

FIRST WALNUT CREEK MUTUAL
FIFTIETH ANNUAL MEETING OF MEMBERS
TUESDAY, OCTOBER 10, 2017 AT 10:00 A.M.
FIRESIDE ROOM – GATEWAY CLUBHOUSE

President, Ken Anderson, called to order the Fiftieth Annual Meeting of Members at 10:00 a.m. on Tuesday, October 10, 2017 in the Fireside Room, Gateway Clubhouse, Walnut Creek, California.

PRESENT: Ken Anderson, President, District 4
Gerald Priebat, 1st Vice President, District 2
Shanti Haydon, 2nd Vice President, District 5
Sally Nordwall, Treasurer, District 1
Chris Folger, Secretary, District 3

ABSENT: None

Mutual Operations was represented by Paul Donner, Director of Mutual Operations; Doug Hughs, Building Maintenance Manager; Rebecca Pollon, Landscape Manager; Jo Ann Cooper, Financial Analyst; and Anne Paone, Administrative Secretary.

Mr. Anderson welcomed the sixty residents who were present.

Mr. Anderson introduced the Board of Directors, Mr. Donner and the MOD staff.

CERTIFICATION OF NOTICE – Anne Paone, Administrative Secretary

Administrative Secretary, Anne Paone, read the Certification of Notice for the Annual Meeting of October 10, 2017 certifying that, pursuant to Article 6, Section 6.6.1 of the Bylaws of First Walnut Creek Mutual, notices of the location, date and time of the Annual Meeting were published in the *Rossmoor News* on September 27 and October 4, 2017 and the meeting was included on the calendar posted on the First Walnut Creek Mutual website.

APPROVAL OF MINUTES

Mr. Anderson asked for any additions or corrections to the minutes of the Annual Board Meeting and the Organizational Meeting held on October 11 2016. Hearing none, Mr. Anderson declared them approved as written and reviewed.

MUTUAL'S OPERATION REPORT

Doug Hughs gave a brief report advising the membership that some air conditioners are on a water-cooling system. The Mutual is converting them to air-cooled systems. This will save the Mutual water and perhaps a bit of money.

Mr. Donner agreed that the Mutual will see a savings in their water consumption. A resident asked if there is insurance for the fire that was caused by an open-flame barbecue. Mr. Donner reported that it is covered under the property insurance.

LANDSCAPING

Ms. Pollon reported Rossmoor has a total of 1,800 acres. There are 131 acres in FWCM and 269 buildings. She briefly reviewed the plans for 2017-2018. The goal is to recover from the drought, improve focal areas of FWCM and improve the soil, plant, and turf health. They will address resident requests. They will do a Mutual-wide compost and mulch installation program. They have replaced the worst 10% of Mutual-wide lawns. They will be replacing 25,000-50,000 square feet of turf starting at Fairlawn. Ms. Pollon reminded the membership to call the work order desk for maintenance issues and to call the landscape representatives for all else. If you don't know your representative, you may call the work order desk as they have a list of the landscape representatives.

BUDGET

Ms. Nordwall reported that the Mutual is in excellent financial condition thanks to MOD and the accounting department. Delinquencies are under 1%. Jo An Cooper does an excellent job.

Mr. Donner gave a summary of the budget for 2018. The overall increase, including GRF, will be \$20.00 for a total monthly payment of \$668.00. MOD's fee is normally increased by 1-2%, but this year it will go up 8.1% due to a 3.8% COLA for employees and it includes a new position for a Landscape Field Supervisor. Golden Rain fell behind in salaries and was losing staff. Insurance is purchased in December, so a best estimate is figured into the budget. The Reserve Assessment is to fund manor building rehab projects. The Mutuals all have a shared deductible insurance policy with a \$100,000 deductible. Ten thousand dollars is paid by the Mutual that has the event. The rest is shared by all of the Mutuals including the Mutual where the event occurred. If it is not budgeted for, it comes out of working capital. The 2018 budget includes one insurance occurrence. Ms. Nordwall reported that there are no higher ways to earn money. The Mutual has short and long-term CDs.

PRESIDENT'S REPORT TO THE MEMBERSHIP – Ken Anderson

Mr. Anderson read his report as follows:

After four years of drought, we survived a very rainy year with minimal flooding and erosion, thanks largely to the proactive preparations of Dough Hughs and Rebecca Pollen. A special thank you must also go to Chris Folger who pulled double duty as chair of the landscape committee and Director of District 3.

Our financial position continues to be in excellent shape, thanks in large part to our treasurer, Sally Nordwall, our Budget and Finance Committee, and so many excellent MOD staff members, including Paul Donner, Rick Chakoff, Anne Paone, and Karen Kruth in Member Records. We are lucky, indeed, to have such quality personnel. They make my job and that of the Board much easier.

The Board was able to reduce its share of the 2017 coupon by \$10 to help offset the \$20 increase by the Golden Rain Foundation. Similarly, the Board is again striving to keep the increasing costs of running First Mutual to a minimum while improving our wonderful facilities and services. Rossmoor and First Mutual are class acts and should continue to be kept so. As usual, most of our budget for the year was spent on repairing and rehabilitating our 53 year old buildings, plumbing, wiring, and landscaping. One unusual achievement this year was the hiring of a professional to inspect all of First Mutual's carports and notify residents of violations. Most importantly, water conservation was and will continue to a top priority for the foreseeable future. One year of rain does not negate our need for future conservation.

I want to thank my fellow board members for their cooperation and generous service throughout the year. It's been a privilege to work with such friendly and dedicated board members.

In conclusion, I would like to remind everyone that you are the reason this board can be effective and make First Mutual a better place to live. Your cooperation in following the policies, reporting violations, and offering solutions is crucial to our success.

RESIDENTS' FORUM

A resident spoke about right-sizing trash bins. She was pleased that it will save the Mutual money and it benefits everyone.

A resident asked that the Mutual no longer allow open-flame barbecues.

A resident stated that he is against open-flame barbecues on decks, patios and balconies. He asked the Board to write a clear policy that prohibits open-flame barbecues.

A resident discussed alterations being done next door to her. Workers are there when they should not be. Mr. Donner advised her to call Securitas at night or on the weekends and they will shut them down. During the week, call MOD and they will send an inspector to speak to them.

A resident reported that she has a tiny weber barbecue and keeps it away from combustibles.

A resident asked if there are any plans to fix the Golden Rain path, Entries 14-26. Mr. Anderson reported that the Board had previously looked at it and decided not to do anything.

A resident stated that barbecues should be banned completely.

A resident said that she supports having the path redone. There are signs that state GRF is not responsible for any liability. She also said that contractors are placing trash in the Mutual bins.

A resident spoke about hearing water running in a unit. Mr. Anderson advised her to call Securitas at night or on the weekend.

A resident said that she spoke to an "expert" on barbecues. People need to turn off the valve. Propane is heavier than air and it won't dissipate. Board members should make this a safety issue.

Mr. Priebat reported barbecues will be on the agenda at the regular monthly meeting on October 27th.

Ms. England complemented Ms. Pollon for helping members understand the landscape process. She also mentioned that PG&E will come out to check valves and

make sure they are not painted closed.

SEATING OF DIRECTOR

An appointment will be made in the Organizational meeting.

On behalf of the Board, Ms. Nordwall said good-bye to Ms. Folger. She served the Mutual well. Ms. Folger has said that she will continue to help. She will stay on the Landscape Committee.

The Board presented Ms. Folger with a light for her desk. She thanked the Board and commented on all of the hard work that the Board does for the Mutual.

ANNOUNCEMENTS

Mr. Anderson announced there would be an Organizational Meeting immediately following adjournment of the Annual Meeting.

ADJOURNMENT

Having no further business, the meeting adjourned at 11:21 a.m. to an organizational meeting to elect officers.

/s/ Anne Paone, Assistant Secretary
First Walnut Creek Mutual