

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, FEBRUARY 28, 2008, AT 9:02 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, David H. Smith, at 9:02 a.m. on Thursday, February 28, 2008, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: David H. Smith, Diane C. Mader, Christine L. Folger, Frank B. Mansfield, Ronald W. Moschel, Clarence H. Nixon, John C. Turnier, and Warren T. Salmons, Chief Executive Officer (CEO), ex-officio member of the Board Attendance

Excused: Sheldon Solloway and Paul Rosenzweig

Also present were Hazel M. Horti, Chairwoman, Aquatics Advisory Committee; Robert W. Donovan, Chairman, Finance Committee; Nancy Gracey Bann, Secretary, Fitness Center Advisory Committee; Patrick T. Kelly, Chairman, Golf Advisory Committee; Richard S. Chakoff, Chief Financial Officer; Paul J. Donner, Director, Mutual Operations; Mark K. Heptig, Director, Golf Courses/Golf Professional; Daniel L. Schrantz, Director, Trust Operations; Shannon M. Walpole, General Counsel, and Director, Confidential Services; Paulette L. Jones, Senior Manager, Executive Services; Maureen A. O'Rourke, Senior Manager, and Wilma Murray, Staff Writer, Communications Department; Judith A. Perkins, Senior Manager, Human Resources; Damien A. Abel, Manager, Resident Services; Susan F. Ritner, Program Manager, and George Ivanov, Program Assistant, Rossmoor Television Channel; and James Prashad, Custodian/AVF Technician Foreman.

The first order of business was the President's presentation of The Rossmoor Award to Judith E. Box, C. K. Chow, Loretta (Lori) Graham, Charlotte R. Katz, and Anita M. Lamb. The President gave some background information about the recipients who serve the community as volunteers for the AARP tax-aid free income tax preparation service and help Rossmoor residents by preparing and filing their tax returns. The recipients, with the exception of Mr. Chow, who was unable to be present, accepted the Award with thanks. Mr. Smith also acknowledged the work of Laverne Gordon, District Supervisor of the service. Rossmoor Award

A motion was made by Mr. Mansfield, seconded by Ms. Mader, and CARRIED, with Mr. Turnier abstaining because he did not attend the meeting, to approve, as written, the minutes of the regular meeting of the Board held on January 31, 2008.

Minutes
Approved

A motion was made by Mr. Mansfield, seconded by Ms. Mader, and CARRIED UNANIMOUSLY to approve, as written, the minutes of the regular meeting of the Board held on February 12, 2008.

A motion was made by Ms. Mader, seconded by Mr. Mansfield, and CARRIED UNANIMOUSLY to approve, as written, the minutes of the special meeting of the Board held on February 15, 2008.

The CEO reviewed his written report dated February 21, 2008, which included the manor sales report for the period ending January 31, 2008, and was included in the agenda package. Discussion followed. CEO's Report

In the absence of Mr. Rosenzweig, the President gave the Treasurer's report, which was included in the agenda package, for the period ending January 31, 2008. Treasurer's Report

During the Residents' Forum, Donna D. Kaufman, President of the Rossmoor Resident Emergency Preparedness Organization, reported on emergency preparedness matters. Residents' Forum

Mrs. Horti, Chairwoman of the Aquatics Advisory Committee (AAC), summarized the report of the Committee's February meeting, which was included in the agenda package. Discussion followed during which Mr. Nixon suggested that the AAC thoroughly explore the need for life guards at all of the pools. The President said that the Committee could deal with the suggestion as it sees fit. AAC Report

Mr. Donovan, Chairman of the Finance Committee, summarized the report of the Committee's February meeting, which was distributed to the members of the Board and is on file. Discussion followed. Finance Committee Report

In the absence of Ms. Green, Chairman of the Fitness Center Advisory Committee, Mrs. Bann, the Committee's Secretary, highlighted items in the report of the Committee's February meeting, which was included in the agenda package. The President referred the Committee's recommendation that GRF employees be permitted to use the Fitness Center at times and in ways that will not infringe on resident use to the Policy Committee for consideration. Discussion followed. FCAC Report

Mr. Kelly, Chairman of the Golf Advisory Committee, said the report of the Committee's February meeting was distributed to the members of the Board. He had nothing to add to the report, which is on file. GAC Report

Agenda item 9a, Consider approving a revised Rule R202.0, Bar Codes, General, as recommended by the Policy Committee, was deferred. Consideration of Bar Code Rule Deferred

The President called on Ms. Mader, Chairman of the Policy Committee, who explained the reasons for the Committee's recommended revisions to Policy 101.1, Acceptance of Gifts, Donations, and Bequests. In keeping with the Board's practice that policy agenda items be on the agenda for two meetings to allow time for resident input, consideration of the recommendation was deferred to the March 27, 2008, regular meeting of the Board.

Revised
Policy 101.1
to be
Considered
3/27/08

A motion was made by Mr. Nixon and seconded by Mr. Moschel to approve a four-year contract (License Agreement) with Creekside Mochas, Inc., for the provision of food services in the Fairway Room at the Creekside Complex and to authorize the CEO to execute the contract. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Agreement
w/Creekside
Mochas for
Food
Services

A motion was made by Ms. Mader and seconded by Mr. Nixon to approve a change order in an amount up to \$43,000 to be paid from the Trust Estate Fund to Aliquot Associates to revise the design and the construction documents for the Corporation Yard Project in accordance with the recently approved Project Option 2A. Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
Payment of
Aliquot
Change
Order

The President called on Mr. Schrantz who reviewed a PowerPoint presentation of the proposed Trust Reserve Work Program for 2008 for Necessary Items in the amount of \$1,059,000 and Discretionary Items in the amount of \$130,000 from the Trust Estate Fund for a total of \$1,189,000.

2008 Trust
Reserve Work
Program

Mr. Chakoff then reviewed a PowerPoint presentation of proposed capital equipment expenditures for 2008 in the amount of \$363,400 from the Trust Estate Fund.

2008
Equipment
Expenditures

The President suggested that the Board consider the proposed Necessary Items and the Discretionary Items in the 2008 Trust Reserve Work Program separately. There were no objections.

A motion was made by Mr. Nixon and seconded by Ms. Mader to approve the Trust Reserve Work Program for 2008 for Necessary Items in the amount of \$1,059,000. It was noted that approximately \$450,000 of this total is available from the developer (Shea Homes) handover settlement funds designated for major street repairs. During discussion, it was the consensus of the members of the Board that no monies be spent on the traffic calming initiative (\$25,000) included in the list of Necessary Items until after a report back to the Board on the proposed project. It was then suggested that Policy 402.1, Financial Authority, be reviewed to consider increasing the current \$5,000 minimum dollar amount for Trust Work projects funded from the Trust Estate Fund. The suggestion was referred to the Finance Committee for

2008 Trust
Reserve
Work
Necessary
Items
Approved

consideration. The vote on the motion was then taken, and the motion CARRIED, with Mr. Turnier voting no.

A motion was made by Ms. Mader and seconded by Mr. Moschel to approve the Trust Reserve Work Program for 2008 for Discretionary Items in the amount of \$130,000 from the Trust Estate Fund. The proposed list of items was then discussed. It was the consensus of the members of the Board that the Buckeye tennis courts shade awnings (\$7,000), the Del Valle new control panel for the pool enclosure roof (\$7,000) and the deck coating for the pool deck (\$33,000), and the Hillside pool locker rooms (\$28,000) be removed from the proposed list of Discretionary Items. The revised total amount for Discretionary Items was reduced to \$55,000, and the motion was, therefore, amended to approve the Trust Reserve Work Program for 2008 for Discretionary Items in the amount of \$55,000 from the Trust Estate Fund. The vote on the amended motion was then taken, and the motion, as amended, CARRIED UNANIMOUSLY.

2008 Trust Reserve Work Discretionary Items Approved

A motion was made by Mr. Nixon and seconded by Mr. Mansfield to approve capital equipment expenditures for 2008 in the amount of \$363,400 from the Trust Estate Fund. The proposed list of items was then discussed.

A motion was made by Mr. Moschel and seconded by Mr. Nixon to amend the above motion to approve capital equipment expenditures for 2008 in the amount of \$363,400 and that funds for such items as the upgrade of the A/V system at Del Valle (\$9,000), the pool covers for Hillside (\$6,000), and the pool vacuum at Dollar pool (\$5,400) be taken from the operating budget rather than the Trust Estate budget. Following further discussion, Messrs. Moschel and Nixon agreed to withdraw the amendment.

The vote was then taken on the motion to approve capital equipment expenditures for 2008 in the amount of \$363,400, and the motion CARRIED UNANIMOUSLY.

2008 Capital Equipment Expenditures Approved

Before concluding, the President announced that the next mid-month informational regular meeting of the Board will be held on Tuesday, March 11, 2008, at 10:00 a.m. in the Board Room at Gateway Complex; that the next regular meeting of the Board will be held on Thursday, March 27, 2008, at 9:00 a.m. in Peacock Hall at Gateway Complex; and that there will not be an executive session today.

Announcements

There being no further business to come before the Board, the meeting was Adjournment adjourned at 11:15 a.m.

Diane C. Mader, Secretary
Golden Rain Foundation of Walnut Creek

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