

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, SEPTEMBER 24, 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, September 24, 2019, in the Board Room at Gateway Complex.

Present, in addition to the Chair, 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, Dale J. Harrington, and Kathleen Stumpf, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director, Mutual and Trust Operations; Jeffrey P. Matheson, Director of Resident Services; Judith A. Perkins, Senior Manager, Human Resources, Steve Martinez, Senior Manager, Human Resources, Ann Peterson, Director of Communications, Amanda Davis, Accounting Manager; Deborah Rose, Executive Services Manager; and three residents. Attendance

The report of the Committee's regular meeting of August 27, 2019, and the Joint meeting of September 10, 2019 were approved as written. Report Approved

There were no Resident Forum speakers. Residents' Forum/ Chairman's Report/

There was no Chairman's Report.

Mr. O'Keefe reported that the solar farm RV lot paving began today; the solar farm project is to be completed in October; the Dollar Ramp will be completed this week; the Comcast TCM channel and proposed package will be a discussion item on the meeting agenda at the upcoming Board meeting on Thursday, September 26. Staff Reports

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

Mr. Donner reviewed the August Trust Facilities and Property Maintenance Report, the Capital Projects Budget and Expenditure Report, and the Machinery & Equipment Budget and Expenditure Report and answered questions from members of the Committee. Trust Estate Financial Activity

The Chairman introduced agenda item 7a, Review current Trust Estate financial activity and modify for any new categories and recommend to the Board any updates to the level of budgeted expenditures for the remainder of 2019 and for 2020. Discussion followed. Recommendations re. 2020 GRF Operating Budget

The Chairman introduced agenda item 8a, Review and recommend the 2020 GRF Operations Budget presented at the September 10 Joint Meeting. Then review the following potential modifications to the 2020 GRF Operating Budget. The Chairman distributed a handout to all those in attendance, entitled Golden Rain Foundation Street/Sidewalk Repairs (copy on file).

The Committee then discussed the proposed 2020 GRF Operations Budget and made the following recommendations:

Item 8a (Main Motion)

A motion was made by Ms. Thomas and seconded by Ms. Neff Operations Budget in the aggregate amount of \$23,615,638, a coupon amount of \$294.78 per manor, per month, including cable TV.

Item 8a-1 (Decrease GRF Professional Service expense by \$5,000 to reflect a reduction in audit fees.)

A motion was made by Ms. Thomas and seconded by Mr. Moderacki to amend the main motion to approve the proposed 2020 GRF Operations Budget and recommend approval of a budget reduction of -\$5,000 in GRF Professional Service expenses from the amount previously projected. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Item 8a-2 (Add revenue of \$1,440 to Aquatics for swim lesson program.)

A motion was made by Ms. Yearout and seconded by Ms. Autrey to amend the main motion to approve the proposed 2020 GRF Operations Budget and recommend approval of a budget increase of +\$1,440 in revenue for swim lessons program from amount previously projected. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Item 8a-3 (Add revenue of \$8,000 to Golf Operations due to proposed guest fees increases.)

A motion was made by Ms. Thomas and seconded by Ms. Lau to amend the main motion to approve the proposed 2020 GRF Operations Budget and recommend approval of a budgeted revenue increase of +\$8,000 for increased Golf Operations guest fees from the amount previously projected. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Item 8a-4 (Add additional revenue of \$51,480 to Bus Transportation in anticipation of funds from the Bus Grant Program.)

A motion was made by Ms. Yearout and seconded by Ms. Neff to amend the main motion to approve the proposed 2020 GRF Operations Budget and recommend approval of a budget increase of +\$51,480 for anticipated funds from Bus Transportation Bus Grant Program from amount previously projected. A vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Item 8a-5 (Consider revising the allocation of \$250,000 for 2020 slurry seal Withdrawn expenditures.)

A motion was made by Ms. Yearout and seconded by Ms. Autrey to consider revising the allocation of \$250,000 for 2020 slurry seal expenditures, following a discussion, the Committee agreed to withdraw this item from the proposed 2020 GRF Operations Budget main motion. A vote on the withdrawal was taken, and the motion to withdraw CARRIED UNANIMOUSLY.

Item 8-1 (Main Motion)

The vote was then taken on the motion to recommend approval of the proposed 2020 GRF Operations Budget in the amount of \$23,615,638, and the motion, as amended, CARRIED UNANIMOUSLY.

Summary

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

Net Decrease \$65,920

The recommendations resulted in a decreasing the recommended 2020 GRF coupon of \$294.78 per manor, per month including cable TV to \$293.96

There being no further business to come before the Committee, the meeting was adjourned at 10:34 a.m. Adjournment

The next regular meeting of the Finance Committee will be held on Tuesday, October 29, 2019, at 9:00 a.m. in the Board Room at Gateway Complex. Next Mtg. 10/29/19



F. William Dorband, Chairman
Finance Committee

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