

MINUTES

WALNUT CREEK MUTUAL EIGHT ANNUAL MEETING OF THE MEMBERSHIP TUESDAY, MAY 3, 2011 at 9:30 A.M. VISTA ROOM – HILLSIDE CLUBHOUSE

On behalf of the President, Mary Jean Parton, Secretary Robert Viator convened the Forty-Second Annual Meeting of the Membership of WALNUT CREEK MUTUAL EIGHT at 9:30 a.m. on Tuesday, May 3, 2011 in the Vista Room at Hillside Clubhouse, 3400 Golden Rain Road, Walnut Creek, California.

PRESENT:	Mary Jean Parton	President	<u>Attendance</u>
	Mari Ventura	Vice President	
	Robert Viator	Secretary	
	Craig Miller	Treasurer	
	Robert Eisner	Director	

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

Mr. Viator welcomed the residents in attendance.

Assistant Secretary Dyann Paradise reported that a quorum had been reached, with 31 members in attendance. (26 members were needed to establish a quorum)

CERTIFICATION OF NOTICE OF MEETING – Robert Viator, Secretary

Mr. Viator read the Certification of Notice of Members' Meeting certifying that a notice was mailed in accordance with Article 7, Section 7.5.1 of the Bylaws of the Corporation to all members of record as of April 22, 2011, and that notices were published in the Rossmoor News on March 16, March 23, April 20 and April 27.

Certification of Notice

APPROVAL OF MINUTES

Following review of the minutes from the previous annual meeting,

Approval of Minutes

Mr. Miller moved to approve the minutes from the Annual Meeting of the Membership on May 4, 2010 as written and reviewed. Ms. Ventura seconded and hearing no dissent, Mr. Viator declared them approved.

PRESIDENT'S REPORT – Mary Jean Parton

Ms. Parton expressed her appreciation to the Board, members, and staff for their support and interest in Mutual Eight over the past year.

President's Report

FINANCIAL REPORT – Craig Miller, Treasurer and Rick Chakoff, CFO

Mr. Miller also thanked staff, especially the accounting staff at MOD, for continuing support and assistance.

Financial Report

Mr. Chakoff reported that as of March 31, 2011, expenses were slightly over budget in landscaping in the amount of \$1,600, but this may be due to a timing issue. Fund balances are good and the Mutual appears to be in good financial condition.

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

Additional pruning needs to be done near 1154 Skycrest. The v-ditches also need to be cleared. Mr. Viator stated a landscape inspection will be performed in the next few weeks to outline current landscape maintenance needs. It was reported that the ivy is dying out on the hillside near 1200 Skycrest and the laundry room area. Mr. Viator stated that the laundry room area is scheduled for rehabilitation this year because tree roots have invaded the grass. The rehabilitation will involve removal of some of the grass and replacement with inorganic materials.

BUILDING MAINTENANCE REPORT – Bill Friesen

Mr. Friesen reported the asphalt work that was approved last year will be accomplished this year. The crack filling will occur in mid-May, to be followed by a seal coating on July 18. Red curb and striping will follow.

Building Maintenance Report

A storm drain near 1100/1114 Skycrest clogged during the recent rains. Apparently the pipe is full of rocks and debris and the plumber was unable to clear the pipe. The Board will discuss options at a future meeting which may include removal of the pipe and installation of a drain basin.

A major leak at 1138 Skycrest was repaired and has been forwarded to the insurance company as a claim.

The entry sign lights are being inspected, as there have been several calls regarding outages. Replacement fixtures have been ordered. It was noted that, because the lights are on a solar cell, they need sufficient sunlight to charge. During winter hours there is sometimes insufficient sunlight to charge the lights at all or to keep them on for more than a few hours. This should improve during the summer months.

The city of Lafayette approved construction of fire roads and the roads leading into the property behind Entry 6 on the Lafayette side.

Mr. Friesen provided estimates for reserve rehabilitation and painting for seven buildings in this year's painting project: 1208, 1232, 1224, 1296, 1312, 1320 and 1324 Skycrest. Following review,

Mr. Miller moved to approve the bid from Pacific Trim to paint seven buildings in this year's painting project at a cost of \$70,300.

Approval of
Painting Bid

Ms. Ventura seconded and the motion carried without dissent.

By acclamation, the Board approved the estimate from MOD for the pre-painting rehabilitation carpentry in the amount of \$10,000.

Approval of
Carpentry Bid

EMERGENCY PREPAREDNESS COMMITTEE – Jane Viator

Ms. Viator reported that she regularly attends the Emergency Preparedness Organization meetings. She reminded residents to be prepared at all times with enough water, food and medication for a minimum of three days. She suggested that water should be stored in shatterproof containers no larger than one liter in order to be easy to move. Residents should also look carefully at the Mutual's newsletters for suggestions of other emergency items to keep on hand at all times.

Emergency
Preparedness
Committee Report

FINANCE COMMITTEE – Rick Chakoff, CFO

Mr. Chakoff reported that he has been investigating options to maximize investments. Current interest rates are extremely low and bank fees are excessive. He stated that the Mutual could move funds from the reserve and property funds into business checking accounts to earn investment credits against bank charges, such as the lockbox fees. No interest is paid in the business checking accounts but they are fully insured by the FDIC.

Finance
Committee
Report

Mr. Miller moved to transfer funds from the reserve and property fund accounts into business checking accounts that would be fully insured and would receive credit against bank charges. Staff would manage the business accounts to maximize the return on investment. Mr. Eisner seconded and the motion carried without dissent.

Approval to Move
Funds into
Business
Checking
Accounts

SOCIAL COMMITTEE

Barbara McCauley suggested that the Mutual should hold a mortgage-burning party since the HUD mortgage has been paid in full. Mr. Viator suggested such an event for the fall.

Social Committee
Report

Sally Kennedy volunteered to chair the Social Committee.

LANDSCAPE COMMITTEE – Hazel Horti

Ms. Horti reported she regularly patrols the Mutual property and is pleased with the overall condition. Ms. McCauley complimented the landscape crew for the beautiful daffodils throughout Rossmoor.

Landscape
Committee
Report

SEATING OF DIRECTORS

Mr. Viator stated that any member in good standing interested in serving on the Board of Directors is welcome. He reported that the following two people were re-elected by acclamation to the Board of Directors, each to serve a three-year term:

Seating of
Directors

MARI VENTURA
ROBERT EISNER

They were welcomed back to the Board for another term.

Ms. Ventura expressed her thanks to the Board and thanks on behalf of Mary Jean Parton for all the support this past year during their recoveries.

UNFINISHED BUSINESS

Barbara McCauley asked about the disposition of the HUD reserves now that the Mutual has paid off the HUD loan. Mr. Donner reported that the HUD reserves were rolled into the regular reserves in order to bring the reserve balance close to being fully funded. A new reserve study will be accomplished soon that will provide an updated fund study for reserves. It would be prudent to wait for the completion of the study to determine the funding needs and options.

Unfinished
Business

NEW BUSINESS

On behalf of the Board and the membership, Mr. Viator presented Mary Jean Parton with a certificate of recognition and bouquet of flowers for her many years of service to the Mutual Eight community. The audience expressed their appreciation with a rousing round of applause.

New Business

RESIDENTS' FORUM

Barbara McCauley displayed several birdhouses that are available for purchase through the Rossmoor wood shop at a minimal price. She suggested that installing birdhouses throughout the Mutual would create a great ambiance. She reminded residents that seeded bird feeders are not permitted in Mutual Eight but that birdhouses are allowed.

Residents' Forum

ADJOURNMENT

Having no further business, the meeting adjourned at 10:25 a.m. to an Adjournment
Organizational Meeting to elect officers.

Robert Viator, Secretary
Walnut Creek Mutual Eight