

MINUTES
WALNUT CREEK MUTUAL NO. FIFTY-SIX

TWENTY-EIGHTH ANNUAL MEETING OF THE MEMBERS
WEDNESDAY, OCTOBER 18, 2017 AT 9:30 A.M.
FIRESIDE ROOM AT GATEWAY CLUBHOUSE

The Twenty-Eighth Annual Meeting of Members was convened by President Nancy Richardson, on Wednesday, October 18, 2017 at 9:30 a.m. in the Fireside Room at Gateway Clubhouse, 1001 Golden Rain Road, Rossmoor, Walnut Creek, California.

ROLL CALL: PRESENT: Nancy Richardson – President
Bill Eames – Vice President
Bob Ward – Treasurer/Secretary

EXCUSED: None

Representing Mutual Operations Division were Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Operating Officer; Rick West, Building Maintenance Supervisor; Rebecca Pollon, Landscape Manager, and Anne Paone Administrative Secretary.

Ms. Richardson introduced the Board, volunteers, and staff, and welcomed the 28 residents in attendance. She reported that due to a prior commitment, she will need to leave the meeting at 10:15 a.m. and Mr. Eames will then conduct the meeting. Mr. Eames thanked Ms. Richardson for all of her help and hard work supporting the Board and the Mutual.

Assistant Secretary Anne Paone verified that a quorum was present with 28 of the 37 households represented in person. The presence of 13 households was required to establish a quorum.

CERTIFICATION OF NOTICE OF MEETING

Assistant Secretary Anne Paone certified that notice of the annual meeting was published in the *Rossmoor News* on, August 2nd, 9th, 16th, and a copy of the attached notice was sent to all members of record on October 5, 2017, in accordance with Article 4, Section 4.3, of the Bylaws of said corporation.

Ms. Richardson advised that the minutes of the Twenty-Seventh Annual Meeting of Members held on October 19, 2016 were read and found to be accurate by the Board of Directors, including the Organizational Meeting. Accordingly,

a motion was made, seconded, and carried to approve the minutes of the Twenty-Seventh Annual Meeting held October 19, 2016 as written and reviewed.

TREASURER'S REPORT

Mr. Ward reported the operating fund shows a negative balance of \$38,538. The major portion of this is the \$50,000 that the operating fund owes the reserve fund. This must be repaid by the end of the year, but it will not affect the capability of the operating fund to meet other expected expenses. The reserve fund has a negative balance which reflects the current \$300,827 Line-of-Credit debt. The Mutual also has \$100,000 in checking as requested by Banco Popular as part of the line-of-credit.

PRESENTATION OF 2018 BUDGET

Mr. Donner presented the 2018 budget. He reported that there are 3 parts to the budget. The operating fund is for day-to-day items. The reserve fund is for major items such as painting and roofing. The GRF portion is for maintaining the Trust properties and providing cable to residents. The management fee will increase due to COLA (Cost of Living Adjustment) and the hiring of a landscape field supervisor to assist Steve Ormond and Rebecca Pollon. This employee will meet with contractors and residents. Landscape will be decreased by \$1.88. Building Maintenance will be reduced by down \$2.15. The cost for operating the ponds has been moved from reserves to operating and will cost \$45.27 monthly. The budget includes the EBMUD increase. The total monthly increase is \$198.00. The monthly coupon will be \$1,188.00 per month per manor.

REPORTS OF COMMITTEES

Building Maintenance – Patty Hornung reported the Lakeshire roofs on the buildings are complete. The crew is now working on the upper gables and chimneys. They will be done by the end of the month. The Mutual may be able to begin siding work this year. Then they will follow up with painting. Tony, from Five Star, has been very cooperative. There were some irrigation issues with water hitting the siding. The sprinkler heads should be changed to bubblers. Ms. Hornung asked the Board to approve \$4,800 to change the sprinklers.

Landscape – Mr. Ward reported on year-end activities. There was a discussion regarding private gardens. Most Mutuels have eliminated private gardens and Davis-Stirling appears to make approval of them prohibitively difficult. At this time, there is no intention to eliminate existing private gardens in Lakeshire. Mr. Ward discussed year-end activities such as tree removal with \$2,125 available, plant rehab with \$1,400 available and gutter cleaning done in November. He offered some recommendations for consideration. He would like to see the landscape rehab budget increased. He would like to upgrade landscaping by replacing shrub sprinklers with bubblers and removing and replacing some sod. He would like to pursue previously identified landscape projects and do an upgrade for the Berm. Additionally, he would like to implement a proposed tree clearance/safety trimming program.

Ponds – Phyllis Christenson reported that the ponds are in good condition. She is in touch with the pool company. The lights go on and off. She is concerned

about the cost for maintenance. She has not had any companies provide her with proposals. Mutual 56 seems to be the only place that has plants in the ponds. This makes them a natural pond and there are extra costs for a natural pond versus an unnatural pond.

Emergency Preparedness – Harvey Samuels reported that there will be an emergency drill on October 23 at 4:00. Residents should go to 2 designated areas. Mr. Samuels will give everyone a flyer. It is important to know where everyone is during an emergency.

Social – Sheila Egdal reported that the BBQ held in September was a great evening. There were 25 guests. The next party will be on Monday, December 4th, for the Holiday party. April 18, 2018 will be the Spring Delight.

OFFICERS' REPORTS

No reports

ELECTION OF DIRECTOR

No resident petitioned to be a candidate for election to the Board. A Board member will be appointed at the Organizational Meeting following this meeting.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

RESIDENTS' FORUM

Residents had questions about the line-of-credit. David Smith elaborated on the loan.

Residents had landscaping and building questions.

Most questions were answered during the meeting when reports were given.

ANNOUNCEMENTS

The next regular meeting of the Board of Directors is scheduled for Wednesday, January 17, 2018 at 9:30 a.m. in the Board Room in Gateway complex.

ADJOURNMENT

Having no further business, the Twenty-Eighth Annual Meeting of Members adjourned at 10:38 a.m. to an organizational meeting.

/s/ _____
Anne Paone, Assistant Secretary
Walnut Creek Mutual No. Fifty-Six