



## **FINANCE COMMITTEE MINUTES MAY 16, 2017**

The meeting of the Finance Committee was called to order at 10:00 a.m. by Chair Hood and was held on Tuesday, May 16, 2017, in the Administration Conference Room, followed by the Pledge of Allegiance by Mrs. J. Reed.

### **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	Mr. R. Ankeny, Executive Director
Present:	Ms. C. Miller, Director of Finance
	Ms. J. Rodgers, Purchasing Manager
	Mrs. L. Whitlock, Administrative Secretary
	Mrs. J. Reed, GRF Representative, Mutual Four
	Ms. R. Winkler, GRF Representative, Mutual Ten
	Mr. P. Moore, GRF Representative, Mutual Seventeen
	Hon. S. Massa-Lavitt, Seal Beach Mayor
	Four Shareholders/Foundation Members

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

The Vice Chair stated that in accordance with California Civil Code Section 4090, please be advised that a quorum of the GRF BOD (BOD) 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 GRF BOD is present, this meeting will be conducted as a committee meeting and a GRF BOD 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 Finance Committee at its regular GRF BOD 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 Vice 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 committee meeting will be presented to the BOD for approval following the approval of the committee meeting minutes in July, 2017.

**CHAIR'S ANNOUNCEMENTS AND REPORTS**

Chair Hood thanked everyone for coming and welcomed the Finance Committee Members, guests and staff, including GRF President, Carole Damoci; Executive Director, Randy Ankeny; Director of Finance, Carolyn Miller; Purchasing Manager, Julie Rodgers; and Administrative Secretary, Laura Whitlock.

**APPROVAL OF MINUTES**

The minutes of the Finance Committee meeting of Tuesday, April 18, 2017, was approved as presented.

**FINANCIALS**

Ms. L. Stone MOTIONED, seconded by Ms. Hopewell and unanimously carried –

**TO** approve the Financial Statements for April 2017, as presented by the Director of Finance.

**CORRESPONDENCE**

It is the consensus of the Committee not to accept correspondence received from Denis Craig, Mutual 11, Unit 267G, as Trust payment was never addressed.

**NEW BUSINESS**

**Approval of ID Card Refund**

Following a discussion of correspondence from Mr. Mark Glickman of Mutual Two, Unit 31B, Mr. Lukoff MOTIONED, seconded by Ms. Hopewell and unanimously carried –

**TO** approve reimbursement of \$20 to Mr. Mark Glickman, Mutual 2, Unit 31B, for the ID Card replacement fee he was charged on March 24, 2017.

**Waiver of Membership Fee, Multi Ownerships**

Policy 5061-31, Fees, requires a \$250 Membership Certificate Fee (also referred to as the Stock Transfer Fee) to be charged each time a member's certificate is altered to cover the costs associated with preparation and replacement of the certificate.

Following a discussion regarding waiving Ms. Snowden MOTIONED, seconded by Ms. Hopewell and unanimously carried with one abstention from Mr. Lukoff –



**TO** approve a one-time waiver of the \$250 Membership Certificate Fee, per stock certificate, only in the event of multiple stock certificate ownership and notify Mutual Administration, until September 30, 2017.

Proposed Cost Center 5.5 Acres

Following a discussion regarding the commonly referred area, "5.5 Acre Storage Area," Ms. Snowden MOTIONED, seconded by Ms. Stone and unanimously carried –

**TO** accept proposed Cost Center 47 and the estimated operational cost in the amount of \$30,000, contingent upon the Board's final ratification of the commonly referred to area, "5.5 Acre Storage" area.

Ms. Snowden MOTIONED, seconded by Mr. Lukoff and unanimously carried –

**TO** approve insurance coverage immediately for the commonly referred to area, "5.5 Acre Storage" area and add to the Trust Property's Master Insurance Plan.

Capital Request, Relocation Project

At its regular scheduled meeting on May 8, 2017, the Physical Property Committee (PPC) approved the following: 1) Moving of Distribution to Building 5; Modifying Stock Transfer area and installation of sound-suppression for Conference Rooms B and C, located in Building 5. The total cost for all of these areas include a 10% contingency is \$20,862, with In-house labor estimated at approximately 220 hours.

Following a discussion, Ms. L. Stone MOTIONED, seconded by Mr. R. Stone and unanimously carried –

**TO** Approve Capital Request funding 1) Moving of Distribution to Building 5; Modifying Stock Transfer area and installation of sound-suppression for Conference Rooms B and C, located in Building 5, in an amount not to exceed \$21,000, which includes a 10% contingency and forward to the Board for final review and approval.

Non-Budgeted Request, Tree Removal and Sewer Repair, Library Area

At its regular scheduled meeting on May 8, 2017, the Physical Property Committee (PPC) reviewed a request to repair the damaged sewer line, which was caused by two mature trees. The PPC approved the non-budgeted request in the amount of \$13,409, for the repair of the damaged sewer line, the removal of the Coral and Eucalyptus trees at the library and the re-landscaping of the area affected.

Following a discussion, Ms. Snowden MOTIONED, seconded by Ms. L. Stone and unanimously carried –

**TO** Approve the non-budgeted request in an amount not to exceed \$13,500, for the repair of the damaged sewer line, which will be funded from Operations; the removal of the Coral and Eucalyptus trees at the library and the re-landscaping of the area affected, which will be funded from Reserves, and forward to the Board for final review and approval.

### **STAFF REPORTS**

#### **Purchasing Manager**

Following a discussion of surplus furniture and supplies, Ms. Hopewell MOTIONED, seconded by Mr. Lukoff and unanimously carried –

**TO** allow Purchasing Manager to sell, distribute and discard surplus furniture and supplies as she sees fit.

#### **Finance Director**

Following a discussion on investments, Ms. Snowden MOTIONED, seconded by Ms. L. Stone and unanimously carried –

**TO** recommend to the Board to continue the investment ladder by investing for May, \$1,000,000 and for June \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of maturing CDARs (Reserve Funds) in 52-week CDARs @ .45% which will be fully insured by the FDIC.

#### **Executive Director**

The Executive Director provided information and updates throughout the meeting.

### **PRESIDENT'S COMMENTS**

President Damoci had no further comments.

### **SHAREHOLDER COMMENTS**

One shareholder/member 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.



## RECAP OF MOTIONS AND ACTIONS TAKEN AT THE FINANCE COMMITTEE MEETING

### MOTIONS

- There being no objections, Vice Chair L. Stone declared the reading of the Quorum Notification be dispensed with by unanimous consent.
- The minutes of the Finance Committee meeting of Tuesday, April 18, 2017, was approved as presented.
- **TO** approve the Financial Statements for April 2017, as presented by the Director of Finance.
- **TO** approve reimbursement of \$20 to Mr. Mark Glickman, Mutual 2, Unit 31B, for the ID Card replacement fee he was charged on March 24, 2017.
- **TO** approve a one-time waiver of the \$250 Membership Certificate Fee, per stock certificate, only in the event of multiple stock certificate ownership and notify Mutual Administration, until September 30, 2017.
- **TO** accept proposed Cost Center 47 and the estimated operational cost in the amount of \$30,000, contingent upon the Board's final ratification of the commonly referred to area, "5.5 Acre Storage" area.
- **TO** approve insurance coverage immediately for the commonly referred to area, "5.5 Acre Storage" area and add to the Trust Property's Master Insurance Plan.
- **TO** Approve Capital Request funding 1) Moving of Distribution to Building 5; Modifying Stock Transfer area and installation of sound-suppression for Conference Rooms B and C, located in Building 5, in an amount not to exceed \$21,000, which includes a 10% contingency and forward to the Board for final review and approval.
- **TO** Approve the non-budgeted request in an amount not to exceed \$13,500, for the repair of the damaged sewer line, which will be funded from Operations; the removal of the Coral and Eucalyptus trees at the library and the re-landscaping of the area affected, which will be funded from Reserves, and forward to the Board for final review and approval.
- **TO** allow Purchasing Manager to sell, distribute and discard surplus furniture and supplies as she sees fit.

**Chair's Comments**

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

**ADJOURNMENT**

Chair Hood adjourned the meeting at 11:45 a.m.

  
~~Phil Hood, Chair~~  
FINANCE COMMITTEE      Barry Lukoff

Law 5.19.17

- **TO** recommend to the Board to continue the investment ladder by investing for May, \$1,000,000 and for June \$500,000 from the First Foundation Bank Money Market Reserve account and from proceeds of maturing CDARs (Reserve Funds) in 52-week CDARs @ .45% which will be fully insured by the FDIC.

## **ACTIONS**

- It is the consensus of the Committee not to accept correspondence received from Denis Craig, Mutual 11, Unit 267G, as Trust payment was never addressed.
- Meeting adjourned at 11:45 a.m.