

MINUTES

FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, FEBRUARY 25, 2011 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, February 25, 2011 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
Randall Morgan, Second Vice President, District 4
Sally Nordwall, Treasurer, District 1
Barbara Brooks Gilbert, Secretary, District 2

Roll Call

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

Mr. Fredlund welcomed the 27 residents in attendance.

APPROVAL OF MINUTES

Ms. Adams moved to approve the minutes from the January 28, 2011 regular board meeting. Ms. Brooks-Gilbert seconded and the motion carried without dissent.

Approval of Minutes

REPORT FROM PUBLIC SAFETY COORDINATOR – Dennis Bell

Mr. Bell stated that the number of reported thefts in 2010 was approximately the same as in 2009. There were several thefts from vehicles from Thanksgiving through Christmas. Nearly 95% were from residents leaving things in unlocked vehicles and storage sheds. Many of those items were small items, such as garden hoses, trinkets, candy boxes, spare change, etc. Some thefts were laptops and other electronic devices, which are thefts of opportunity if left exposed to view. Residents should always lock their vehicles and storage areas as well as their front doors.

Public Safety Report

There were more vandalism incidents in 2010 than in previous years. Most appear to be from individuals who have proper access to Rossmoor. Compared to the city of Walnut Creek at large, traffic problems are minimal.

There were several questions from the audience that Mr. Bell addressed.

RESIDENTS' FORUM

Jiayi Zhou, Golden Rain – Entry 8, reported that the Boomers Club is organizing a

Residents' Forum

house tour, which he feels is an important method of promoting Rossmoor.

GRF Director Rita Fredlund invited everyone to the Grand Opening of Creekside Clubhouse on April 8. Additional details concerning this event will be published in the *Rossmoor News* in the coming weeks.

PRESIDENT'S REPORT

Issues discussed at the February Presidents' Forum: proposed vendor setup fee; Trust Agreement Review Committee; Manor Records review; First Mutual/MOD management agreement.

Presidents'
Report

The Mutual has no Mutual-owned properties for sale currently. There are presently 38 leased manors, which represent 2% of the total number of manors in the Mutual.

TREASURER'S REPORT – Sally Nordwall

Ms. Nordwall reported that the Mutual is in good financial condition. She is committed to a good return on investments as much as is possible.

Treasurer's
Report

BUDGET AND FINANCE COMMITTEE REPORT – Sheryl Almon

Ms. Almon reported the 2010 review showed an increase in revenues due primarily to the MOD dividend; building and maintenance expenses were under budget by 1.9%; landscaping was over less than 2%; utilities were under budget 2.5%; professional services were over but less than a 2% average over the past 4 years. Overall operating expenses were over budget less than 1%.

Budget and
Finance
Committee
Report

The total operating expenses were over due to the Mutual's portion of the shared deductible for an insurance incident in another Mutual, which is an unbudgeted expense.

Revenue in the reserves account is under anticipated levels overall due to appalling interest rates in the current market.

Overall reserve expenses were over approximately 2%, mostly due to expenses in building stabilization and painting.

LANDSCAPE REPORT– Rich Perona

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

Landscape
Report

Fire abatement work has been completed in the west side of Golden Rain Road, across from Entries 22-29 in the Trust property above the bocce ball courts. The juniper hedge was removed and the oleanders were lowered. New oak trees, redwoods, and ginkgos were planted.

Mr. Perona suggested that the 450-foot unsightly chainlink fence along Golden Rain Road near Entries 19 and 20 serves no purpose and should be removed. Accordingly,

Ms. Adams moved to remove the 450-foot unsightly chainlink fence along Golden Rain Road near Entries 19 and 20 at no cost to the Mutual. Ms. Nordwall seconded and the motion carried without dissent.

Approval to
Remove
Chainlink Fence
Along Golden
Rain Road

Mr. Perona requested approval for rehabilitation in Oakmont – Entry 9.

Ms. Adams moved to approve the proposal from Valley Crest to rehabilitate Oakmont – Entry 9 at a cost of \$75,055. Mr. Morgan seconded and the motion carried without dissent. (Mr. Perona will provide a list of the plants and materials to Mr. Morgan.)

Approval for
Rehabilitation
at Oakmont –
Entry 9

Mr. Perona will apply to the city for removal of several dying trees in various locations.

LANDSCAPE COMMITTEE REPORT

Next meeting: Friday, April 1, 2011 at 11:00 a.m. in Multipurpose Room #1 in Gateway.

Landscape
Committee

MUTUAL OPERATIONS REPORT – Doug Hughs

Mr. Hughs reported light carpentry and painting is underway at Golden Rain – Entries 19 and 20 and Pine Knoll – Entry 5. Twelve of the Sonoma/Sequoia buildings are being inspected for carpentry and repainting at Golden Rain – Entries 19 and 20, 23, and 24.

Mutual
Operations
Report

Roofers will start work at Golden Rain – Entries 9 and 29 as soon as the weather clears.

Mr. Hughs requested approval for this year's Monterey/Carmel bridge replacements.

Ms. Adams moved to approve a contract from Gauthier's Construction for replacement of five wooden bridgeways with steel bridgeways at 1541 Rockledge, 1533 Rockledge, 2001 Pine Knoll, and two at 2000 Oakmont Way at a cost of \$92,710, which falls within this year's reserve budget for bridgeway replacements. Ms. Brooks-Gilbert seconded and the motion carried without dissent.

Approval of
Bridgeway
Contract

NEW RESIDENT ORIENTATION – Jerry Priebat

Next meeting: Tuesday, March 8, 2011 at 10:00 a.m. in the Delta Room.

SAFETY AND DISASTER COMMITTEE – Barbara Brooks-Gilbert

New Resident
Orientation

Ms. Brooks-Gilbert handed out a draft Mission Statement and Governing Documents for the newly-formed committee. She encouraged participation by residents, especially a representative from each district, to serve as committee members.

Safety and
Disaster
Committee

Next meeting: March 23, 2011 at 9:30 a.m. in the Board Room at Gateway.

POLICY COMMITTEE – Mel Fredlund

Mr. Fredlund reported that proposed policy revisions are in progress and will probably be presented to the Board in six months.

Policy Committee

UNFINISHED BUSINESS

None.

Unfinished
Business

NEW BUSINESS

None.

ANNOUNCEMENTS

New Business

A copy of the resale report is attached.

Next regular board meeting: Friday, March 25, 2011 at 1:00 p.m. in the Delta Room.

Announcements

ADJOURNMENT

Having no further business, the meeting adjourned at 2:15 p.m. to an executive session to discuss a resident matter.

Adjournment

Barbara Brooks-Gilbert, Secretary
First Walnut Creek Mutual