

MINUTES
WALNUT CREEK MUTUAL NO. THIRTY
REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, APRIL 13, 2016 AT 9:30 A.M.
BOARD ROOM – GATEWAY COMPLEX
1001 GOLDEN RAIN ROAD, WALNUT CREEK, CALIFORNIA

President John Herron called to order the regular meeting of the Board of Directors of Mutual Thirty on Wednesday, April 13, 2016 at 9:30 a.m. in the Board Room, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: PRESENT: President John Herron
 Vice President Carl Pischke
 Secretary Lynda Caputo
 Director Janet Thoele

EXCUSED: Harriet-Lee Keller, Treasurer

MOD staff was represented by Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Rick Chakoff, Chief Financial Officer and Anne Paone, Administrative Secretary.

President Herron welcomed four residents in attendance.

Mr. Herron welcomed the new CEO, Tim O’Keefe to the board meeting.

APPROVAL OF MINUTES

Mr. Herron asked for any corrections to the minutes of the January 13, 2016 regular meeting of the Board of Directors. Hearing none, he declared them approved as written and reviewed.

PRESIDENT’S MESSAGE

Mr. Herron introduced Tim O’Keefe and reported that Mr. O’Keefe took over from the previous CEO, Warren Salmons. The GRF Board consists of nine members and that board is Mr. O’Keefe’s boss. GRF is responsible for streets, clubhouses, the golf course, and pools among other things. Anything inside of the Mutual entries is a Mutual responsibility. Insurance is shared jointly with GRF and the Mutuels, excepting Mutual 61 and Waterford. There is a \$100,000 deductible. The Mutual that has the event will pay the first \$10,000 and then each Mutual will share the \$90,000 on a per door basis. GRF is looking into the Fitness Center and how people are allowed to attend.

Mr. O’Keefe explained that MOD is a department within GRF, not a separate company. Each Mutual can have their own management company, but it is best to have the continuity of one company. Mutuels make their own decisions and GRF can only act on the Board’s decisions. The Mutual hires GRF with MOD.

Mr. O’Keefe stated that the community is gorgeous. He commended the Board members for serving.

Mr. Herron commented that the Mutual works well with MOD and has a great relationship

with the accounting department.

Mr. O'Keefe reported that he has met with the company's staff and asked them five questions. One question was why the staff member chooses to continue working at Rossmoor. Almost uniformly, they said that it is because of the people that live in Rossmoor. They are proud to serve the Rossmoor community.

A resident had a question about earthquake insurance. Mr. Chakoff responded that the Mutual does not have earthquake insurance because it is not cost effective and there is not much coverage. It would also add a substantial increase to the coupon. The Mutual owns the buildings, so all members share in costs. If there is a fire caused by the earthquake, the Mutual's insurance will cover it.

RESIDENTS' FORUM

None

MOD REPORT

Mr. Donner reported that Rebecca Pollon will be filling Mr. Perona's position. She has a master's in landscape design. She has been on the job one and a half weeks and is catching on very quickly. She has previously worked for Valley Crest and will be a good fit. Ms. Herron reported that Ms. Pollon speaks Spanish.

Mr. West provided the following written report for the Board:

WORK IN PROGRESS:

1. Phase III Roofing project – Sorenson Roofing schedule for roof replacement. #2945 and #2937. (5/9/16)
2. MOD Dry Rot rehab work (proposal presented to the board).

Follow up:

1. Welcome Services gutter cleaning. (completed).
2. Welcome Services Dryer Vent cleaning (completed).
3. 2909 PT #2 – Rain Leak Duralast warranty issue (completed).

BOARD MEMBERS' REPORTS

Mr. Herron reported that he and Lynda Caputo attended the legal seminar on Tuesday, the 12th. The attorneys spoke about electric vehicles and solar panels. They also spoke about fine schedules. They believe that a \$100 fine is more effective because \$25 is too low and not much of a deterrent. Mr. Herron would like to have one or two board members work with him to review all of the policies and make any necessary changes. The attorney will then review them. They will then be sent out to the members for a 30-day comment period as required by civil code. They can then be adopted by the Board at their next open session meeting.

COORDINATORS' REPORTS

Building (Carl Pischke)

Mr. Pischke reported that it has been a slow month for repairs. Not too many have been required. He will meet with Keith Peedle, who works with Mr. West, regarding the dry rot issues. There is a proposal for \$8,500, but it is missing a few items. This will be paid out of reserves.

Mr. Herron moved to give Mr. Pischke the authority to approve the proposal for the dry rot rehab repair in an amount up to \$10,000. Ms. Caputo seconded and the motion carried without dissent.

Emergency Preparedness (John Herron)

Mr. Herron reported that the Mutual will be buying some additional supplies to store in the emergency preparedness shed. The Mutual needs some area coordinators. Mr. Herron will talk to someone to ask if he will volunteer.

Landscape (Linda Herron) – Ms. Herron reported that the shrubs and trees are healthy and blooming. Jose Alvarez has been reassigned to the Mutual. Jose and his helper, Carlos, created a beautiful rock wall below Ptarmigan, plantings at the end of the park, and trees and shrubs on the hill above 2945 and 2941 Ptarmigan. Tree trimming work by Waraners should begin any day. The work is within the budget. Once the tree work is finished, Terra Landscape will come in to renovate and reseed damaged areas of lawn. This work is included in the lawn maintenance contract with Terra. The irrigation has been turned back on for the new shrubbery and in anticipation of lawn reseeding.

Ms. Herron reported that Mr. Perona is retiring next month after 15 years as Rossmoor Landscape Manager. Ms. Herron could not say enough about his contributions to the residents' enjoyment of Rossmoor. He has beautified not just Mutual 30, but all of Rossmoor. He has also quietly and professionally educated landscape coordinators and made them look good to their residents. Every conversation with Mr. Perona was an opportunity to learn something new. He is a very special person and will be greatly missed.

Financial (Harriet-Lee Keller)

Mr. Chakoff reported that as of the end of March, the Mutual is close to budget within \$2,200. Building maintenance is \$8,000 over budget, but that is due to rain leaks and gutter cleaning. Due to rain, Utilities is under budget by \$7,000. Landscape is \$2,000 under budget.

Ms. Caputo asked if there were many rain leaks. Mr. West reported that there has been \$10,500 in claims that are being reviewed by Duralast. The Mutual should get most of that back. 2909 Ptarmigan #2 is covered under the Duralast warranty. The Mutual pays for MOD to supervise and look at the work.

Social (Roseanne Wright) – Ms. Wright reported that she is planning an “evening in the park” to take place in May. The hot dog party will be in June. She would like someone

to help decorate or actually take over the decorating. Creekside will cater the holiday party.

New Resident Greeter (Lynda Caputo) – Ms. Caputo reported that she met Jenny Smith and Ron and Jan Wren. They are all very nice people.

UNFINISHED BUSINESS

Mr. Herron reported that he has signed the 2016 roofing contract with Sorenson Roofing in the amount of \$27,778. Last meeting, the Board moved to give the President the authority to sign a contract up to \$35,000. The start date is currently scheduled for May 9th, but it may be moved because of rain. Mr. West reported that notices will be sent out.

Welcome Building has done almost all of the dryer vents. They did a fabulous job.

NEW BUSINESS

Mr. Herron reported that Carl, John and 2 volunteers change the batteries for the members at a cost of about \$250. The Board discussed the 10-year smoke detectors. The Mutual is considering replacing the current detectors with the new type. Mr. West was asked to get an estimate of the cost. Mr. Herron would like a proposal from Sang Electric for the installation. There could be a long-term savings for the Mutual. The Board will decide at their July meeting.

Mr. Herron reported that they had the 2015 audit completed. This is a record of the Board approvals for all reserve expenditures.

Mr. Chakoff explained that the FDIC coverage is for \$250,000. Amounts over \$250,000 need to be moved in order to be insured. City National Bank has a new money market program. They will broker the money out to other banks to insure they are covered by FDIC.

*Mr. Herron moved to authorize and direct the accounting department to open an account for the Mutual under the Money Market Program of City National Bank.
Mr. Pischke seconded and the motion carried without dissent.*

Mr. Herron reported that a resident still owes the Mutual \$1,049 due to a leak from an overflowing sink that went to the unit below.

This is really the resident's responsibility. MOD works to take care of the problem, but the resident needs to pay. While events may be sent to the insurance company, it can take 6 months for them to pay.

Mr. Donner assured the Board that they will get their money.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:57 a.m.

/s/ Lynda Caputo, Secretary
Walnut Creek Mutual No. Thirty