

MINUTES

WALNUT CREEK MUTUAL SIXTY-FIVE (DEVONSHIRE)
TWENTY-FIFTH ANNUAL MEETING OF THE MEMBERSHIP
TUESDAY, APRIL 16, 2019 AT 9:30 A.M.
DONNER ROOM, EVENT CENTER, WALNUT CREEK

President Tom Harrick called to order the Twenty-Fifth Annual Meeting of the Membership of WALNUT CREEK MUTUAL SIXTY-FIVE at 9:30 a.m. on Tuesday, April 16, 2019 in the Donner Room, Event Center, 1021 Stanley Dollar Drive, Walnut Creek, California.

PRESENT: Tom Harrick, President
Richard Walsh, First Vice President
Chuck Coburn, Second Vice President
Lois Kadosh, Secretary

EXCUSED: Tom Lenz, Treasurer

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

VERIFICATION OF QUORUM – Anne Paone

Assistant Secretary Anne Paone verified that a quorum was reached with 20 households represented in person. (Fifteen households were needed for a quorum.)

CERTIFICATION OF NOTICE OF MEETING – Anne Paone

Assistant Secretary Anne Paone read the Certification of Notice of Members' Meeting certifying that a copy of the Notice of Members' Meeting was mailed in accordance with Article 5, Section 5.4 of the Bylaws of the Mutual corporation to all members of record as of March 29, 2019, and that notices appeared in the *Rossmoor News* on April 3, and April 10, 2019 in accordance with Article 5, Section 5.4, of the Bylaws of the corporation.

APPROVAL OF MINUTES

President Harrick asked if there were any additions or corrections to the minutes of the Annual Membership Meeting and Organizational Meeting of April 17, 2018. Hearing none, he declared them approved as written and reviewed.

PRESIDENT'S REPORT – Tom Harrick

President Harrick reported the following: In our January meeting, we reported that expenses slightly exceeded revenue for 2018. Areas that were over budget included: Insurance (\$3,870), Utilities (\$1,940), Professional Services (\$4,410) and Other (\$460), totaling \$7,440 of our total expenditures of \$365,290. However, we increased our reserves by approximately \$70,000. Our accumulated reserves of some \$460,000 may seem large or even excessive at first glance, but they are in line with ten year planning horizon. Once budgeted our revenues are steady on a month-to-month basis, but spending is not. For example, we know the Mutual will have to make an investment in replacing our asphalt,

(estimated to be \$182,000) in 2021. Replacing inadequate gutters and down spouts will be another \$52,000 at some point in our future. Your Board is doing its best to avoid assessments.

Our year-to-date performance will be reported in our Treasurer's report.

2018 also evidenced the continued growth of our property values, individual unit sales first approached the two million dollar range, then exceeded it. Our Mutual was one of the last built, in one of the most desirable areas within Rossmoor...close to the entrance and all major facilities, including the renovated fitness center.

In 2019, the Board will lose one of its members, Chuck Coburn, who successfully led Mutual 65 for nearly a decade. He will be greatly missed. A very capable new member with significant prior board experience will replace him to keep our Board membership at five.

FIRST VICE PRESIDENT'S REPORT – Dick Walsh

No report at this time.

SECOND VICE PRESIDENT'S REPORT – Chuck Coburn

No report at this time.

SECRETARY'S REPORT – Lois Kadosh

No report at this time.

TREASURER'S REPORT – Tom Lenz

Mr. Walsh read Mr. Lenz's report as follows: For the two months ending February 28, 2019, our latest financial statement, the operating fund YTD reflected revenue exceeding expenses by \$5,199. We are under budget due to the utilities category which is primarily water expense charged to us every two months and this was not expensed in February. However, we did have some over budget items mainly rain leaks which was over budget. Therefore, the excess over budget will probably be reduced to us being on budget in the March statement.

Our replacement reserve YTD had revenue exceeding expenses by \$16,517.

The total of the two fund balances in \$462,127.

STAFF REPORTS

1. Director of Mutual Operations: Mr. Donner reported that insurance is set in December. However, it came in at 47% high than anticipated. It was budgeted for a 27% increase. Fires put Rossmoor in a different category. The Mutual well have an overrun of a minimum of \$10,500. Working capital is adequate for this year. Republic Services will be delivering bins this week for composting for Rossmoor. It doesn't affect your Mutual because you have individual bins. PG&E has worked with Rebecca Pollon and Dennis Bell walking areas. They will be trimming under the wires. GRF will be doing fire abatement, too.

2. Building Maintenance Manager: Mr. West reported that the buildings were completed in 1995. Mt. West has a 10-year spreadsheet that assists in planning for reserve projects. The next project will be gutters and downspouts.

Mr. West reported as follows:

INFORMATION ITEMS: Work In Progress or Completed.

1. A New fence was installed at 1727 Comstock due to non - mutual residents using guest parking and walking over mutual property to use the pool facilities. – Contractor: Five Star Construction. GRF paid for this fence.
2. Gutter & Downspout Cleaning – Contractor: Professional Gutter Services – 1st Gutter Cleaning Completed in November 2018 and 2ND Gutter Cleaning was completed in February 2019. Cost \$1,920.00
3. Dryer Vent Cleaning was also completed by Welcome Services. Cost \$2,640.00.
4. 5 New replacement (No Parking Any Time) signs – cost \$431.00 includes new signs and labor to install the signs. Contractor: MOD.

3. Landscape Manager: Mr. Donner reported for Rebecca Pollon. The Mutual has 5 MOD days in mid-May. The inhouse landscape crew is part of the management agreement. The Mutual is not charged for the labor. The lawn between 1811-1813 Wales has failed. That area will be relandscaped. Ms. Pollon will bring a plan to the next Board meeting for landscape rehab. There is \$20,000 in the budget.

RESULTS OF ELECTION

Ms. Paone read the election results certifying that Richard (Dick) Walsh, Tom Lenz, and Ed O'Dea were elected by acclamation of the membership for a two-year term on the Board.

SEATING OF DIRECTORS

Mr. Harrick welcomed Ed O'Dea to be seated with the Board of Directors. Mr. Harrick read Mr. O'Dea's resume to the membership. He is very qualified to sit on the Board. Mr. Donner thanked Mr. Coburn for his 10 years of service. The membership applauded Mr. Coburn as he left the table to sit with the membership.

COMMITTEE REPORTS

Building Maintenance – Ms. Kadosh reported that Mr. West covered it all.

Emergency Preparedness - Ms. Holland reported that it has been raining so there have not been any recent events. She will have an event on Wales. She is still active in CERT and EPO. She plans to have drills in different areas of Rossmoor. Oxygen can be a problem. She needs to know who uses it. Emergency Preparedness needs a back-up plan for oxygen.

Landscape Committee – Pamela Walsh, Ruth Reeves Co-Chairs
No report.

Social Committee – Cathy O'Dea, Chair

Ms. O'Dea reported there will be a summer BBQ on July 14th. The Holiday party will be in December. The committee can always use volunteers.

RESIDENTS' FORUM

Resident reported that people park in front of the mailboxes. She would like a red curb painted in front of them. Mr. West will provide the Board with a proposal.

Resident reported a tree was removed and not replaced. There is a gap there. Pamela Walsh stated that he is first on the landscape list for a new lawn.

Resident reported that sprinklers were on during the rain. Paul Donner will tell Rebecca Pollon. It may be a malfunction of the computer.

OLD BUSINESS

Ms. Kadosh updated everyone on the status of the CC&Rs. They are now with the Mutual's attorney, Melissa Ward. The Board will receive a draft soon for them to review. Mr. Harrick reminded the membership that they will need to vote to approve these documents.

ANNOUNCEMENT

The next quarterly meeting of the Board will be held on Tuesday, July 16, 2019 at 9:30 a.m. in the Donner Room at the Event Center.

ADJOURNMENT

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



Anne Paone, Assistant Secretary
Walnut Creek Mutual Sixty-Five