Study/

A motion was made by Ms. Autrey, seconded by Ms. Thomas, and CARRIED UNANIMOUSLY to recommend to the Board that there is sufficient money, based on the current cash flow projection, for this project from the Trust Estate Fund.

There being no further business to come before the Committee, the meeting was adjourned at 10:32 a.m.

Adjourn-
ment

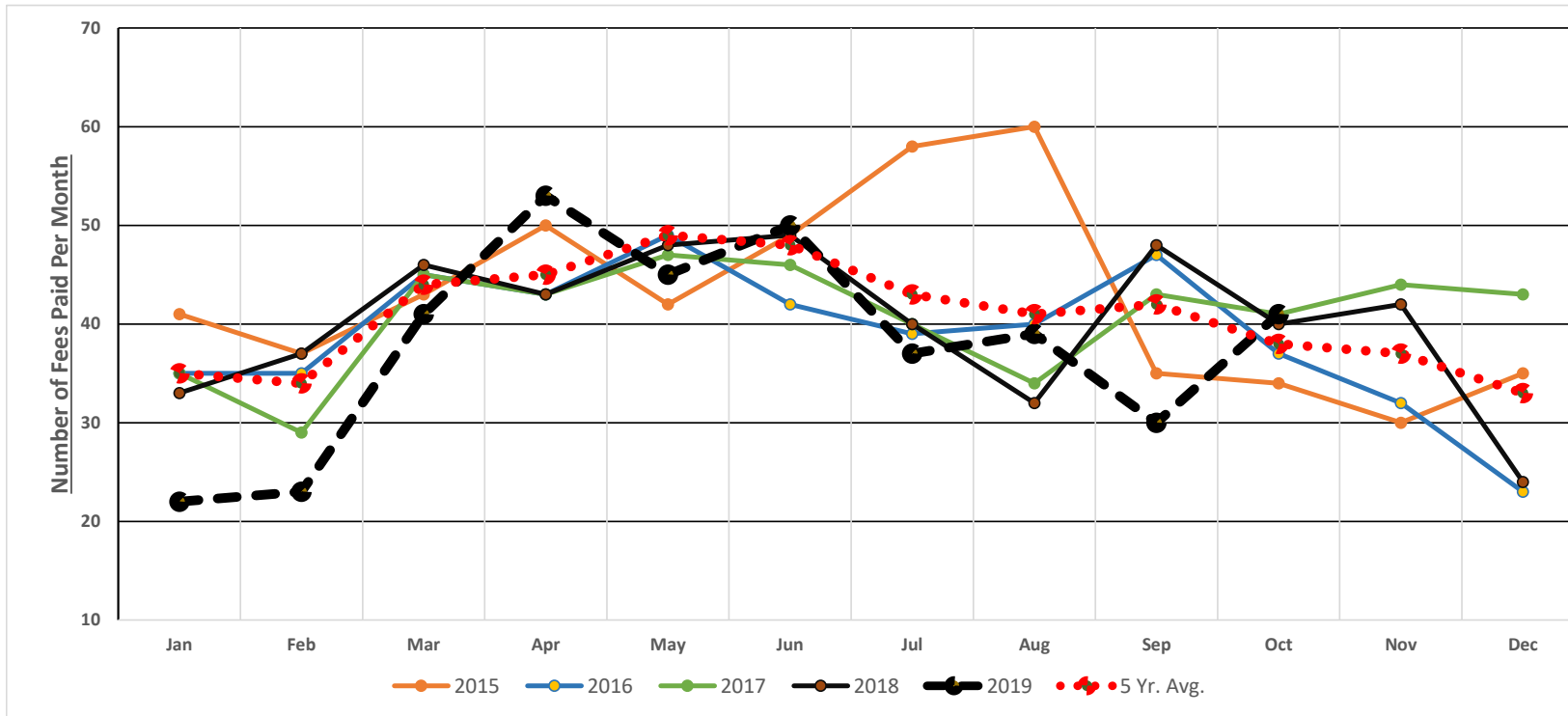
The next regular meeting of the Finance Committee will be held on **Tuesday, December 3, 2019, at 9:00 a.m. in the Board Room at Gateway Complex.**

Next Mtg.
12/3/19

dr

F. William Dorband, Chairman
Finance Committee

GRF Membership Transfer Fees

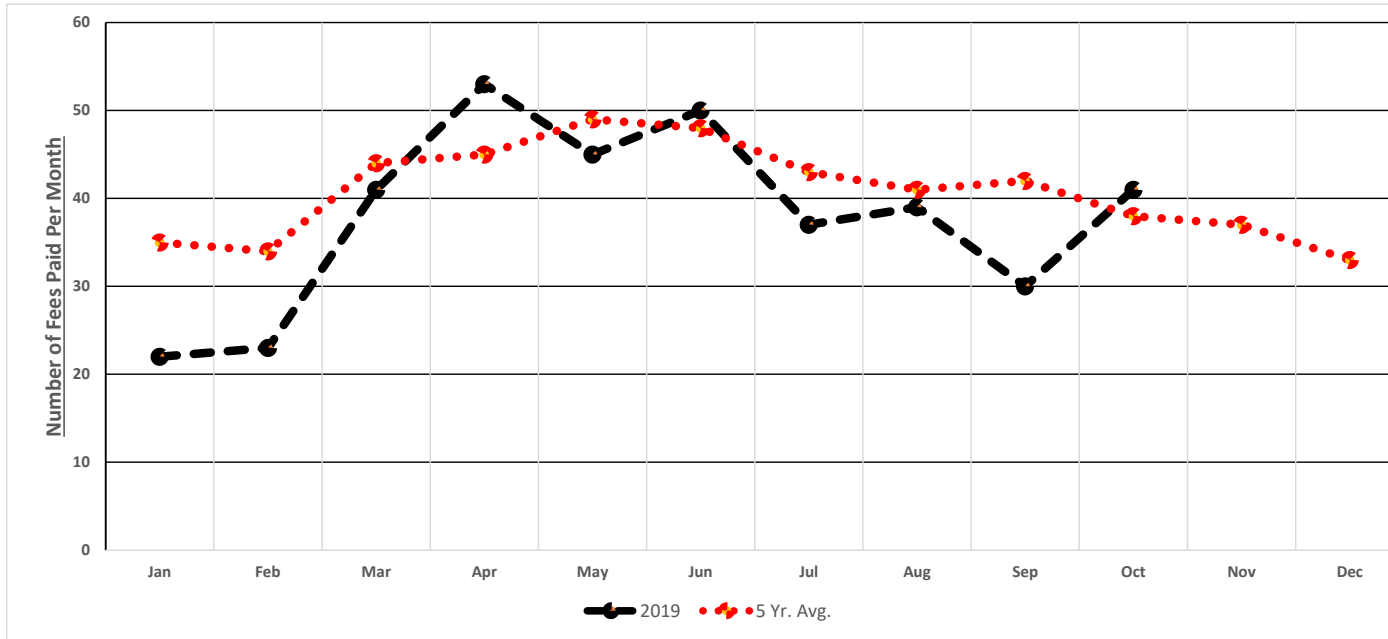


History of Transactions Generating Membership Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	23	25	33	37	44	33	40	31	33	38	27	34	398
2011	15	24	38	45	42	47	39	47	40	52	34	46	469
2012	36	33	59	65	50	57	51	48	45	50	50	35	579
2013	42	32	46	55	63	40	64	42	46	42	41	30	543
2014	32	32	43	44	61	56	36	37	37	36	36	40	490
2015	41	37	43	50	42	49	58	60	35	34	30	35	514
2016	35	35	45	43	49	42	39	40	47	37	32	23	467
2017	35	29	45	43	47	46	40	34	43	41	44	43	490
2018	33	37	46	43	48	49	40	32	48	40	42	24	482
2019	22	23	41	53	45	50	37	39	30	41			381
5 Yr. Avg.	35	34	44	45	49	48	43	41	42	38	37	33	489

Note: The 5 year average is for the years 2014 through 2018.

GRF Membership Transfer Fees Current Year vs Prior 5 Year Average



History of Transactions Generating Membership Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2004	28	43	49	63	45	72	58	62	60	36	58	33	607
2005	38	26	42	41	36	34	27	34	32	29	32	28	399
2006	13	13	41	24	32	42	12	38	32	24	37	21	329
2007	33	23	33	30	38	28	36	32	35	36	23	18	365
2008	15	14	32	32	38	35	42	30	33	23	17	31	342
2009	17	23	24	26	28	27	35	43	42	49	39	38	391
2010	23	25	33	37	44	33	40	31	33	38	27	34	398
2011	15	24	38	45	42	47	39	47	40	52	34	46	469
2012	36	33	59	65	50	57	51	48	45	50	50	35	579
2013	42	32	46	55	63	40	64	42	46	42	41	30	543
2014	32	32	43	44	61	56	36	37	37	36	36	40	490
2015	41	37	43	50	42	49	58	60	35	34	30	35	514
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2019	22	23	41	53	45	50	37	39	30	41			381
5 Yr. Avg.	35	34	44	45	49	48	43	41	42	38	37	33	489

Note: The 5 year average is for the years 2014 through 2018.

**YR2019 TRUST FACILITY / PROPERTY MAINTENANCE
 COST & COMMITMENT REPORT**
 Reporting Period: October 2019

Project	Approved Budget	Reporting Period Expenditures	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget	Status
Corporation Yard							
Commodity Bins Repairs	15,000	0	15,000	0	15,000	0	<i>completed</i>
Creekside							
Social Building Interior Painting and Stain	15,000	0	14,905	0	14,905	95	<i>completed</i>
Dollar							
Garden Room Upgrades	10,000	0	7,317	2,683	10,000	0	
Open Space							
Open Space Maintenance	25,000	546	18,945	6,055	25,000	0	
Defensible Space Fire Abatement	35,000	0	0	35,000	35,000	0	
Trails Maintenance	10,000	31	268	9,732	10,000	0	
Public Works							
Street Maintenance	170,000	25,470	149,433	19,667	169,100	900	
Sidewalk Maintenance	66,000	4,342	52,876	12,024	64,900	1,100	
Water, Drainage, Sewer Maintenance	17,000	10,204	14,823	2,177	17,000	0	
Street Striping	24,000	0	21,600	2,400	24,000	0	
Valleywide							
Equipment Replacements	39,000	0	15,853	23,147	39,000	0	
TOTAL	426,000	40,593	311,019	112,886	423,905	2,095	

**CAPITAL PROJECTS
BUDGET AND EXPENDITURE REPORT**
Reporting Period OCTOBER 2019

Project	Approved Budget	Reporting Period Expenditures	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget	Status
Gateway HVAC Replacement	615,000			615,000	615,000	0	Not started
Valley Wide Street Construction	520,000	12,940	430,488	89,512	520,000	0	In process
Hillside Restroom Renovation	230,000			230,000	230,000		Not started
Creek Restoration Design & Project Management	222,177	26,866	90,353	131,824	222,177	0	In process
Fiber Optic Cable Phase I	60,000		47,888	(2,940)	44,948	15,052	Complete
Fiber Optic Cable Phase II	160,000		7,983	152,017	160,000	0	In process
Repave MOD Parking Lot	308,000			308,000	308,000	0	Not started
Water Reclamation Facility Study	170,000		160,581	9,419	170,000	0	In process
Corp Yard Fire & Domestic Water Lines Replacement	120,000	120,216	120,216	0	120,216	(216)	Completed
Gateway Workshops Renovation Design NOTE 1	83,000		107,319	0	107,319	(24,319)	Completed
Dollar Clubhouse Accessibility Improvements	105,000		98,908	6,092	105,000	0	In process
Dollar Pool Plaster Replacement	85,000			85,000	85,000	0	Not started
Database Integration	55,000	21,945	15,919	39,081	55,000	0	In process
Rossmoor Web Portal	50,000	12,168	12,168	37,833	50,000	0	In process
Stanley Dollar Drive Parking	26,021		24,864	1,157	26,021	0	In process
Event Center Trash and Recycling Containers	25,000		24,902	0	24,902	98	Completed
Golf Course Irrigation Pump Replacement	18,000	7,088	14,176	0	14,176	3,824	Completed
MOD Corporation Electrical Upgrade	16,000			16,000	16,000	0	Not started
Hillside Pool Covers	7,750		7,465	0	7,465	285	Completed
TOTAL	2,875,948	201,223	1,163,230	1,717,994	2,881,223	(5,275)	

NOTE 1: The plan check/permit process for this project was initiated in anticipation of the renovation construction phase going out to bid in Fall 2019. Related incurred fees of \$26K were not included in the budget. This amount would typically go to the construction phase budget which has not been approved as of yet.

Project	Unapproved Budget
Gateway Generator	225,000
Vista & Las Trampas Rooms Renovation-Hillside	100,000
Dollar Clubhouse Restroom Renovation-1st Floor	80,000
Oak Room Flooring Replacement	45,000
Recreation Office Partition Replacements	30,000
Gateway Large Conference Room Upgrade	20,000
Dollar Ranch Course Design Plans-Green/Fairway 14	10,000
Buckeye Tennis Complex Ball Wall	6,000
TOTAL	516,000

**MACHINERY & EQUIPMENT
BUDGET AND EXPENDITURE REPORT**
Reporting Period: OCTOBER 2019

Project	Approved Budget	Incurred To-Date	Forecast To-Complete	Est. Final Expenditure	Under/(Over) Budget
MOD Vehicles	198,000	194,100	3,900	198,000	0
GRF Vehicles	114,000	100,445	13,555	114,000	0
Skid Loader	46,000	45,389	(0)	45,389	611
Tee Mower	38,000	37,433	567	38,000	0
Security Camera System	35,000	35,005	0	35,005	(5)
Utility Vehicle-Golf	32,000	31,906	0	31,906	94
Rossmoor Website Improvements	25,000	5,772	19,228	25,000	0
Vehicle Maintenance Software	16,000	15,945	0	15,945	55
Fuel Management System Upgrade NOTE 1	10,190	10,190	0	10,190	0
Heater Replacement-Dollar Clubhouse Pool	7,500		7,500	7,500	0
Ball Picker	5,000		5,000	5,000	0
TOTAL	526,690	476,185	49,750	525,935	755

NOTE 1: Cost for a MOD fuel island repair.

MOD Expenditures	198,000	194,100	3,900	198,000	0
GRF Expenditures	328,690	282,085	45,850	327,935	755
TOTAL	526,690	476,185	49,750	525,935	755

Golden Rain Foundation
Trust Estate Fund Projection
in thousands (000's)

	2019 (2 Months)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029 - 2038	Total
Beginning Balance 10/31/2019	3,952	2,717	3,334	5,082	6,683	8,400	9,703	11,192	12,257	13,795	15,300	3,952
<u>Estimated Revenues:</u>												
Membership Transfer Fees	624	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	47,000	89,924
Medical Center Rent	114	694	711	729	747	766	785	804	825	845	9,706	16,726
Total	738	5,394	5,411	5,429	5,447	5,466	5,485	5,504	5,525	5,545	56,706	106,650
<u>Debt Service:</u>												
Mechanics Bank Loan #1-Creekside	125	749	749	749	749	749	749	749	378			5,746
Mechanics Bank Loan #2-Event	133	785	757	730	703	676	649	622	595	568	228	6,446
Mechanics Bank Loan #3-Fitness	98	586	586	586	586	586	586	586	586	586	2,637	8,009
<u>Estimated Expenditures</u>												
Machinery & Equipment	46											46
Total per Long Range Plan(1)		1,557	1,471	1,663	1,592	2,052	1,912	2,382	2,328	2,786	20,794	38,537
Approved Projects (2)	1,718											1,718
Other Projects (3)	-	100	100	100	100	100	100	100	100	100	1,000	1,900
<u>Encumbered Funds</u>												
Creek Repair		1,000										1,000
Total Estimated Expenditures	2,120	4,777	3,663	3,828	3,730	4,163	3,996	4,439	3,987	4,040	24,659	63,402
Revenue Minus Expense	(1,382)	617	1,748	1,601	1,717	1,303	1,489	1,065	1,538	1,505	32,047	43,249
Amount due from GRF Operating Fund (4)	146											
Ending Fund Balance	2,717	3,334	5,082	6,683	8,400	9,703	11,192	12,257	13,795	15,300	47,347	47,201
Target Minimum Fund Balance	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Funds in Excess of Target	717	1,334	3,082	4,683	6,400	7,703	9,192	10,257	11,795	13,300	45,347	45,201

(1) Includes expenditures from long-range capital plan excluding water reclamation, Gateway studios and creek restoration

(2) Forecast to complete capital projects previously approved in process

(3) To account for various projects not currently planned that occur during the year

(4) Membership fees recorded at the end of the month not yet deposited in the Trust account

**Golden Rain Foundation
Machinery & Equipment and Non-Discretionary Capital Budget
2020**

Machinery & Equipment

GRF Operations

Clubhouse & Facilities

Heater replacement at Dollar Clubhouse pool	8,500
Event Center dishwasher	20,000
Projector at Club Room in Creekside Clubhouse	15,000
Chair replacements	50,000
Bus bench replacements	25,500

Golf

Tru Turf greens roller	13,000
Ventrac 4500 traction mower	51,050
John Deere utility vehicle	13,750
Tow behind turbine blower	16,500
Irrigation booster station	25,000

Channel 28

Apple IMAC Pro Computer	24,000
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Administration

Postage machine	12,000
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Total GRF Operations	274,300
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MOD (1)

Scaffolding for maintenance crews	10,000
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Total MOD	10,000
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Total Machinery & Equipment	284,300
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(1) Purchase of assets used by MOD are reimbursed by MOD over the depreciable life of the asset. For example an asset cost \$10,000 with a 5 year life would be paid in five annual increments of \$2,000.

Non- Discretionary Capital Items

Gateway

Replace flooring in the Oak Room	40,000
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Hillside

Re-plaster Hillside pool	115,000
Re-roof restroom building and storage buildings at Hillside	28,000

Valley-wide

Annual Paving program	535,000
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Total Non - Discretionary Capital Items	718,000
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Total GRF Machinery & Equipment + Capital Expenditures	992,300
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Total MOD Expenditures	10,000
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Grand Total	1,002,300
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**Golden Rain Foundation
Machinery & Equipment and Non-Discretionary Capital Budget
2020**

Machinery & Equipment

GRF Operations

Clubhouse & Facilities

Dollar pool heater - \$8,500

Dollar pool has two heaters. On an annual basis one of the heaters is replaced. The heaters have a two year lifecycle based on the higher operating temperature of this pool.

Event Center dishwasher - \$20,000

The dishwasher at the Event Center has failed several times in 2019. The cost to repair and availability of parts exceeds the cost to replace and upgrade the unit.

Replace projector at Club Room in Creekside Clubhouse \$15,000

The projector in the Club Room at Creekside is failing. Based on the age of the projector (2010), there are few replacement parts. The projector needs to be replaced for long term reliability. The projector in this room is used on a regular basis.

Chair replacement \$50,000:

Purchase 200 new chairs for Hillside Clubhouse. In 2013-2015 new chairs were purchased for the Event Center, Fireside Room at Gateway, and Diablo Room at Hillside. Many of these chairs have failed and need to be replaced. In addition the chairs in the Vista and Las Trampas Room are in poor condition and ready to be replaced. Chairs from Diablo Room will be moved to the Event Center, chairs from Vista and Las Trampas will be surplus.

Replacement of 30 bus benches \$25,500:

The majority of the bus benches in Rossmoor have been retrofitted with Trex wood that has now warped and worn out. The benches are in need of replacement.

Golf

Golf Course 2020 Machinery and Equipment Requests \$119,300

Priority	Cost	
#1	\$ 13,000	Tru Turf (Replaces same #701 purchased used in 2006.)

- | | | |
|----|-----------|---|
| #2 | \$ 51,050 | Ventrac 4500 traction mower with reel mowers and rotary deck
(Replaces 2 winter traction mowers, #466, 2786 purchased in 2004, 2005) |
| #3 | \$ 13,750 | John Deere TE lightweight utility vehicle (Replaces a similar lightweight utility vehicle #2839 purchased in 2009.) |
| #4 | \$ 16,500 | Tow behind Turbine Blower (Replaces a similar type unit #2844 purchased used in 2010.) |
- Golf Irrigation**
- | | | |
|----|-----------|---|
| #1 | \$ 25,000 | Replace VFD drive in main pump station and communication device with booster station. (13 years old.) |
|----|-----------|---|

Channel 28

Apple IMAC computer \$24,000

The IMAC computer is used seven days a week by all of the videographers to edit the videos they shoot. They can be used for upwards of 15 hours daily, both for active editing and rendering. This will replace a computer purchased in 2010.

Administration

Pitney Bowes postage machine \$12,000

This will replace a postage machine for which a five year lease is expiring in 2020. Staff analyzed leasing versus purchasing the machine and found purchasing to be the least expensive option.

MOD

Scaffolding for maintenance crews \$10,000

As part of MOD's emphasis on safety we are requesting new scaffolding with added safety features. The new scaffolding will allow crews to work in higher and wider areas while remaining safe. Safety features include plank ladders and hatched doors for safe walking between levels and fasteners to the building to minimize scaffold sway.

Non-Discretionary Capital Items

Gateway

Replace flooring in the Oak Room:

The carpeting in the Oak Room is badly stained and requires frequent professional cleaning. The cost per cleaning is \$900.00. This project will replace the carpet with a laminate flooring similar to the new flooring in the Diablo Room. This new flooring will be much easier and cheaper to maintain.

The requested budget is \$40,000

Hillside**Re-Plaster Hillside Pool:**

Hillside Pool was last plastered in 2009 when the pool was renovated. Plaster typically lasts 7-10 years. The plaster is showing significant signs of deterioration. The plaster job will include required ADA upgrades to the handrails and replacement of the drain covers per code.

The requested budget is \$115,000

Reroof Restroom Building and Storage Buildings at Hillside

Hillside has an equipment storage building for the Lawn Bowling maintenance equipment, a restroom building serving Sportsman's Park, and a storage building serving Sportsman's Park. All three buildings need roofing repairs including significant dry rot repair.

The requested budget is \$28,000

Valley-wide**Annual Paving Program**

This year the proposed paving program is focused on parking lots that are badly deteriorated. Proposed paving includes, (full depth replacement) upper employee parking lot at MOD (\$120,000), upper RV lot (\$220,000), Hillside main parking lot (\$195,000) - \$535,000

The requested budget is \$535,000

6 FINANCE



**GOLDEN RAIN FOUNDATION
WALNUT CREEK**

A. Background

This section describes the key features of Rossmoor's financial management, with a focus on the GRF.

The Coupon charged by each of the Mutuals is used to a) fund the costs of operations of the Mutual, and b) pay the carrying charges which cover the costs of operation of GRF per the terms of the Trust Agreement. The Coupon is collected monthly by each Mutual from residents of each manor.

GRF has three principal sources of operating cash: 1) payment of carrying charges received by GRF from the Mutuals out of the Coupon payments collected by the Mutuals, 2) payments from the Mutuals for services provided directly to the Mutuals

GOLDEN RAIN FOUNDATION
 GENERAL PLAN
 OCTOBER 2016
 FINANCE

by the Mutual Operations Division of GRF, and 3) fees and sales proceeds from residents, clubs, and non-residents for goods and services provided by GRF.

Revenue for GRF's Trust Fund comes primarily from membership transfer fees, which are reviewed periodically, and medical center rent. The Trust Fund is used for capital projects/equipment. When additional capital funds are required, loans can be taken out and are repaid from the Trust Fund.

The annual budgeting process includes review of operating expenses for each department, the maintenance budget for Trust facilities/properties and a forecast of operating cash needed to cover unforeseen expenditures. Budget principles are used annually to establish the GRF Board's approach to development of the budget. Revenue-enhancing opportunities are identified each year during the GRF budget process.

GRF performs a role similar to that of maintenance, landscaping and recreation departments of a small city of almost 10,000 residents, and a substantial budget for same, as well as planning.

B. Goals, Policies, and Actions

Goal FIN -1	A fiscally healthy GRF that plans for the future and responds to the needs and desires of Rossmoor residents, consistent with Rossmoor's standing as a premier adult community, including keeping the Coupon as low as reasonably possible.
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Policies

Policy FIN-1.1	Balance the expenditure of capital and/or operating cost against the available funding, the cost effectiveness of the expenditure, the expected results in terms of meeting the needs and desires of residents, the projected usage, and the timing involved in fulfilling the recommendation.
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- Policy FIN-1.2 Keep the GRF portion of the Coupon as low as possible while providing a range of programs, services, and facilities. Balance the needs and desires for expansion and modification with their impact on the Coupon.
- Policy FIN-1.3 Use the GRF budgeting process to review ongoing expenditures and one-time capital expenditures and to review specific needs and desires for new or improved facilities.
- Policy FIN-1.4 Ensure that expenditures, including those recommended by actions within this Plan, are as cost effective as possible while also meeting the needs and desires of Rossmoor residents.
- Policy FIN-1.5 Undertake capital projects to the extent that they can be funded with available Trust funds or loans whose repayment through Trust funds can be projected using fiscally sound budget principles. Consider cost of maintenance and upgrades when evaluating cost of new facilities.
- Policy FIN-1.6 Review the impact of ongoing operating costs for new facilities on GRF's operating budget and Coupon charges when deciding whether to develop such facilities.
- Policy FIN-1.7 Periodically review programs and services to ensure they are providing cost-effective, quality services and resulting in desired outcomes.
- Policy FIN-1.8 Review obligations to employee salary and benefit programs, as well as the impact of these programs on the GRF portion of the Coupon and on recruitment and retention of employees.

Actions

- Action FIN-1.1 Periodically analyze the direct cost of GRF services provided by staff to determine whether they are cost effective. The analysis should include a comparison of the cost of outsourced services without sacrificing quality or other aspects of the services important to Rossmoor residents.

GOLDEN RAIN FOUNDATION
 GENERAL PLAN
 OCTOBER 2016
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- Action FIN-1.2 Consider the impact on the Long Range Capital Project Plan for all major spending decisions.
- Action FIN-1.3 Maintain an operating reserve to address future needs and to help prevent significant fluctuations in future budgets.

Goal FIN -2	An organizational culture that continually seeks entrepreneurial opportunities and expanded revenues consistent with the needs and expectations of Rossmoor residents.
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Policies

- Policy FIN-2.1 Develop programs to enhance "outside" revenue from GRF facilities and services utilizing existing activities and expertise. Focus additional revenue on the provision of services to residents with minimal increase of the GRF portion of the Coupon or other fees to residents.
- Policy FIN-2.2 Encourage both private and GRF run commercial activities in GRF's facilities, consistent with Rossmoor's values and with an emphasis on filling the needs of Rossmoor residents and attracting Rossmoor residents as patrons.

Actions

- Action FIN-2.1 Review ideas for revenue enhancement to determine which should be implemented consistent with GRF policies.

Goal FIN -3	GRF recognizes the need for, and the value of, a strong system of internal control and transparency.
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Policy

- Policy FIN-3.1 Ensure effective and efficient internal controls are in place to achieve GRF objectives in operations, financial reporting and compliance with applicable laws and regulations.

Actions

- Action FIN-3.1 Engage a qualified audit firm to conduct an annual audit using generally accepted auditing standards.

- Action FIN-3.2 Consider posting on Rossmoor website the GRF and related entities' monthly financial statements and Finance Committee agenda packages.

- Action FIN-3.3 Consider posting link on Rossmoor website to public information filings.

FINANCE COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

ORGANIZATION AND MEMBERSHIP

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

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

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

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

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

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

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

PURPOSES AND RESPONSIBILITIES

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

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

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

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

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