

WALNUT CREEK MUTUAL NO. FIFTY-NINE

ANNUAL MEETING MINUTES OF THE BOARD
MONDAY, NOVEMBER 5, 2018 AT 9:30 A.M.
VISTA ROOM, HILLSIDE CLUBHOUSE
3400 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

Call to Order

President Hargrove called the meeting to order at 9:30 a.m.

Roll Call

Directors Present: Mary Jane Hargrove
Linda Fletcher
Vic Vigil

Directors Absent: Jon Rantzman
Dave Peters

Also Present: Rick West, Building Maintenance Manager; Paul Donner, Director Mutual Operations; Rebecca Pollon, Landscape Manager; Kelly Mattison, Board Services Coordinators.

Approval of Meeting Minutes

President Hargrove asked for any corrections and/or additions to the following sets of minutes:

25th Annual Meeting of Members November 6, 2017

There being no corrections, the minutes were approved.

Moved, Seconded, Carried 3-0

Residents' Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives.

President's Report

President Hargrove gave the following report:

1. Because Mutual 59 was able to negotiate a new contract with AT&T for our emergency telephones and to arrange for a change in our PG&E billing rates from residential to commercial, we are projecting that utilities costs in 2018 will be reduced by \$30,000 over what was paid in 2017, despite a 9% increase in water rates. Special recognition goes to Vic Vigil for his efforts to reduce our PG&E costs and to continue monitoring our utility bills.
2. A Mutual 59 email address list was set up to communicate to members with meeting agendas, minutes and scheduled maintenance information. Currently, 90 manors representing 83% of Mutual 59 members have signed up to receive information from the Mutual.

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3. Rick West agreed to add more meetings to his busy schedule to attend bi-monthly M59 Board meetings focusing only on maintenance issues. Semi-annual building maintenance walks with Rick were scheduled for the spring and fall. We completed our first walkabouts in March and will do another round this month.
4. Other important actions this year included:
 - Negotiating a new Pool Agreement with Mutual 61.
 - Signing the contract for recoating of all breezeways: HC buildings were completed this year and AW buildings will be done in 2019
 - Installation of ten-year smoke detectors
 - Decision to have water heaters serviced semi-annually
 - Linda Fletcher was instrumental in our hiring a new landscape maintenance contractor, Bright View
 - Negotiating for a \$20,000 credit from AT&T for 12 month's billing paid at the old rate vs. the new rate.
5. The Board took action to collect a \$30,000 receivable that had been on the books for over two years. Because of the delay in collecting this amount due to an insurance denial of owner responsibility, the Board adopted a procedure wherein any owner that causes damage to a manor or common area signs a document acknowledging personal responsibility to pay for the repairs. Rule changes for financial activities to increase fines, late fees, interest and penalties were proposed and adopted.
6. A new rule to regulate the installation of solar systems was adopted to be consistent with the State of California requirements. We appreciate the time and research Jon Rantzman put in to draft the revised and new rules.
7. A "Welcome to Pinnacle Ridge" handout for new owners was developed which addresses what's required for moving in/out, exclusive use and common areas at the garage level, how to dispose of trash or recyclables, and how to find information on the Mutual 59 website. Twelve manors had changes in ownership over the last year; and one of the Board members meet with each new owner prior to the close of escrow to share this information.
8. The Social Committee chaired by Bob Tunnell put on a very nice picnic on the Dollar Patio in September, and members enjoyed good food and the opportunity to meet members from other Mutual 59 buildings.
9. The Board approved the proposed 2019 Budget on October 18th reflecting an \$18 increase in the monthly coupon to \$884/mo. The GRF and Comcast portion of that increase is \$4; the Mutual \$14 portion reflects a \$6 reduction in Operations and a \$20 increase in Reserves. The projected utilities savings in the Operations account are being somewhat offset by a 27% increase in insurance and another 9% increase in water rates. The Board has also provided for additional legal costs in the budget to begin revising our governing documents in 2019. In the Reserves account, we are working to build our fund back up to an acceptable level over the next 10 years while

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completing the required repairs or replacements that will be needed without having to request a special assessment.

Thank you:

- a. To the members in attendance for your interest in Mutual 59.
- b. To the members that served on the Picnic and Pool committees.
- c. To the staff members here and those behind the scenes that work for the benefit of our Mutual.
- d. To the Board members Jon Rantzman, Linda Fletcher, Vic Vigil and Dave Peters for their contributions and individual efforts on behalf of the Mutual.

Serving on the Mutual 59 Board of Directors is a uniquely rewarding experience, and it was a privilege to represent the Mutual as its President. I have endeavored to listen to and advocate for our residents and will continue to support the Board in their efforts to do the same in the future.

Certification of Notice of Meeting

An Annual Meeting notice was published in the Oct. 17th, Oct. 24th, and Oct. 31st editions of the Rossmoor News and the Call for Candidates in the Aug. 15th, Aug. 22nd, and Aug. 29th editions. The Mutuals' Board Office received two self-nominations of candidacy for the Board of Directors and ballots were mailed to all owners on September 28, 2018 and opened and tabulated on November 2, 2018.

Board Election Results

On November 2, 2018, Walnut Creek Mutual No. Fifty-Nine conducted a Director Election. The tabulated results were as follows:

Total Ballots received: 75
Total Invalid Ballots: 4
Total Valid Ballots: 71

Vote Regarding Director Election
JoAnn Rice: 41
I.P. Sicotte: 30

Sufficient ballots were received to establish a quorum and a majority of those voting voted to elect JoAnne Rice as a Director for the Walnut Creek Mutual No. Fifty-Nine Board.

This tabulation was conducted and certified by Kelly Mattison.

Announcements

The Organizational Meeting of the Board will follow the Annual Meeting and the Regular Meeting of the Board will follow the Organizational Meeting.

Adjournment

President Hargrove adjourned the meeting at 9:56 a.m.

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Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Board of Director's meeting.



Secretary

DRAFT