

## MINUTES

FIRST WALNUT CREEK MUTUAL  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
FRIDAY, FEBRUARY 26, 2016 AT 11:00 A.M.  
DONNER ROOM – EVENT CENTER

PRESIDENT Ken Anderson called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, February 26, 2016 at 11:00 a.m. in the Donner Room, Event Center, Walnut Creek, California.

PRESENT: Ken Anderson, President, District 4  
Nancy Turnier, First Vice President, District 3  
Shanti Haydon, Second Vice President, District 5  
Sally Nordwall, Treasurer, District 1  
Gerald Priebat, Secretary, District 2

EXCUSED: None

Staff was represented by Rick Chakoff, Chief Financial Officer; Doug Hughs, Building Maintenance Manager; Rich Perona, Landscape Manager and Anne Paone, Administrative Secretary. Mr. Donner was attending another meeting.

Mr. Anderson welcomed the 9 residents in attendance.

### APPROVAL OF THE MINUTES

Ms. Nordwall moved to approve the minutes of the regular session Board meeting of January 22, 2016 as written and reviewed. Ms. Haydon seconded and the motion carried without dissent.

Mr. Anderson introduced Mr. Tim O'Keefe, the new CEO of Golden Rain Foundation. Mr. O'Keefe remained to observe the meeting.

### RESIDENTS' FORUM

Leah Lin, Golden Rain Rd., Entry 18 – Ms. Lin reported that she would like more color in her landscaping in her quad. She would like to be a part of the design and decision regarding selections for landscaping. She would also like picnic tables and benches in her entry.

Mr. Priebat lives in the same entry and told the Board and the membership that Leah has helped neighbors with personal landscaping.

Mr. Perona reported that a notice is put out for a meeting where everyone may talk about the proposals and incorporate their ideas. Mr. Perona would then bring this to the Board for approval.

Mary Collins, Golden Rain Rd., Entry 18 – Ms. Collins reported that she is the entry coordinator's assistant. She, too, would like tables and benches. This area will also be used as a triage area in an emergency.

Adele Lederman, Golden Rain Road, Entry 18 – Ms. Lederman reported that she is an instructor for CERT and has used that area for CERT drills. Some residents cannot stand or lie on the ground. Benches and tables would help these residents, especially in an emergency. She would like them in the quad area. A sitting area is really needed.

John Turnier, Pine Knoll Dr., Entry 3 – Mr. Turnier is concerned about debt. He was concerned that the Mutual may have to pay the debt incurred by GRF. Another concern is rentals. He feels that joint occupancy and designated occupants are problems. Correct membership fees are not collected. Parking is also a problem.

Mr. Anderson stated that the issue of rentals is being considered by GRF & the Liaison Committee.

Mr. Priebat commented that all applications for new residents used to be reviewed by at least one board member and things were scrutinized more closely.

### LANDSCAPE REPORT

Mr. Perona reported the following:

**LAWN MAINTENANCE:** Mowing will be as needed throughout the winter. Watering will occur on schedule with weather conditions. System checks are underway throughout the Mutual. Areas of irrigated landscape will be evaluated to see how irrigation can be modified to reduce overall water consumption. Lawns will be fertilized and also treated for crabgrass control. Aeration for all lawn areas will also be completed in March. Irrigation techs are checking systems.

**ENTRY MAINTENANCE:** Crews are working on spraying for weeds in shrub areas and edging groundcover beds. Shrub pruning this month will include Oleanders and Hypericum. Selected areas of groundcover will be mowed and all small trees are being pruned.

**TREE MAINTENANCE:** All work orders are taken care of monthly. Tree crews have completed the pruning of Crape Myrtles.

**LANDSCAPE REHAB:** Several drain projects were recently completed. Landscape reps are working with Curtis to identify small projects in their areas.

Some small areas of turf will be removed and changed out to shrubs and bark.

Last year the Mutual took advantage of EBMUD's rebate program. Some money may still be available for this year.

Mr. Perona held off on discussing plans for entry 18 today and will arrange a meeting with the entry residents to discuss the courtyard area.

Mr. Priebat is concerned about establishing a picnic area. It can get noisy. Benches would be appropriate. He would like to see some grass there because it gives it the look of an open area.

The next landscape meeting is scheduled on April 1, 2016 at 11:00 a.m. in MPR #1.

### TREASURER'S REPORT

Ms. Nordwall reported that the Mutual is in excellent financial condition. Receipts are ahead of budget and expenses are below budget. Members are diligent in paying coupons. The

staff in accounting is excellent in encouraging members to pay their debts. There is \$13,000 outstanding over 90 days. This is a very small percentage. In the short-term, many members have the \$25 late fee and \$40 charge on their accounts. Using ACH would eliminate these issues. The changing of banks went very smoothly.

Mr. Chakoff reported that there is \$39,000 in the outstanding accounts receivable, but one million six hundred thousand dollars is billed each month. The outstanding amounts will be collected when the manor is sold.

The operating fund is favorable to budget by \$87,000. It is early in the year, but the coupon revenue is always on budget. Water is under budget. The Mutual is favorable to budget by \$4,000 in insurance. The policy came in lower than anticipated. There are a few events where the insurance will kick in. There is a \$100,000 deductible. Ten thousand dollars is paid by the Mutual that had the event. The balance of \$90,000 is shared by all of the Mutuuls, except Mutual 61 and the Waterford.

Ms. Nordwall reported that Building Maintenance and Public Works is over budget due to gutter and rain leaks.

Mr. Chakoff reported that late fees are included in the line item marked "Other Income".

## BUDGET & FINANCE

Ms. Nordwall reported there was no meeting last month. Sadly, committee member, Jiayi Zhou recently passed away. He had been an active contributor with ideas and solutions. He worked on the sub-committee for electric car charging. He will be remembered for his interest and concern for the Mutual.

The next B&F meeting will be on March 17, 2016at 10:00 a.m. in the Board Room at Gateway.

## MUTUAL OPERATIONS REPORT

Mr. Hughs gave the following report:

WATER COOLED A/C CONVERSIONS- All Bay Heating and Air is currently doing the A/C conversions up on entry 7 Rockledge Lane, buildings 1372 and 1388. They have already completed 16 conversions in buildings 1208 and 1224 Rockledge Lane, Entry 6.

CARPENTRY- Carpenters have started the yearly rehab work up on Golden Rain Road, Entry 23. They are currently working on 2625 and 2641 Golden Rain Road. Have also done some work on the Sonoma/ Sequoia buildings off entries 21 and 22.

ASPHALT WORK-The asphalt work for the year will be going out to bid as part of the yearly work for the whole Valley. This gives us a better price by incorporating with the other Mutuuls and doing the work at the same time. Entries on the list this year are Pine Knoll Drive Entry 1, Golden Rain Road Entry 10 and Oakmont Drive entries 12, 13, 15 & 16.

Mr. Priebat asked how residents are notified when outdoor fences will be done. Mr. Hughs reported that the carpentry crew notifies them.

## PRESIDENT'S REPORT

Mr. Anderson reported that the Presidents met last Monday. They discussed golf cart registration. The sub-committee is in the process of creating a Rossmoor-wide policy. Mr. Anderson noticed a lot of birdbaths and is concerned about standing water because of mosquito breeding. The Mutual does not have a specific prohibition on birdbaths, except that they cannot be placed on common area.

The legal seminar will be held on April 12, 2016. All directors are invited to attend. There was a request made that electric cars and solar panels be included in the seminar topics. The Presidents met with the GRF representatives during the Presidents' Forum.

Mr. Chakoff reported that MOD is not-for-profit. If revenues exceed expenses, the overage goes back per manor door to the Mutuels. The GRF Board needs to approve the recommendation. The refund is approximately \$200,000. If approved, \$58,000 will go to FWCM. The money goes into the operating budget.

The GRF sub-committee is discussing owning more than one unit so that the owner only pays one transfer fee. The discussion revolves around whether this should be changed or structured differently.

## ORIENTATION – Gerald Priebat

Mr. Priebat reported that Maureen of the Rossmoor News did an excellent article regarding GRF and the Mutuels. He talked about this topic and FWCM policies at the orientation. Ms. Turnier added that Mr. Anderson did a wonderful article, too.

The next meeting date is March 8, 2016 at 10:00 a.m. in the Donner Room.

## UNFINISHED BUSINESS

None

## NEW BUSINESS

Ms. Haydon discussed doorbells on the manors. Many of them do not ring or ring very low. They are currently not checked during the annual inspection. She suggested either letting the owner be responsible or have the Mutual replace them. Mr. Hughs commented that he does not get many calls regarding door bells. It would be about \$100 to replace. Ms. Turnier thought they should be a part of the yearly inspection by Gauthier. Mr. Hughs reported that wireless doorbells are now installed. The others are no longer available. The doorbells will be included as part of the annual manor inspections.

Ms. Haydon discussed Policy 22-5. This addresses the buyer being able to use part of rental money as income to qualify for membership. Ms. Haydon recommended using 25% instead of the 75%, as this is the norm.

Stephanie J. Hayes, the Mutual's attorney stated that this has been the language for some time now. Seventy-five percent of gross rental income is treated as net income to see if the

person meets the financial requirements. A title company interpreted this part of the policy differently. The policy may be corrected without a 30-day comment mailing to the members.

*Ms. Haydon moved to (1) correct the word "probably" to "probable" and (2) delete the parenthetical and add a standalone sentence at the end of paragraph 5 to read as follows: "Net income shall never exceed 75% of gross income". Ms. Turnier seconded and the motion carried without dissent.*

Per Davis-Stirling, these policy changes may be posted on the bulletin board noted as the formal posting location.

### ANNOUNCEMENT

The next regular Board meeting: Friday, March 25, 2016 at 11:00 a.m. in the Donner Room at the Event Center.

### ADJOURNMENT

Having no further business, the meeting adjourned at 11:55 a.m.

/s/ \_\_\_\_\_  
Gerald Priebat, Secretary  
First Walnut Creek Mutual