

MINUTES
WALNUT CREEK MUTUAL NO. TWENTY-EIGHT
FORTY-EIGHTH ANNUAL MEETING OF MEMBERS
WEDNESDAY, MARCH 6, 2019 AT 9:30 A.M.
DONNER ROOM– EVENT CENTER

The Forty-Eighth Annual Meeting of Members of WALNUT CREEK MUTUAL NO. TWENTY-EIGHT was convened at 9:30 a.m. on Wednesday, March 6, 2019 in the Donner Room, Event Center, 1021 Stanley Dollar Drive, Walnut Creek, California.

ROLL CALL: Present: Richard Saillard, President
 Carolyn Sheridan, Vice President
 Virginia Lawson, Secretary/Treasurer

Absent: None

GRF Staff was represented by Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Rebecca Pollon, Landscape Manager, and Anne Paone, Administrative Secretary.

President Saillard welcomed the 25 residents who were present and then introduced the Board Directors and staff.

CERTIFICATION OF NOTICE OF MEETING

Virginia Lawson read the Certification of Notice of Members' Meeting, attesting that, in accordance with Article 4, Section 4.3 of the Bylaws of said Corporation, notice of the meeting was mailed to all members of record as of of February 14, 2019, and that notice of the annual meeting was published in the *Rossmoor News* on February 13th, 20th, and 27th, 2019.

CERTIFICATION OF ELECTION

Anne Paone declared that Richard Saillard was the sole candidate who came forth as of the deadline of January 4, 2019, had been declared qualified, was elected by acclamation pursuant to Article 5, Section 5.3 of the Mutual's Voting and Election Rules and is hereby seated on the Board of Directors.

APPROVAL OF MINUTES

The minutes of the Forty-Seventh Annual Meeting of Members held on March 7, 2018 were considered for approval.

A motion was made, seconded, and carried unanimously to dispense with reading of the minutes of the Forty-Seventh Annual Meeting of Members held on March 7, 2018 and approve them as written and reviewed.

PRESIDENT'S REPORT – Richard Saillard

President Saillard reported that there have been many accomplishments this past year. They are as follows:

1. Water Leak

- a. Think we have it found and fixed all of the leaks we had – gallons used have been reduced
- b. The irrigation system is shut down for the winter, so hope when it is turned on the reduction in water usage continues.
- c. The Mutual needed to reduce water usage before we had the problem with the leaks.
 - i. Water costs have been going up 9% annually the last 3 years and will probably continue to rise in the future.
 - ii. We probably have drought surcharges and water usage restrictions in our future
- d. What do we need to do?
 - i. Move to more water efficient landscaping – our landscaping is not well suited to the current climate – more shrubs, less grass
 - ii. Convert to more efficient irrigation as landscaping is changed – our irrigation system is old, inefficient and requires constant maintenance
 - iii. Remain vigilant for leaks – outside our units and inside

2. Landscape Rehabilitation

- a. Board decided to expand the original Landscape Rehabilitation Plan implemented in 2018 in order to:
 - i. Incorporate changing priorities primarily related to controlling our fire risk
 - ii. Expand the list of Landscaping needs addressed in the plan - original focus was primarily on lawns
 - iii. Facilitate additional resident input
- b. Added members to Landscape Committee – Susan Hildreth, Chairperson, Pam Biddleman, Georgia Clima, Maria Temesvary and Virginia Lawson
- c. **Priorities** identified for the Landscape Committee that are intended to drive the new Landscape Rehabilitation Plan:
 - i. **Fire Safety**
 1. Mutual is adjacent to a High Risk Fire Hazard Area – hillside and wilderness along the back of Entry 11

2. Mutual landscaping includes wide-spread use and large concentrations of junipers. (The Fire Marshall walked the property with Mr. Saillard.)
3. We have a lot of pine trees which are a more flammable tree

ii. Reduce water usage

1. Cost of water going up around 9% per year and this does not include drought surcharges imposed
2. Climate is changing and our landscaping is not well suited to the drier and hotter climate we are experiencing – Grass uses 30 – 40% more water than other types of landscaping
3. Our irrigation system is old, inefficient and requires constant maintenance.

iii. Maintain the beauty and natural setting our landscaping provides.

- d. 2019 Activities – focus on removing junipers using MOD work days – (actual days per year are 13)

3. Cost of Living Here – Coupon has been going up

	Coupon	\$ Incr	% Incr
2016	\$696		
2017	\$721	\$25	3.6%
2018	\$745	\$24	3.3%
2019	\$785	\$40	5.4%

How we compare to other Mutuals:

Number of Mutuals/Projects With Higher Coupon Rates: 34

Number of Mutuals/Projects With Lower Coupon Rates: 6

4. Challenges to Holding Costs Down

1. Increasing costs – insurance, contractors, building supplies (There has been a shortage of supplies and contractors.)
2. Aging infrastructure – buildings, water pipes, storm sewers, irrigation system, electrical system

5. Summary of Major 2018 Projects

a. Paint Prep/Dry Rot Repair Budget: \$ 45,055 Actual: \$50,673

Over: \$ 5,618

b. Painting	Budget \$112,022	Actual: \$93,933		
	Under: \$18,089			
c. Asphalt Seal Coat	Budget \$ 22,219	Actual: \$14,525		
	Under: \$ 7,614			
d. Water Leak	Budget \$ 0	Actual: \$14,760		
	Over: \$14,760			
e. Repl Water Lines 2 Bldgs	Budget \$ 0	Est \$45,000		
	Over: \$45,000			
f. Dryer Vent Cleaning	Budget \$ 0	Est \$ 6,300		
	Over: \$ 6,300			

6. Projects for 2019

- a. No large maintenance projects this year. Replacing the flat roofs has been deferred.
- b. Update of the CCRs – last updated January 2003-volunteers welcome
- c. New policies-working on policies
 - i. Solar Policy – waiting for final draft from attorney
 - ii. Interest on Delinquent Payments
 - iii. Parking Violations
- d. Sidewalk grinding
- e. Organics Recycling – we will not implement until can enlarge trash enclosures

VICE PRESIDENT – Carolyn Sheridan

Ms. Sheridan did not have a report, but she said it was a pleasure working with the Board and enjoyed her time serving.

SECRETARY/TREASURER – Virginia Lawson

Ms. Lawson reported that the coupon and assessment don't reflect landscape needs. The Landscape Committee welcomes residents' input.

FINANCIAL REPORT – Paul Donner

Mr. Donner reported that as of January 31, 2019, the ending balance for the operating fund was \$31,349 and the reserve balance was \$513,871. The Mutual is better than budget for the month by \$31,281. This includes the special assessment and is also due to no irrigation water.

BUILDING MAINTENANCE REPORT – Rick West

Mr. West reported the following:

2018 / 2019 Building Maintenance Projects

1. Water leak Detection - Contractors: MOD & Precision Leak Detection - All available unit interior inspections have been completed. Precision completed their leak detections and all leaks that were found have been repaired. (Work Completed).
2. In 2018 we completed Re-Piping buildings # 2201 and # 2013 with Pex Line. In 2109 we have a budget of \$43,000.00 for building re-piping. This money will be used when there is another under slap leak on another building.
3. In 2018 Phase II Building and Carport Dry Rot Repairs were completed along with Painting & Fence staining.
4. In 2018 Dryer Vent cleaning were completed in all available units.
5. In 2018 one new Visitor Parking sign was installed and in 2019 we are repairing and replacing additional address signs in both entries. New LED lighting will also be installed on the two entry signs this year. 2019 Lighting budget is \$1,700.00.
6. In 2018 Gutter Cleaning was completed in November. The next Gutter Cleaning will be scheduled for November 2019.

Mr. West reported there is new signage throughout the Mutual. There are also new LED lights. The next three years will be spent building up the reserve and operating funds. We have a 10-year plan. The flat roofs were completed in 2007. It will cost about \$1,000,000, so the Mutual will now do them in phases.

LANDSCAPE REPORT – Rebecca Pollon

Ms. Pollon reported that Mr. Saillard covered everything in his report. She will get together with the landscape committee.

SEATING OF DIRECTOR

Mr. Saillard was elected by acclamation and has already been seated with the Board. He will serve for a new 3-year term which will expire in 2022.

RESIDENTS' FORUM

Resident mentioned that Junipers do help to retain soil, so maybe some of them should be kept. The Board and Ms. Pollon are thinking about what to plant that will continue to hold the soil.

Resident asked how often the Board meets.

Resident asked how to get a copy of the budget.

Jan Saillard reminded the membership to look at the Social Committee survey that was provided to them when they signed in for this meeting. She asked that they fill it

out and return it to her.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:20 a.m. to an Organizational Meeting to elect officers.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Twenty-Eight