

FIFTH WALNUT CREEK MUTUAL  
**MINUTES**  
REGULAR MEETING  
THURSDAY, JULY 21, 2011, AT 2:00 P.M.  
BOARD ROOM – GATEWAY COMPLEX

OPENING

President Rowe opened the meeting at 2:00 p.m. Directors Cruson, Dietschy, and Sandelmann were also present. Attendance

There were five residents present.

Staff was represented by Mr. Donner, Director of Mutual Operations; Mr. Chakoff, Chief Financial Officer; Ms. Haskett, Assistance Controller; Mr. Friesen, Building Maintenance Manager; and Ms. Paradise, Administrative Secretary.

APPROVAL OF THE MINUTES

Ms. Sandelmann pointed out a correction on page 4 of the June 16, 2011 regular meeting minutes that a statement by Mr. Sandelmann referred to the Ad Hoc Reserve Study Committee and not the Exploratory Committee. The correction was implemented prior to Ms. Dietschy signing the June 16, 2011 minutes. No further correction is needed. Approval of Minutes

Hearing no other corrections, Mr. Rowe declared the June 16, 2011, regular meeting minutes approved as written and reviewed.

PRESIDENT'S ANNOUNCEMENT

Mr. Rowe presented a list of the new committee assignments. He noted that a decision was made in May to combine the Alterations Committee and the Building Committee. Members on those committees will serve on both. Maureen Swinden will serve as a consultant on the Alterations Committee, and Dick Bockius will serve as a consultant on the Building Committee. A copy of the committee assignments list is attached. President's Announcement

MEMBERS' FORUM

Duncan Carter pointed out discrepancies in the new Bylaws regarding the definitions of "owners" and "members." A copy of Mr. Carter's written comments is attached. Members' Forum

Laura Hutchinson reported that she accidentally hit her garage framing and wondered if she should report to this to her insurance company, or if it is the responsibility of the Mutual to repair. Mr. Friesen will contact Ms. Hutchinson to follow up on the matter.

SECRETARY'S REPORT – Ms. Dietschy

No report.

Secretary's  
Report

TREASURER'S REPORT – Mr. Cruson

Mr. Cruson reported that some additional bank fees are still owed Project 47 by Project 46.

Treasurer's  
Report

Mr. Cruson moved to approve a reimbursement to Project 47 by Project 46 in the amount of \$617 for bank fees owed by Project 46 to Project 47. Ms. Sandelmann seconded and the motion carried without dissent.

Approval for  
Reimbursement  
to Project 47  
from Project 46

Mr. Cruson also reported that staff has suggested that we consider adopting a different form of checking account with Mechanics Bank, which would grant “earnings credits” to offset banking fees.

By acclamation, the Board agreed to direct staff to close the current operating and reserve accounts of Project 46 and transfer the total funds to Checking Reserve Accounts.

Approval to  
Move Reserve  
Funds In  
Project 46

By acclamation, the Board agreed to direct staff to close the current operating account of Project 47 and transfer the total to a Checking Reserve Account. In addition, staff is to close the current reserve account and transfer up to the amount needed to completely offset bank fees to a Checking Reserve Account. Any excess is to be invested at staff direction.

Approval to  
Move Reserve  
Funds in  
Project 47

In answer to a query, Ms. Haskett explained that interest and bank fees show as separate line items on the monthly financial statements.

LANDSCAPE COMMITTEE – Mr. Rowe, Chair

Mr. Rowe reported a list is being compiled to address the fall rehabilitation project. The Committee will ask the Valley Crest foreman if the irrigation system is checked regularly.

Landscape  
Committee  
Report

A copy of the Landscape Committee minutes from the July meeting is attached.

BUILDING COMMITTEE – Mr. Matthews and Mr. Friesen

Mr. Friesen reported that another leak was discovered in the fireline. It has since been repaired. Mr. Friesen will continue to monitor the fireline to ensure there are no additional breaks.

Building  
Committee  
Report

A change order was submitted for the trellis repair at 1221 AS #3C.

Ms. Dietschy moved to approve the change order from Perfect Painting in the amount of \$975 (reserve expense) for the additional repair due to previously unseen dryrot at the trellis at 1221 AS #3C. Ms. Sandelmann seconded and the motion carried without dissent.

Approval for  
Change Order  
at 1221 AS #3C

The annual smoke detector program will be underway soon.

In answer to a query regarding carbon monoxide detectors, Mr. Friesen explained that the new law applies only to single family homes at this time for homes going through a resale, or residences that have a building permit for \$1,000 in which there is a fossil-fuel or natural gas device, or a vehicle that parks in an attached garage. For condominium complexes, the law is not effective until January, 2013 except for residents who have a building permit for at least \$1,000, or resell the residence. At this time it is resident responsibility that is highly encouraged.

Ms. Sandelmann reported ~~a neighbor reported to her that she noticed water on the deck at 1221 AS #1C and possible cracks in the tile.~~ **the neighbor at 1221 AS #3C reported water on the deck at #3A.** Mr. Friesen will follow up.

Several garbage enclosures need repair or replacement. Mr. Friesen will survey the conditions of all garbage enclosures.

Work has been completed on the drain line crack at 3425 TG #2B.

At its August meeting, the Board will discuss the deck bids for 3330 TG #3B and 1261 AS #2B, as well as the dry rot behind the stucco at 1261 AS #2B.

#### EMERGENCY PREPAREDNESS COMMITTEE – Ms. Dietschy

Ms. Dietschy reported that on August 1 the Emergency Preparedness Organization (EPO) will hold a presentation regarding pet care in the event of an emergency.

Emergency  
Preparedness  
Committee  
Report

#### ALTERATIONS – Mr. Matthews

There are currently six alterations in progress and one recently completed.

Alterations

#### AD HOC RESERVE STUDY – Mr. Matthews

The Committee made several corrections to the components list, such as removal of fire extinguishers from the reserve list since that is a line item in the operating budget. The worksheets will be updated with the corrected components list.

Ad Hoc  
Reserve Study

The Committee also discussed recommended adjustments in the interest rate and

inflation rate to reflect ~~current~~ **expected long-term** market conditions.

EXPLORATORY COMMITTEE (separate/combine)

No report.

Exploratory  
Committee

OLD BUSINESS

One response from the membership was received regarding the proposed Policy 22 (Elections) revisions. Mr. Rowe sent the comments back to the Committee for review and asked that it present a recommendation to the Board in August.

Old Business

The Board discussed the proposed revisions for Policy 49 (Inspections).

Mr. Cruson moved to approve the draft presented by the Committee and send it out for member comment. Ms. Sandelmann seconded and the motion carried without dissent.

Approval of  
Proposed  
Revisions to  
Policy 49 and  
Send for  
Member  
Comment

NEW BUSINESS

Mr. Rowe requested that filling the Board vacancy should be delayed until all members of the Board are present. Those Board members present agreed.

New Business

The Board discussed the revised management contract between Fifth Walnut Creek Mutual and Mutual Operations Division (MOD). Mr. Donner explained that the proposed contract brings current the previous contract that dates back to 1993 and standardizes the form. By acclamation, the Board approved the proposed new management contract. It will now be sent to the Golden Rain Foundation Board for approval.

Approval of  
Revised/  
Updated  
Management  
Contract

ANNOUNCEMENT

The next regular board meeting is scheduled for Thursday, August 18, 2011 at 2:00 p.m. in the Board Room in Gateway.

Announcement

ADJOURNMENT

With no further business, the meeting adjourned at 3:15 p.m.

Adjournment

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Ellen Dietschy, Secretary  
Fifth Walnut Creek Mutual