



FINANCE COMMITTEE MINUTES

August 16, 2016

The regular meeting of the Finance Committee was called to order at 10:00 a.m. by Chair Hood and was held on Tuesday, August 16, 2016, in the Administration Conference Room, followed by the Pledge of Allegiance.

ROLL CALL

Present: Mr. P. Hood, Chair
Ms. L. Stone, Vice Chair
Ms. S. Hopewell
Ms. Paula Snowden

Mr. R. Stone
Mrs. H. Tran
Mrs. C. Damoci, Ex-Officio

Absent: Mr. B. Lukoff

Also Present: Mr. R. Ankeny, Executive Director
Ms. C. Miller, Director of Finance
Ms. Julie Rodgers, Purchasing Manager
Mrs. J. Reed, GRF Representative, Mutual Four
Mrs. L. Perrotti, GRF Representative, Mutual One
Mr. B. Scheuermann, GRF Representative, Mutual Ten
Mrs. L. Whitlock, Administrative Secretary
Hon. S. Massa-Lavitt, Mayor of Seal Beach
Seven Shareholders/Foundation Members

CHAIR'S ANNOUNCEMENTS

There being no objections, Chair Hood declared the reading of the Quorum Notification be dispensed with by unanimous consent.

The Chair stated that in accordance with California Civil Code Section 4090, please be advised that a quorum of the GRF Board of Directors is present at today's posted meeting. The business of the Finance Committee will be conducted in accordance with the agenda. As a quorum of the Board is present, this meeting will be conducted as a committee meeting and a Board meeting. The agenda actions of the committee will be limited only to the members of the committee and will only constitute such actions in accordance with stated committee policy and/or provide recommendations to the GRF Board of Directors at its regular Board meeting on the 4th Tuesday of the month. GRF Board members who are not committee members will be allowed to comment when recognized by the Chair and only during the proscribed Foundation member comment period, not to exceed three

Revised: 8/22/2016, 2:53 p.m.

minutes, as set forth in Policy 5610, Participation by Foundation Members. The minutes of today's Board meeting will be presented to the Board for approval following the approval of the committee meeting minutes in September, 2016.

APPROVAL OF MINUTES

Ms. Snowden MOTIONED, seconded by Mrs. Tran and unanimously carried by Committee members present –

TO approve the minutes of the July 19, 2016, meeting were approved as presented.

The minutes of the Special Finance Committee meeting of July 28, 2016, were approved as presented.

FINANCIALS

Ms. Stone MOTIONED, seconded by Mr. Stone and unanimously carried by the Committee members present –

TO recommend that the GRF BOD accept the July 2016 Financial Statements for audit.

OLD BUSINESS

2017 Budget – Cost Centers 31, 32, 39, 60 and 65

Ms. Hopewell MOTIONED, seconded by Mr. Stone and unanimously carried by the Committee members present –

TO recommend the GRF BOD approve Cost Center 31 of the proposed 2017 Operating Budget, as presented.

Ms. Stone MOTIONED, seconded by Mrs. Tran and unanimously carried by the Committee members present –

TO recommend the GRF BOD approve Cost Center 32 of the proposed 2017 Operating Budget, as presented.

Ms. Snowden MOTIONED, seconded by Ms. Hopewell and unanimously carried by the Committee members present –

TO recommend the GRF BOD approve Cost Center 39 of the proposed 2017 Operating Budget, as presented.

Mrs. Tran MOTIONED, seconded by Ms. Snowden and unanimously carried by the Committee members present –

TO recommend the GRF BOD approve Cost Center 60 of the proposed 2017 Operating Budget, as presented.

Mr. Stone MOTIONED, seconded by Ms. Stone and unanimously carried by the Committee members present –

TO recommend the GRF BOD approval of Cost Center 65 of the proposed 2017 Operating Budget and increasing the proposed Reserve contribution by \$150,000 for a total of \$1,150,000.00.

NEW BUSINESS

Non-Budgeted Funding to Replace A/C Unit in Main Server Room

Ms. Snowden MOTIONED and seconded by Ms. Stone –

TO approve the non-budgeted \$4,250 funding from Cost Center 34 for the purpose of installing a new HVAC system of proper size to handle environmental conditions in the main server room.

Motion unanimously carried by Committee members present.

Permit Fees – Physical Property Department

Chair Hood MOTIONED and seconded by Ms. Hopewell –

TO approve and forward to the GRF BOD that all permit fees in the Physical Property Department will be a minimum of \$25.00 or 1% of the project cost, whichever is greater. This will be effective January 1, 2017.

Motion unanimously carried by Committee members present.

Stock Transfer Fees

It is the consensus of the Committee forward Policies 5061-31 and 1201-33 back to the Mutual Administration Committee for approval.

Non-Budgeted Funding – Contract Labor (Mutual Administration)

*** Revised: 8/22/2016, 2:50 p.m.**

Ms. Stone MOTIONED, seconded by Ms. Hopewell and unanimously carried by the Committee members present –

TO approve the non-budgeted operational funds from Cost Center MAC in the amount of \$6,500, for the retention of short-term staffing.

2017 Budget Assumptions – Property Liability Insurance

Ms. Snowden MOTIONED, seconded by Ms. Stone –

TO accept the 2017 budget assumptions as presented by the Director of Finance in Exhibit A to be used in determining the annual insurance premiums of \$2,138,528 and to not budget for the inclusion of the Excess Flood coverage of \$5,000,000.

Motion was unanimously carried by Committee members present.

Non-Budgeted Funding Request – Cost Center 38, Buses

Ms. Stone MOTIONED, seconded by Mrs. Tran –

TO approve non-budgeted funding in the amount of \$10,000 from Cost Center 38 to facilitate repairs and maintenance to the aging bus fleet.

Motion was unanimously carried by Committee members present.

Volunteer Participant Accident Insurance

It is the consensus of the Committee to not approve the Volunteer Participant Accident Insurance Program and allow the policy to lapse.

POLICIES

Review and Approve Policy 5536.1-31 – Guest Passes*

Ms. Snowden MOTIONED, seconded by Mrs. Tran and unanimously carried by the Committee members present –

TO recommend the GRF BOD amend Policy 5536.1-31, Guest Passes, changing the cost from \$5.00 to \$10.00 per

*** Revised: 8/22/2016, 2:50 p.m.**

pass. New cost is to go into effect the first of the month following the approved amendment by the GRF BOD

Approve Policy 3325-31, Purchase Requisitions of Non-Standard Items

Ms. Snowden MOTIONED, seconded by Ms. Stone and unanimously carried by the Committee members present –

TO approve Policy 3325-31, Purchase Requisitions of Non-Standard Items with recommendations and forward to the GRF BOD to be adopted and approved.

STAFF REPORTS

Purchasing Manager

The Purchasing Manager provided reports and updates and asked approval of the Committee to allow further processing of surplus equipment.

Ms. Stone MOTIONED, seconded by Ms. Snowden –

TO allow Purchasing Manager to move forward with processing surplus equipment.

Motion was unanimously carried by Committee members present.

Director of Finance

Ms. Stone MOTIONED, seconded by Ms. Hopewell –

TO approve adding \$500,000 to the investment ladder and authorize the Director of Finance to purchase a 52-week CDAR at .45% for the month of August.

Motion passed unanimously by Committee members present.

Executive Director

The Executive Director provided information and updates throughout the meeting.

PRESIDENT'S COMMENTS

The President had no comments, at this time.

SHAREHOLDER COMMENTS

*** Revised: 8/22/2016, 2:50 p.m.**

Four shareholders/members spoke on various items pertaining to the Committee's area of purview.

COMMITTEE MEMBERS COMMENTS

Five Committee members spoke on the proceedings and accomplishments of today's committee meeting.

Chair's Comments

Chair Hood thanked the Committee members, shareholders, and staff present for attending and participating in today's the meeting.

Chair Hood also mentioned that he will call for a Special Finance Committee meeting to review the Finance Committee Chart (Policy 5115-31) and Library Operating Budget. Meeting date to be determined.

ADJOURNMENT

Chair Hood adjourned the meeting at 11:52 p.m.



Phil Hood, Chair
FINANCE COMMITTEE

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RECAP OF MOTIONS AND ACTIONS TAKEN AT THE FINANCE COMMITTEE MEETING

MOTIONS

- There being no objections, Chair Hood declared the reading of the Quorum Notification be dispensed with by unanimous consent.
- **TO** approve the minutes of the July 19, 2016, meeting were approved as presented.
- The minutes of the Special Finance Committee meeting of July 28, 2016, were approved as presented.
- **TO** recommend that the GRF BOD accept the July 2016 Financial Statements for audit.
- **TO** recommend the GRF BOD approve Cost Center 31 of the proposed 2017 Operating Budget, as presented.
- **TO** recommend the GRF BOD approve Cost Center 32 of the proposed 2017 Operating Budget, as presented.
- **TO** recommend the GRF BOD approve Cost Center 39 of the proposed 2017 Operating Budget, as presented.
- **TO** recommend the GRF BOD approve Cost Center 60 of the proposed 2017 Operating Budget, as presented.
- **TO** recommend the GRF BOD approval of Cost Center 65 of the proposed 2017 Operating Budget and increasing the proposed Reserve contribution by \$150,000 for a total of \$1,150,000.00.
- **TO** approve the non-budgeted \$4,250 funding from Cost Center 34 for the purpose of installing a new HVAC system of proper size to handle environmental conditions in the main server room.
- **TO** approve and forward to the GRF BOD that all permit fees in the Physical Property Department will be a minimum of \$25.00 or 1% of the project cost, whichever is greater. This will be effective January 1, 2017.
- **TO** approve the non-budgeted operational funds from Cost Center MAC in the amount of \$6,500, for the retention of short-term staffing.

- **TO** accept the 2017 budget assumptions as presented by the Director of Finance in Exhibit A to be used in determining the annual insurance premiums of \$2,138,528 and to not budget for the inclusion of the Excess Flood coverage of \$5,000,000.
- **TO** approve non-budgeted funding in the amount of \$10,000 from Cost Center 38 to facilitate repairs and maintenance to the aging bus fleet.
- **TO** recommend the GRF BOD amend Policy 5536.1-31, Guest Passes, changing the cost from \$5.00 to \$10.00 per pass. New cost is to go into effect the first of the month following the approved amendment by the GRF BOD
- **TO** approve Policy 3325-31, Purchase Requisitions of Non-Standard Items with recommendations and forward to the GRF BOD to be adopted and approved.
- **TO** allow Purchasing Manager to move forward with processing surplus equipment.

ACTIONS

- It is the consensus of the Committee forward Policies 5061-31 and 1201-33 back to the Mutual Administration Committee for approval.
- It is the consensus of the Committee to not approve the Volunteer Participant Accident Insurance Program and allow the policy to lapse.
- Meeting adjourned at 11:52 a.m.