

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, MARCH 26, 2019, AT 9:03 A.M.

A regular meeting of the Finance Committee was convened by F. William Dorband, Chairman, at 9:03 a.m. on Tuesday, March 26, 2019, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Jean A. Autrey, Vice Chair, Paul J. Moderacki, Mary K. Neff, Paul Rosenzweig, Deborah Thomas, and Gery Yearout. Also attending were Robert D. Kelso, President, Leslie Birdsall, Vice President, Geraldine Pyle, Secretary, and Sue Adams, Kenneth Anderson, and Barbara Coenen, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director, Mutual and Trust Operations; Amanda Davis, Senior Accountant; Deborah Rose, Senior Administrative Assistant, Executive Services; and four residents.

Attendance

The report of the Committee's regular meeting of February 26, 2019, was approved as written.

Report
Approved

There were no Resident Forum speakers.

Residents'
Forum/
Chairman's
Report

The Chairman announced that Deborah Thomas has been approved as a member of the Finance Committee, which was made effective at the last GRF Board meeting held on February 28 and has been an active member since her approval.

Mr. O'Keefe provided an update regarding current difficulties with recruiting lifeguards, which will affect hours at the Hillside and Dollar pools. He went on to report that there is a cautiously optimistic update regarding the solar farm as the Assistant Fire Chief has given verbal approval to continue plans without the requirement of a sprinkler system and instead require a 10-foot panel separation from the nearest building. He went on to report that the water reclamation project exploration continues with the reallocating of funds that were unspent on the project to acquire a hydrologist to see if the soil is conducive to an aquifer. He announced that he had to authorize an emergency expenditure for a MOD fuel island failure, which would have allowed access to the fuel line without permission. He reported that the Board will address a recent recommendation made by the Finance Committee to increase the Membership Transfer Fee from \$9,000 to \$10,000 at its upcoming Thursday, March 28, meeting. Lastly, he noted a potential item that may come to the Committee for review, which is a plan for wildfire evacuation. Mr. O'Keefe answered questions from members of the Committee.

Staff
Reports

Mr. Chakoff asked the Committee how it would like to receive the Financial Statements going forward. The Committee agreed that it prefers both an electronic copy of and a printed hard copy of the Financial statements.

Financial
Statement
Distribution

Mr. Chakoff reviewed the GRF Statement of Operations for February and provided an overview of the General Fund Balance. Lastly, he reviewed the Trust Estate Fund

Staff
Reports

and answered questions from members of the Committee.

Cont.

Mr. Donner reviewed the February 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 asked the Committee for an agreed upon effective date for its recommendation to the Board regarding the increase of the Member Transfer Fee at its last meeting on February 26, which the Committee made a recommendation to the Board to increase the Membership Transfer Fee (MTF) from \$9,000 to \$10,000. Discussion followed.

Recomm-
endation
Effective
Date
for MTF
Increase

A motion was made by Ms. Neff, seconded by Ms. Autrey, and CARRIED UNANIMOUSLY to recommend to the GRF Board that the increase of the Membership Transfer Fee from \$9,000 to \$10,000 be effective July 1, 2019.

The Chairman reviewed agenda item 8a, discuss capital budget planning reports. Mr. Ken Haley was invited to provide an overview of a graph showing the history of transactions generating membership transfer fees on page 8a-1 of the agenda packet. A lengthy discussion followed.

Capital
Planning
Budget
Reports

Ms. Neff provided an update regarding the Membership Transfer Fee Task Force.

A motion was made by Ms. Neff and seconded by Ms. Yearout that the Finance Committee asks the CFO to update the 2019 Trust Fund Projection to decrease the MTF to \$3.6 million, to decrease the Capital Budget to \$1.529 million, and to keep placeholders for the three large projects, water reclamation, Gateway studio construction, and creek restoration. Following discussion, a vote on the motion was then taken and the motion CARRIED with Mr. Rosenzweig voting no.

Request for
CFO to
Update the
Trust Estate
Fund
Projection

There being no further business to come before the Committee, the meeting was adjourned at 10:24 a.m.

Adjourn-
ment

The next regular meeting of the Finance Committee will be held on Tuesday, April 23, 2019, at 9:00 a.m. in the Board Room at Gateway Complex.

Next Mtg.
4/23/19



F. William Dorband, Chairman
Finance Committee