

FIRST WALNUT CREEK MUTUAL
FORTY-NINTH ANNUAL MEETING OF MEMBERS
TUESDAY, OCTOBER 11, 2016 AT 10:00 A.M.
FIRESIDE ROOM – GATEWAY CLUBHOUSE

President, Ken Anderson, called to order the Forty-Ninth Annual Meeting of Members at 10:00 a.m. on Tuesday, October 11, 2016 in the Fireside Room, Gateway Clubhouse, Walnut Creek, California.

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

ABSENT: None

Mutual Operations was represented by Paul Donner, Director of Mutual Operations; Doug Hughs, Building Maintenance Manager; Rebecca Pollon, Landscape Manager, and Anne Paone, Administrative Secretary.

Mr. Anderson introduced the Board of Directors, Mr. Donner and the MOD staff.

CERTIFICATION OF NOTICE – Anne Paone, Administrative Secretary

Administrative Secretary, Anne Paone, read the Certification of Notice for the Annual Meeting of October 11, 2016 certifying that, pursuant to Article 6, Section 6.6.1 of the Bylaws of First Walnut Creek Mutual, notices of the location, date and time of the Annual Meeting were published in the *Rossmoor News* on September 7 and September 14, 2016 and the meeting was included on the calendar posted on the First Walnut Creek Mutual website.

APPROVAL OF MINUTES

Mr. Anderson asked for any additions or corrections to the minutes of the Annual Board Meeting and the Organizational Meeting held on October 6, 2015. Hearing none, Mr. Anderson declared them approved as written and reviewed.

MUTUAL'S OPERATION REPORT

Doug Hughs reported that carpentry has completed twenty-five buildings. They have wrapped up the Bridgeway Replacements and completed seventy-seven Carmels. They were doing 5 or 6 at a time. They converted one hundred and fifty of the water-cooled air conditioning units and this will save water for the Mutual.

LANDSCAPING

Mr. Donner introduced Rebecca Pollon. Ms. Pollon reported that there have been some turf removals because they are the highest water users. They require more

maintenance. If the Mutual uses water carefully, they can keep the current lawns healthy. Everyone was hit hard with the drought, but we are recovering. We will start over seeding the lawns. Landscaping will replace plants that died and were removed. Next year, we want to streamline the reporting process. We will incorporate compost and mulch more often. It is better for the soil. We will also reduce chemical usage.

BUDGET

Ms. Nordwall thanked everyone for attending. She expressed her pleasure with the way MOD and the Budget & Finance Committee worked with the Board on the Budget.

Mr. Donner introduced Jo Ann Coper, Financial Analyst.

Ms. Nordwall reported that the MOD management fee had a slight increase of \$1.62. Building Maintenance was based on spending trends. You look back to June and forecast to December. There was a \$.68 increase.

The landscape contract and landscape maintenance decreased by \$.20. Custodial Services stayed the same. The insurance places in December, so based on broker information, there will be no increase for 2017. Utilities are decreased by \$.16. The reserves assessment is decreased by \$10.14.

The GRF increase will be \$20.25, but due to the decrease in the total Mutual Assessment of \$10.25, the final increase is \$10.00. The monthly coupon will be increased to \$648.00 for 2017.

PRESIDENT'S REPORT TO THE MEMBERSHIP – Ken Anderson

Mr. Anderson reported that last year, the Board welcomed Gerald Priebat to the Board of Directors. His vast experience as a former Board President and President of GRF has been much appreciated. The Board approved a budget last year with an increase of only \$.64 cents. GRF added \$3.36 for a total of \$4.00. We made a commitment to replace 548 water-cooled air conditioners. In January, we approved \$597,000 to convert one hundred and seventy four of these.

The new CEO, Tim O'Keefe, was introduced at our February meeting.

In April, the Board approved \$30,000 for an extensive rehab of Entry 18 on Golden Rain Road. The winter rains of 2015-2016 have done very little to mediate our four-year drought. Lawns will continue to remain in areas of most prominence, but replaced with mulch in back areas. Rebecca Pollon is our new Landscape Manager and comes highly recommended and qualified.

In August, Mr. O'Keefe announced a deal with Comcast that included high speed internet and a much improved high definition TV service for an added \$17.00.

In September, the Board passed a policy prohibiting bird baths. Many were left unattended with stagnant water as a breeding ground for mosquitoes. Residents who continue to use bird baths with water on their patios will be cited. Bird baths will be removed if unattended on common ground.

Most of our budget for the year has been spent on repairing and rehabilitating our fifty-year old buildings, plumbing, wiring, and landscaping. Special thanks to our Landscape Committee and its chair, Chris Folger.

Special thanks to our assistant Anne Paone. Her advice and counseling has been

invaluable throughout the year.

As always, the Mutual's financial position continues to be in excellent shape, thanks in large part to our treasurer, Sally Nordwall, our Budget & Finance Committee and an excellent MOD staff.

The Board will continue to seek ways to conserve water and find cost effective ways to improve the wonderful facilities and services in First Mutual.

Finally, I would like to remind everyone that you are the reason this Board can be effective and make First Mutual a better place to live. Your cooperation in following the policies, reporting violations, and offering solutions is critical to our success.

I especially want to thank my fellow Board members for their cooperation and selfless service throughout the year.

RESIDENTS' FORUM

A resident asked why FWCM still has laundry rooms, especially since they have never been upgraded. Ms. Nordwall stated that this issue should be on a future agenda for the Board to discuss.

Mr. Donner reminded the membership to call MOD for maintenance issues.

A resident thanked the Board and Mr. Hughs for all of their hard work.

A resident asked if the Mutual has Earthquake Insurance. Ms. Nordwall stated the Mutual doesn't carry it, because deductibles and premiums are too costly. GRF purchases that insurance.

A resident asked if the Mutual has addressed having solar. Mr. Donner reported that solar is an individual issue, not the Mutual.

Ms. Nordwall reminded everyone to make sure that their membership is set up correctly in case of a death.

Mr. Priebat stated that he is delighted to see everyone here. He thanked the staff for an outstanding job. He thanked Ms. Nordwall for keeping the cost of the coupon as low as possible.

Ms. Turnier stated that Ms. Nordwall did an expert job in going over the budget and keeping the Mutual's portion down.

SEATING OF DIRECTORS

Ms. Paone read the Certification of Election as follows:

I, Anne Paone, Assistant Secretary of FIRST WALNUT CREEK MUTUAL, hereby declare that the results of the election for Directors of FIRST WALNUT CREEK MUTUAL are in order and that the following person has been elected:

Shanti Haydon

She is hereby seated on the Board to serve a three-year term.

ANNOUNCEMENTS

Mr. Anderson announced there would be an Organizational Meeting immediately following adjournment of the Annual Meeting.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:50 a.m. to an organizational meeting to elect officers.

/s/ Anne Paone, Assistant Secretary
First Walnut Creek Mutual