



## **FINANCE COMMITTEE MINUTES OCTOBER 18, 2016**

The meeting of the Finance Committee was called to order at 10:00 a.m. by Chair Hood and was held on Tuesday, October 18, 2016, in the Administration Conference Room, followed by the Pledge of Allegiance.

### **ROLL CALL**

Present:	Mr. P. Hood, Chair	Ms. P. Snowden
	Ms. L. Stone, Vice Chair	Mr. R. Stone
	Ms. S. Hopewell	Mrs. H. Tran
	Mr. B. Lukoff	Mrs. C. Damoci, Ex-Officio

Also Present: Mr. R. Ankeny, Executive Director  
Ms. C. Miller, Director of Finance  
Ms. J. Rodgers, Purchasing Manager  
Mrs. L. Whitlock, Recording Secretary  
Mrs. L. Perrotti, GRF Representative, Mutual One  
Mrs. J. Reed, GRF Representative, Mutual Four  
Mr. P. Moore, GRF Representative, Mutual Seventeen  
Six 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 4<sup>th</sup> 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 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 November, 2016.

**APPROVAL OF MINUTES**

The minutes of the Finance Committee meeting of Tuesday, September 20, 2016, were approved with corrections.

**FINANCIALS**

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

**TO** approve the Financial Statements for September 2016, as presented by the Director of Finance.

**OLD BUSINESS****Trailer Club Lease**

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

**TO** recommend not to renew the existing lease with the Leisure World Trailer Club (LWTC) and have the GRF Recreation Department supervise the operation of the storage facility for the mutual benefit of all Shareholder/Members beginning January 1, 2017. The LWTC will be offered an annual lease at \$1.00 per year, for the use of a 10' x 20' storage unit within the storage facility. All Shareholder/Members leases for use of the storage facility will be processed through the applicable department and policy will be drafted for the use of the storage facility and presented to the Board at its November meeting.

It is further recommended:

Annual space use fee shall be set at \$5.00 per foot as measured from bumper-to-bumper or from hitch to the furthest point of the recreational vehicle and/or vehicle used for recreation; Fifty Dollars initial set-up fee (fee includes processing and gate clicker); Shareholder/Members who have a current agreement with the LWTC will be given first priority in available spaces; and All funds collected above cost to be used for site improvements.

**Clubhouse 4 Upgrades**

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

**TO** approve and recommend to the Board funding from Reserves, Capital and Operations for the replacements and/or improvements needed for Clubhouse 4, as recommended by the ADR and Physical Property Committees, with a 10% contingency funding and a total cost not to exceed \$223,853.

## **NEW BUSINESS**

### **Request to Pre-Allocate Operating Funds into Reserves**

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

**TO** approve and recommend to the Board the transfer of \$298,745 (representing income tax refunds from prior years received in 2016 and estimated cost savings from a reduction in Workers' Compensation insurance premium expenses) from operational funds to the replacement reserves funds following the completion of the 2016 financial audit and contingent upon those results reporting sufficient excess funds exist.

### **Digital Billboards**

Ms. Stone MOTIONED, seconded by Mr. Lukoff and carried with one abstention from Ms. Snowden –

**TO** approve non-budgeted expense from Cost Center 34, Operational Funds, for the installation of digital information centers (Monitors/Digital Billboards) in Clubhouses 3, 5 and 6, in an amount not to exceed \$4,000.

### **Landscape Architect Bid Selection**

Chair Hood MOTIONED, seconded by Ms. Hopewell and carried with one abstention from Ms. Snowden –

**TO** approve and recommend to the Board the use of a portion of the \$25,000 of Capital funds designated for the swimming pool design fees to develop design concepts for the landscaping at the main entry in an amount not to exceed \$8,000.

Carpet for the Video Producers Room, Clubhouse 3

Chair Hood MOTIONED, seconded by Ms. Hopewell and unanimously carried by Committee members present –

**TO** approve non-budgeted expense from Cost Center 53 in an amount not to exceed \$2,995, to install carpet in half of the room occupied by the Video Producers Club in Clubhouse 3.

Stucco Shed at Service Maintenance Yard

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

**TO** approve non-budgeted expense from Cost Center 74 in an amount not to exceed \$5,500, for MJ Jurado to perform the following tasks: 1) demo the existing shed; 2) haul off all debris; 3) relocate cargo bin currently at 1.8 acre area to the Service Maintenance Yard; and 4) sandblast and paint the interior of the cargo bin.

Conversion, Clubhouse 3, Room 8

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

**TO** approve non-budgeted expense from Cost Center 53, Capital funding and recommend to the Board to convert Room 8 in Clubhouse 3 into a kitchenette and storage room in an amount not to exceed \$10,000.

Griddle Replacement, Clubhouse 2

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

**TO** approve non-budgeted funding in the amount of \$5,985.68 from the Replacement Reserves, asset ID #0808, for the purchase of a new Vulcan commercial griddle from Restaurant Equipment Club, which will replace the current unit in Clubhouse 2.

Parking Lot Focused Design and Review

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

**TO** approve non-budgeted funding from Cost Center 79 in an amount not to exceed \$6,900 for Urban Crossroads (traffic engineering firm) to review the parking lots in our community for the purpose of determining possible reconfiguration for additional parking spaces.

Addition of Sidewalk at Medical Building to Conference Room B, Building 5

Chair Hood MOTIONED, seconded by Ms. Stone and unanimously carried by Committee members present –

**TO** approve Capital funding and recommend to the Board, this non-budgeted spending request in an amount not to exceed \$30,000, for MJ Jurado to install a new sidewalk with railings, adjacent to the Medical Building next to the alley, due to an increase in foot-traffic to Conference Room B located in Building 5.

Outdoor Multi-Use Area, Clubhouse 2

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

**TO** approve and recommend to the Board the use of a portion of the \$25,000 of Capital funds designated for the swimming pool design fees to develop and design concepts for an enhanced outdoor recreational amenities at the unused lawn bowling court, shuffleboard court and garden space at Clubhouse 2. Scope of work to be completed by Mission Landscape Architecture at a cost not to exceed \$13,750.

**STAFF REPORTS**

**Purchasing Manager**

The Purchasing Manager provided reports and updates for the Committee's review.

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

**TO** allow Purchasing Manager to move forward with processing surplus equipment, with the exception of items mentioned by Vice Chari Stone.

**Director of Finance**

The Director of Finance provided reports and updates throughout the meeting for the Committee members' review.

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

**TO** approve adding \$350,000 to the investment ladder and authorize the Director of Finance to purchase a 52-week CDAR for the month of October.

**Executive Director**

The Executive Director provided information and updates throughout the meeting.

**PRESIDENT'S COMMENTS**

GRF President had no comments at this time.

**SHAREHOLDER COMMENTS**

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

**COMMITTEE MEMBERS COMMENTS**

Six 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. He also mentioned that the next Finance Committee is scheduled for Tuesday, November 15, 2016.

**ADJOURNMENT**

Chair Hood adjourned the meeting at 11:57 p.m.

  
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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.
- The minutes of the Finance Committee meeting of Tuesday, September 20, 2016, were approved with corrections.
- **TO** approve the Financial Statements for September 2016, as presented by the Director of Finance.
- **TO** recommend not to renew the existing lease with the Leisure World Trailer Club (LWTC) and have the GRF Recreation Department supervise the operation of the storage facility for the mutual benefit of all Shareholder/Members beginning January 1, 2017. The LWTC will be offered an annual lease at \$1.00 per year, for the use of a 10' x 20' storage unit within the storage facility. All Shareholder/ Members leases for use of the storage facility will be processed through the applicable department and policy will be drafted for the use of the storage facility and presented to the Board at its November meeting.

It is further recommended:

Annual space use fee shall be set at \$5.00 per foot as measured from bumper-to-bumper or from hitch to the furthest point of the recreational vehicle and/or vehicle used for recreation; Fifty Dollars initial set-up fee (fee includes processing and gate clicker); Shareholder/Members who have a current agreement with the LWTC will be given first priority in available spaces; and All funds collected above cost to be used for site improvements.

- **TO** approve and recommend to the Board funding from Reserves, Capital and Operations for the replacements and/or improvements needed for Clubhouse 4, as recommended by the ADR and Physical Property Committees, with a 10% contingency funding and a total cost not to exceed \$223,853.
- **TO** approve and recommend to the Board the transfer of \$298,745 (representing income tax refunds from prior years received in 2016 and estimated cost savings from a reduction in Workers' Compensation insurance premium expenses) from operational funds to the replacement reserves funds following the completion of



the 2016 financial audit and contingent upon those results reporting sufficient excess funds exist.

- **TO** approve non-budgeted expense from Cost Center 34, Operational Funds, for the installation of digital information centers (Monitors/Digital Billboards) in Clubhouses 3, 5 and 6, in an amount not to exceed \$4,000.
- **TO** approve and recommend to the Board the use of a portion of the \$25,000 of Capital funds designated for the swimming pool design fees to develop design concepts for the landscaping at the main entry in an amount not to exceed \$8,000.
- **TO** approve non-budgeted expense from Cost Center 53 in an amount not to exceed \$2,995, to install carpet in half of the room occupied by the Video Producers Club in Clubhouse 3.
- **TO** approve non-budgeted expense from Cost Center 74 in an amount not to exceed \$5,500, for MJ Jurado to perform the following tasks: 1) demo the existing shed; 2) haul off all debris; 3) relocate cargo bin currently at 1.8 acre area to the Service Maintenance Yard; and 4) sandblast and paint the interior of the cargo bin.
- **TO** approve non-budgeted expense from Cost Center 53, Capital funding and recommend to the Board to convert Room 8 in Clubhouse 3 into a kitchenette and storage room in an amount not to exceed \$10,000.
- **TO** approve non-budgeted funding in the amount of \$5,985.68 from the Replacement Reserves, asset ID #0808, for the purchase of a new Vulcan commercial griddle from Restaurant Equipment Club, which will replace the current unit in Clubhouse 2.
- **TO** approve non-budgeted funding from Cost Center 79 in an amount not to exceed \$6,900 for Urban Crossroads (traffic engineering firm) to review the parking lots in our community for the purpose of determining possible reconfiguration for additional parking spaces.
- **TO** approve Capital funding and recommend to the Board, this non-budgeted spending request in an amount not to exceed \$30,000, for MJ Jurado to install a new sidewalk with railings, adjacent to the Medical Building next to the alley, due to an increase in foot-traffic to Conference Room B located in Building 5.

- **TO** approve and recommend to the Board the use of a portion of the \$25,000 of Capital funds designated for the swimming pool design fees to develop and design concepts for an enhanced outdoor recreational amenities at the unused lawn bowling court, shuffleboard court and garden space at Clubhouse 2. Scope of work to be completed by Mission Landscape Architecture at a cost not to exceed \$13,750.
- **TO** allow Purchasing Manager to move forward with processing surplus equipment, with the exception of items mentioned by Vice Chair Stone.
- **TO** approve adding \$350,000 to the investment ladder and authorize the Director of Finance to purchase a 52-week CDAR for the month of October.

**ACTIONS**

- Meeting adjourned at 11:59 a.m.