

MINUTES

FIRST WALNUT CREEK MUTUAL
REGULAR MEETING OF THE BOARD OF DIRECTORS
FRIDAY, MAY 21, 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, May 21, 2010 at 1:00 p.m. in the Delta Room, Del Valle Clubhouse, Walnut Creek, California.

PRESENT: Mel Fredlund, President, District 5
Barbara Brooks, Secretary, District 2
Sue DiMaggio Adams, First Vice President, District 3
(who arrived at 1:20 p.m., then left at 1:40 p.m.)

Roll Call

EXCUSED: Randall Morgan, Second Vice President, District 4
Sally Nordwall, Treasurer, District 1

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

Mr. Fredlund welcomed the 19 residents in attendance.

APPROVAL OF MINUTES

Mr. Fredlund asked for any corrections to the minutes of the April 23, 2010 regular meeting. When Ms. Adams arrived at 1:20 p.m., she was asked for any objections to the minutes. Hearing none, Mr. Fredlund declared them approved as written and reviewed.

Approval of Minutes

PRESIDENT'S REPORT

Mr. Fredlund reported on issues to be discussed at the May 24 Presidents' Forum: the nature of the Presidents' Forum; elimination of Med-Pay on the general liability master insurance policy; process of resident lock boxes; implementation of the Ad Hoc GRF Trust Agreement Task Force; MOD waste handling area post project procedures and operating conditions; Mutual Director orientation package.

President's Report

There were 17 resales in April at a median price of \$122,500. Year to date resales total 43 with a median price of \$123,950. There were three purchase loans for a total of \$195,750 and one refinance loan in the amount of \$147,000. Currently there are 38 leased manors representing 2% of the total number of manors in the Mutual.

The year end audit report was mailed in April. The audit packet included proposed revisions to two First Mutual policies for member review.

TREASURER'S REPORT – Sally Nordwall, Treasurer

In Ms. Nordwall's absence, Mr. Chakoff reported the Mutual is in very good financial condition through April 30, 2010 with a surplus to date of \$119,000. Utilities are greatly under budget due to an unusually heavy rainy season.

Treasurer's
Report

The 2009 MOD refund will appear on the May financial report.

BUDGET AND FINANCE COMMITTEE – Sheryl Almon, Chair

The May B&F committee meeting has been postponed to May 26.

Budget and
Finance
Committee

INVESTMENT OPTIONS – Rick Chakoff, CFO

(Ms. Adams appeared at this point in the meeting.)

Investment
Options

Mr. Chakoff reported he has found two internet banks that can service corporate accounts. Following discussion.

Ms. Adams moved to approve the establishment of an account for reserve funds at internet bank ING in an amount not to exceed FDIC limits, and establishment of an account for reserve funds at internet bank Capital One in an amount not to exceed FDIC limits. Ms. Brooks seconded and the motion carried without dissent.

Approval to
Establish Two
Accounts at
Internet Banks

POLICY COMMITTEE – Mel Fredlund

The revisions of Policy 3.0 Carports were distributed for Board review and member comment on several occasions. Having no further questions or comments,

Policy Committee

Ms. Adams moved to approve the revisions to Policy 3.0 Carports that now is entitled, "Carports, Vehicles, Golf Ports, Parking, and Towing", as presented and reviewed. Ms. Brooks seconded and the motion carried without dissent.

Approval of
Revisions to
Policy 3.0
Carports

The Policy Manual will be updated to include this revision. (A copy of the revisions is enclosed.)

The revision of Policy 8.0 Late Payment Penalties was distributed for Board review and member comment on several occasions. Having no further questions or comments,

Ms. Brooks moved to approve the revision to Policy 8.0 Late Payment Penalties as presented and reviewed. Ms. Adams seconded and the motion carried without dissent.

The Policy Manual will be updated to include this revision. (A copy of the revision

is enclosed.)

(Ms. Adams left the meeting at this point in the meeting.)

MUTUAL OPERATIONS REPORT – Doug Hughs

Mr. Hughs reported on roofing, asphalt work; carpentry; and painting. A copy of Mr. Hughs' management report dated May 20, 2010 is attached.)

Mutual
Operations
Report

LANDSCAPE REPORT – Rich Perona

Mr. Donner reported on behalf of Mr. Perona that landscape maintenance is routine. Color spot rotations have been completed. The rehabilitation project in Entry 14 on Golden Rain Road is the next project on the schedule.

Landscape
Report

LANDSCAPE COMMITTEE – Randall Morgan

The next Landscape Committee Meeting is scheduled for Friday, June 4 at 11:00 a.m. in Multipurpose Room #1 in Gateway.

Landscape
Committee

NEW RESIDENT ORIENTATION – Jerry Priebat

Thirteen enthusiastic new residents attended the May 18 orientation. The next orientation is scheduled for Tuesday, July 20 at 10:00 a.m. in the Delta Room at Del Valle.

New Residents
Orientation

UNFINISHED BUSINESS

None

Unfinished
Business

NEW BUSINESS

None

New Business

RESIDENTS' FORUM

Marlene Miller, Pine Knoll – Entry 4, reported a mold problem on her aluminum windows. She plans to replace the windows with dual pane windows but has concerns regarding the dryrot in the structure. Mr. Hughs will follow up on this matter to determine the condition of the window framing. He stated that the Mutual is responsible for the framing and will replace the structural components as needed.

Residents' Forum

Linda Pingatore, Pine Knoll – Entry 6, commented that the trim colors at the roofline on the newly-painted buildings do not blend well with the new building colors. It is problematic for residents who look down onto those buildings. She was directed to Sheryl Almon from the Painting Committee to discuss paint color options.

ANNOUNCEMENTS

Announcements

A copy of the resale report is attached.

The next regular meeting of the Board of Directors will be held on Friday, June 25, 2010 at 1:00 p.m. in the Delta Room in Del Valle Clubhouse.

ADJOURNMENT

Adjournment

Having no further business, the meeting adjourned at 1:45 p.m.

Barbara Brooks, Secretary
First Walnut Creek Mutual