

MINUTES

GOLDEN RAIN FOUNDATION OF WALNUT CREEK

REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, DECEMBER 1, 2016, AT 9:00 A.M.

A regular meeting of the Board of Directors of the Golden Rain Foundation (GRF) of Walnut Creek was convened by the President, Leslie Birdsall, at 9:00 a.m. on Thursday, December 1, 2016, in Peacock Hall at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Leslie Birdsall, Melvin C. Fredlund, Mary Lou Delpech, Kenneth W. Haley, Sue DiMaggio Adams, Carl W. Brown, Robert D. Kelso, Geraldine Pyle, Stephen D. Roath, and Timothy O'Keefe, Chief Executive Officer (CEO), ex-officio member of the Board

Attendance

Absent: None

There being no corrections, the minutes of the regular meeting of the Board held on October 11, 2016, were approved, as written, by unanimous consent.

Minutes
Approved

Mr. Haley gave the Treasurer's report for the period ending October 31, 2016.

Treasurer's
Report/
CEO's
Report

The CEO reviewed his written report dated November 17, 2016.

During the Residents' Forum, Joy Alaidarous, a former Rotary President, requested that the Board approve the Club's request for an exemption under Policy 302.0, Section 6d, for Patrice Jensen, a non-resident, to serve as the Club's President for the 2017-2018 year, which is on the agenda for consideration of approval later in the meeting.

Residents'
Forum

Mary England said that since the approval of revised Policy 502.0, Bulletin Boards and Display Cases, and Policy 502.1, Flyers and Petitions, she has noticed a little preferential treatment at least for one of the organizations that posted a flyer outside of Peacock Hall, expressing her opinion that the flyer has language in it that probably is against the Policy's exclusion criteria.

Patricia Dickson suggested that the Board establish a policy that residents be required to show proof of insurance and a driver's license when they renew their RFID tag.

John H. Nutley talked about funds for Hillside Clubhouse and earthquake insurance.

Brian K. Stack, Chairman, Aquatics Advisory Committee, thanked the Board for its support this past year.

Paul Rosenzweig, Chairman, Audit Committee, reported on the Committee's November meeting at which the Committee reviewed the audit proposal for the year ending December 31, 2016.

Audit
Committee
Report

A motion was made by Mr. Haley and seconded by Mr. Fredlund to accept the audit proposal from Burr Pilger Mayer reviewed by the Audit Committee to perform an examination of the financial statements of the GRF and the financial statements of the employees' Pension Plan and the 401(k) Plan and to prepare the necessary income tax returns for GRF for the year ending December 31, 2016, for a proposed base fee of \$101,925 and authorize the CFO to execute the Engagement Letter (agenda attachment 7b1-3 through 7b1-19). Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Accepted
Audit
Proposal
for Year
Ending
12/31/16

David Smith, Chairman, Finance Committee, reported on the Committee's November meeting at which the Committee recommended that the Board purchase earthquake insurance for GRF properties for 2017 and recommended that the Board approve the proposed 2017 machinery and equipment and capital expenditure budgets totaling \$1,569,500 to be paid from the Trust Estate Fund.

Finance
Committee
Report

Claudia Tierney, Chairman, Fitness Center Advisory Committee, highlighted items in the report of the Committee's November meeting. Discussion followed.

FCAC
Report

John McDonnell, Chairman, Golf Advisory Committee, took the opportunity to name and pay tribute to the Rossmoor Golf Course ground crew, the staff at the Rossmoor Pro Shop, the Golf Course Superintendent, and the Director of Golf acknowledging and thanking each by name for their services and comparing them to a great orchestra, making great music, in a great venue. He concluded by requesting that the Director of Golf's speech to the Men's Club Annual Meeting in which he was requested to provide a recap of 2016 golf course accomplishments and to outline goals for 2017 be added to the record of this meeting (copy on file with the minutes).

GAC
Report

Bob Kelso, Chairman, Policy Committee, reported on the Committee's November meeting at which the Committee discussed proposed revisions to Rule R103.0. Golf Courses. Staff was asked to make additional proposed revisions to the Rule and bring the Rule back to the Committee for review at its December meeting.

Policy
Committee
Report

A motion was made by Mr. Haley, seconded by Mr. Fredlund, and CARRIED UNANIMOUSLY to approve the proposed 2017 machinery and equipment and capital expenditure budgets totaling \$1,569,500 to be paid from the Trust Estate Fund (agenda attachment 10a-3 thru 10a-7).

Approved
2017
Machinery
& Equipment
& Capital
Expenditure

Following remarks by John Tastor, Area Executive Vice President, Arthur J. Gallagher & Company, and discussion regarding purchasing earthquake insurance for GRF facilities, a motion was made by Mr. Birdsall and seconded by Mr. Brown to approve the purchase of \$25 million of earthquake insurance for GRF facilities for an annual premium of \$175,413.

Budgets
Motion to
Approve
Purchase
of \$25
Million of
Earthquake
Insurance

Following further discussion, a motion was made by Mr. Haley and seconded by Mr. Roath to amend the main motion to approve the purchase of \$25 million of earthquake insurance for GRF facilities for 2017 for an annual premium of \$175,413, and approve the purchase of \$20 million of earthquake insurance for GRF facilities for 2017 for an annual premium of \$169,362. Following discussion, a roll call vote on the motion was taken, and the motion FAILED, with Ms. Delpech, Ms. Pyle, Mr. Birdsall, Mr. Brown, and Mr. Fredlund voting no.

Motion to
Amend
Main
Motion
Failed

A roll call vote was then taken on the motion to approve the purchase of \$25 million of earthquake insurance for GRF facilities for 2017 for an annual premium of \$175,413, and the motion CARRIED, with Mr. Haley voting no.

Approved
Purchase
of \$25
Million of
Earthquake
Insurance

A motion was made by Ms. Delpech and seconded by Ms. Adams to approve the Request for Proposal (RFP) for development of a comprehensive landscape design plan and linked park system (agenda attachment 10c-3 through 10c-11). Following discussion, the vote on the motion was taken, and the motion CARRIED UNANIMOUSLY.

Approved
RFP for
Landscape
Design
Plan

A motion was made by Ms. Delpech, seconded by Ms. Adams, and CARRIED UNANIMOUSLY to approve, as recommended by the Women's 9-Hole Golf Club, the appointment of Mary Jane Hargrove as the Club's representative to the Golf Advisory Committee for a two-year term, effective January 1, 2017, and, as recommended by the Rossmoor Men's Golf Club, the reappointment of Robert L. Montgomery as the Club's representative to the Golf Advisory Committee for a two-year term effective January 1, 2017.

Approved
Appoint-
ments
to GAC

A motion was made by Ms. Adams, seconded by Ms. Delpech, and CARRIED UNANIMOUSLY to approve an exemption under Policy 302.0, Section 6d, for Patrice Jensen, a non-Rossmoor resident, to serve as the Rossmoor Rotary Club President for the 2017-2018 year.

Approved
Exemption
Under
Policy 302.0

Before concluding, the President announced that there will not be a mid-month regular meeting of the Board in December and January; that the next regular meeting of the Board will be held on Thursday, January 26, 2017, at 9:00 a.m. in

Announce-
ments

Peacock Hall at Gateway Complex; and that the Board will meet in executive session following this meeting to discuss legal and personnel matters and any other appropriate business.

There being no further business to come before the Board, the meeting was recessed at 10:35 a.m. and reconvened in executive session at 10:50 a.m. in the Board Room. Recess



Mary Lou Delpech, Secretary
Golden Rain Foundation of Walnut Creek