

## MINUTES

### FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, NOVEMBER 19, 2010 AT 1:00 P.M. DELTA ROOM, DEL VALLE CLUBHOUSE

President Mel Fredlund called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, November 19, 2010 at 1:00 p.m. in the Delta Room, Del Valle Clubhouse, Walnut Creek, California.

PRESENT: Mel Fredlund, President, District 5  
Sue DiMaggio Adams, First Vice President, District 3  
Sally Nordwall, Treasurer, District 1  
Barbara Brooks Gilbert, Secretary, District 2

Roll Call

ABSENT: Randall Morgan, Second Vice President, District 4

Staff was represented by Paul Donner, Director of Mutual Operations; Rich Perona, Landscape Manager; Doug Hughs, Building Maintenance Manager; and Dyann Paradise, Administrative Secretary.

Mr. Fredlund welcomed the 20 residents in attendance.

#### APPROVAL OF MINUTES

Ms. Adams moved to approve the minutes of the October 22, 2010 regular meeting as written and reviewed. Ms. Brooks Gilbert seconded, and the motion carried without dissent.

Approval of Minutes

#### RESIDENTS' FORUM

Barry Elfant, Golden Rain – Entry 9, again asked the Board about the possibility of reverse mortgages for cooperatives. Ms. Adams responded that the cooperative Mutual directors are meeting in December to discuss this topic as well as others pertinent to cooperative housing groups.

Residents' Forum

Leslie Marks, Golden Rain – Entry 4, reported water damage on her enclosed porch due to the deck above her manor that needs caulking and painting to avoid water damage to her manor. Mr. Hughs explained that Ms. Marks is responsible for caulking the area because she has an alteration deck and she should try to gain the cooperation of the upstairs neighbor in waterproofing his deck. Mr. Hughs will follow up to see if he can help gain the neighbor's cooperation. He stated that the Mutual is not responsible for making decks waterproof, as they are considered "fair weather decks." A deck can be painted and caulked, but that is no guarantee that the deck is water-tight.

Jiayi Zhou, Golden Rain – Entry 8, expressed his concerns regarding the copper lines that run under the slabs in the Mutual. He recommended replacing the pipes with flex pipe whenever there is a modification to a manor. Mr. Hughs stated that copper plumbing has not presented a major concern in Rossmoor although the infrastructure is forty years old. He will take the suggestion under advisement.

### PRESIDENT'S REPORT

Issues discussed at the October Presidents' Forum: update on Trust Review Committee; MOD quarterly financial report; status of Manor Records and Alterations process.

Presidents'  
Report

FWCM has received a very good offer on the one manor that it owns and it should close escrow soon.

There were 7 resales in October at a median price of \$153,000. The year to date median is \$132,500.

Currently there are 30 leased manors in First Mutual. Four share loans were placed in the last month for a total of \$287,500 representing two purchase loans and two refinance loans. The total amount of share loans since inception of the program is \$21,635,355.

### TREASURER'S REPORT – Sally Nordwall

Ms. Nordwall reported the Mutual is in good financial condition currently. Budget projections appear to be in line. Delinquencies continue to be minimal.

Treasurer's  
Report

### BUDGET AND FINANCE COMMITTEE REPORT – Sheryl Almon

Ms. Almon reported the Mutual's expenses are approximately \$40,000 to the good as of October 31, 2010. Mr. Chakoff has contacted Mechanics Bank regarding the current unsatisfactory level of service and is also contacting other financial institutions for better rates and services.

Budget and  
Finance  
Committee  
Report

The next Budget and Finance Committee meeting is scheduled for Wednesday, January 26, 2011 at 11:00 a.m. in the Board Room in Gateway.

### MUTUAL OPERATIONS REPORT – Doug Hughs

Mr. Hughs reported that carpentry and painting rehabilitation work has been completed for the year. In early December bid walks will be held with three prime roofing contractors for 34 roofs for next year's schedule. PG&E is still working throughout the Mutual and there have been several delays in their completion schedule.

Mutual  
Operations  
Report

LANDSCAPE REPORT– Rich Perona

Mr. Perona reported on lawn, entry, and tree maintenance as well as landscape rehabilitation. (A copy of Mr. Perona’s landscape report is attached.)

Landscape  
Report

LANDSCAPE COMMITTEE – Randall Morgan

Mr. Morgan was absent. The next meeting is scheduled for Friday, February 4, 2011 at 11:00 a.m. in Multipurpose Room #1 in Gateway.

Landscape  
Committee

NEW RESIDENT ORIENTATION – Jerry Priebat

Mr. Priebat reported the November orientation was successful. The next orientation session will be held in January, 2011.

New Residents  
Orientation

POLICY COMMITTEE – Mel Fredlund

Mr. Fredlund led a discussion regarding the subleasing policy, specifically intermittent versus long-term subleasing. The policy allows for intermittent subleasing of no more than three months at a time in any calendar year with Board approval. The Board will consider variances of the policy on a case-by-case basis.

Policy Committee

UNFINISHED BUSINESS

Ms. Brooks Gilbert reported that the Safety and Disaster Response Committee met on October 22, 2010 and established its mission statement and structure per Corporations Code 7121. (A copy of Ms. Brooks Gilbert’s report is attached.)

Unfinished  
Business

Jerry Priebat commented that he believes the Safety and Disaster Response Committee should consider other programs in addition to the Map Your Neighborhood program. Ms. Brooks Gilbert stated the Committee would consider Mr. Priebat’s suggestion.

The next meeting will be held on January 26, 2011 at 9:00 a.m. in the Board Room in Gateway.

NEW BUSINESS

None

ANNOUNCEMENTS

New Business

A copy of the resale report is attached.

There will be no regular board meeting in December. The next regular board

Announcements

meeting will be held on Friday, January 28, 2011 at 1:00 p.m. in the Delta Room.

ADJOURNMENT

Having no further business, the meeting adjourned at 2:15 p.m. to an executive session to discuss a resident matter. The Board wished everyone a happy holiday season.

Adjournment

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Barbara Brooks Gilbert, Secretary  
First Walnut Creek Mutual