

FINANCE COMMITTEE REPORT

REGULAR MEETING
TUESDAY, FEBRUARY 26, 2019, AT 9:00 A.M.

A regular meeting of the Finance Committee was convened by F. William Dorband, Chairman, at 9:00 a.m. on Tuesday, February 26, 2019, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Jean A. Autrey, Vice Chair, Paul J. Moderacki, Mary K. Neff, Paul Rosenzweig, and Gery Yearout. Also attending were Robert D. Kelso, President, Leslie Birdsall, Vice President, Geraldine Pyle, Secretary, and Sue Adams, Kenneth Anderson, Barbara Coenen, and Stephen D. Roath, Directors, GRF; Timothy O'Keefe, CEO; Richard S. Chakoff, CFO; Paul J. Donner, Director, Mutual and Trust Operations; Jeffrey P. Matheson, Director of Resident Services; Amanda Davis, Senior Accountant; Deborah Rose, Senior Administrative Assistant, Executive Services; and three residents.

Attendance

The report of the Committee's regular meeting of January 29, 2019, was approved as written.

Report
Approved

There were no Resident Forum speakers.

Residents'
Forum/
Chairman's
Report

The Chairman announced that Deborah Thomas is willing to be nominated as a new member of the Finance Committee and her nomination to replace Della Temple, who resigned, is subject to review and approval at the Thursday, February 28, GRF Board meeting.

Mr. O'Keefe provided an update regarding the Redwood Room renovations to accommodate the new café operator. He then reported that the Planning Committee has requested GRF staff to review the Ad Hoc Technology Committee recommendations and provide their report in April. Lastly, he provided an update on the solar farm, which is delayed as the Fire Department is now requiring a sprinkler system for the canopy area over the RV parking lot. Mr. O'Keefe answered questions from Committee members.

Staff
Reports

Mr. Chakoff reviewed the preliminary GRF Statement of Operations for January and answered questions from Committee members.

Mr. Chakoff then reviewed the preliminary Trust Estate Fund report for January and answered questions from Committee members.

The Committee requested that the Financial reports the CFO provides be included on the Rossmoor website at the same time the agenda packet is posted, so that the residents can view both items together. Mr. Chakoff confirmed that this would be done going forward.

Financial
Reports
Posted
on Rossmoor
Website/

Mr. Donner reviewed the January Trust Facilities and Property Maintenance Report, the Capital Projects Budget and Expenditure Report, and the Machinery &

Staff
Reports

Equipment Budget and Expenditure Report. Messrs. Chakoff and Donner and Ms. Cont. Davis answered questions from Committee members.

The Chairman reviewed agenda item 7a, continued discussion about increasing the Membership Transfer Fee. During discussion, Mr. Rosenzweig reviewed a previously distributed packet of historical data regarding the Membership Transfer Fee with members of the Committee (copy on file).

A motion made by Ms. Yearout and seconded by Ms. Neff to recommend to the Board that the membership transfer fee be increased from \$9,000 to \$10,000. After a lengthy discussion, a vote on the motion was then taken and the motion CARRIED UNANIMOUSLY.

Recommendation to Increase the Membership Transfer Fee

The Chairman reviewed agenda item 8a, consider recommending amount available to spend on Capital Projects from the Trust Estate Fund. Mr. Chakoff then reviewed pages 8a-1 through 8a-5 of the agenda packet. A lengthy discussion followed.

A motion made by Ms. Neff, seconded by Ms. Autrey, and CARRIED UNANIMOUSLY to recommend to the Board that the total estimated expenditures for 2019 be limited to \$6,200,000 and that the Committee will revisit and perhaps increase that number at the July Finance Committee meeting.

Recommendation of Available Trust Estate Funds for Capital Projects

The Committee agreed to do a quarterly review of the capital project Trust Estate Fund projections. The Committee also agreed that for the next review to use an estimated \$3.6 million in Membership Transfer Fees for 2019 and \$4.2 million thereafter.

Quarterly Review of Capital Projects

There being no further business to come before the Committee, the meeting was adjourned at 10:43 a.m.

Adjournment

The next regular meeting of the Finance Committee will be held on Tuesday, March 26, 2019, at 9:00 a.m. in the Board Room at Gateway Complex.

Next Mtg. 3/26/19



F. William Dorband, Chairman
Finance Committee