

MINUTES

FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, SEPTEMBER 27, 2019 AT 10:00 A.M. DONNER ROOM – EVENT CENTER

President Sally Nordwall called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, September 27, 2019 at 10:00 a.m. in the Donner Room, Event Center, Walnut Creek, California.

PRESENT: Sally Nordwall, President, District 1
Gerald Priebat, 1st Vice President, District 2
John Moe, 2nd Vice President, District 3
Shanti Haydon, Secretary, District 5

EXCUSED: Pat Donahue, Treasurer, District 4

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

Ms. Nordwall welcomed the 21 residents in attendance.

APPROVAL OF THE CONSENT CALENDAR

The consent calendar consisted of:

Regular Meeting Minutes – August 23, 2019
Executive Session Meeting – August 23, 2019
Ratifying of Compliance with Section 5500 of Davis-Stirling

Ms. Haydon moved to approve the Consent Calendar as presented. Mr. Priebat seconded and the motion carried without dissent.

RESIDENTS' FORUM

The Residents' Forum was held. Topics included comments thanking Board and MOD for work on the 2020 budget; alarms went off – fire department broke door to enter and resident couldn't move back in until door was repaired; concern regarding manor that the owner doesn't live in-family comes in and out. Paul Donner reported that the Board cannot comment in Resident Forum about a particular resident or manor.

LANDSCAPE REPORT

Mr. Donner reported there is no report because the committee will meet next week.

TREASURER'S REPORT

Ms. Nordwall gave Ms. Donahue's report. FWCM is in good financial condition. The budget

overages are primarily due to the insurance premium increase that has been noted before, water usage and increased rates and gutter and other repairs from the wind and rain. There are only three delinquent accounts requiring board action and two are due to deaths and are being managed with the attorneys involved. Jean Autrey should now present her committee's report.

BUDGET & FINANCE

Ms. Autrey reported that the committee reviewed the proposed 2020 budget. There may be a monthly increase of \$64. The actual coupon increase, 2020 over 2019 was, for FWCM's budget, \$51.32. GRF's total is \$12.68, for the total of \$64 recommended 2020 coupon of \$745 per month per manor. Replenishing working capital caused by unexpected insurance increase, \$15.52, plus expected insurance premium for 2020, increase of \$19.28, total \$34.80 mostly attributable to insurance premium increase.

Ms. Autrey referenced the reserve analysis report by Helsing Group. The 2020 Reserve Fund increase of \$11.19 to \$159 per manor per month was based upon the recommended figures in their report. The \$159 was Helsing's recommendation in order to achieve threshold funding in the Reserve Fund.

The Budget & Finance Committee recommends that Working Capital should be increased to \$500,000 over the next 2 years. MOD management fee should increase by \$2.04; Utilities should increase by \$3.27 and there should be a \$1.56 decrease in recycling. This means there will be a larger than normal increase, but it is needed to meet the obligations of the Mutual.

Ms. Donahue supports these results.

MUTUAL OPERATIONS REPORT

Mr. Hughs' read his report as follows:

CARPENTRY- Carpenters have completed the list of buildings to rehab this year and are now checking and replacing any back deck support beams on Sonoma/Sequoia buildings that are on the list for next year.

PAINT- Painters are currently working on 1708 Oakmont Drive, entry 15 and 1417 Oakmont Drive, entry 10. They will then wrap up the year with 1608 Golden Rain Road, entry 4 and 2409 Golden Rain Road, entry 17 in the next couple of weeks.

Mr. Hughs reported that a resident requested remediation in the carport area of a G-11. A French drain should be installed with a pump. It is south of 2064 Golden Rain, E8 and will take care of half of the building.

Mr. Priebat moved to approve the French drain and pump with a NTE of \$5,000. Ms. Haydon seconded and the motion carried without dissent.

RECYCLE/COMPOSTING

Mr. Moe reported there will be changes in the pick-up dates, but they have not been announced yet. Signs will be placed on the trash enclosures to help drivers in making correct pick-ups. Spanish language posters are also available. Per Republic Services,

there will be no more changes until the end of the year.

Ms. Haydon reported that it is \$150 to clean one enclosure. It is very costly. Let your director know if the enclosure is really bad and if there are a few, we might be able to get a better price.

WEBSITE

Mary England reported that the purpose of this committee is to look at the feasibility of a website. The committee determined that it is feasible and recommends having a developer. FWCM should consult legal counsel. The Committee recommends that it be developed and implemented in phases. It will be about \$650 for the launch of the website. The Committee met with Mutual 68 to ask questions, as they have their own website.

The Committee developed a draft survey to get members' input. The Committee recommends that it be distributed at the Annual Meeting.

Ms. Nordwall reported this was an excellent report. She asked the Committee to continue as Ad Hoc, do the survey, and address results at the October 25th meeting.

Ms. England agreed to continue.

PRESIDENT'S REPORT

Ms. Nordwall reported as a board our common ground is to review the business being done in FWCM to provide a safe, and attractive community. Nowhere is that more apparent than in the developing of a budget. We need to be able to pay for the services we provide our residents. I have a tremendous amount of respect for MOD for managing the services provided in FWCM and each of the other 18 Mutuals as well as the Golden Rain Foundation services. I am sure that many of our residents will be shocked by the increase. The primary cause is insurance and in no way could we get by without insurance. Other increases come from rising rates i.e. water, utilities, and materials needed for repairs. We are blessed with committed managers, Paul Donner, Doug Hughs, Rick Chakoff, and Theresa Haskett, who work hard to give us value for our dollars spent. Now I know that board members are going to get calls from older residents who claim that their fixed income has not caught up with our raising prices. For those people I have two suggestions. If there are heirs, let them know that they will be inheriting a valuable piece of property if they can continue to live here. If there are no heirs, how about a share loan? Property values within FWCM and interest rates are low.

We must all work together to keep FWCM the wonderful Mutual that it is.

ORIENTATION – Gerald Priebat

Mr. Priebat reported the next meeting will be on November 12th at 10:00 a.m. in the Donner Room. Existing residents are invited to attend. Due to the Annual Meeting, there will not be an orientation in October.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENTS

The next regular Board meeting: Friday, October 25, 2019 at 10:00 a.m. in the Donner Room at the Event Center. The Annual Meeting will be held on October 8th at 10:00 a.m. in the Fireside Room.

ADJOURNMENT

Having no further business, the meeting adjourned at 11:10 a.m.



Anne Paone, Assistant Secretary
First Walnut Creek Mutual

***The Board of Directors met in executive session on August 23, 2019 at 11:15 a.m. to discuss the following:

1. Member Matters: Wildlife; Reimbursement-Matter closed

Having no further business, the executive session adjourned at 11:45 a.m.