

WALNUT CREEK MUTUAL SEVENTY
MINUTES
SIXTH ANNUAL MEETING OF THE MEMBERSHIP
FRIDAY, JUNE 16, 2017
FIRESIDE ROOM – GATEWAY COMPLEX

OPENING

President Alley opened the meeting at 10:00 a.m. and introduced the three past founding Board members, Directors Rowe, Dietschy and Cruson. Sadly, she announced that Mr. Cruson had passed earlier in the year. Ms. Dietschy was not in attendance. She had served as the secretary. Mr. Rowe served as Board President and is now on the landscape committee. She thanked them all for their service.

Roger Svoboda is the newly appointed Vice President and Dale Smith is the Treasurer. A new volunteer, Dennis Johnsen, will be appointed in the Organizational meeting. The Board welcomes another volunteer to serve. If you are interested, please submit a statement.

Ms. Alley then introduced the attending staff: Paul Donner, Director of Mutual Operations. He provides advice and works with the Board on the budget. Steve Ormond, Landscape Supervisor. He works with outside landscape contractors and MOD crews to maintain trees and landscaping throughout the Mutual. He was recognized for the great job he did during the drought. Rick West, Building Maintenance Manager. He coordinates the work of MOD crews and outside contractors working on individual work orders in and around manors and major projects within the Mutual. Anne Paone, Board Secretary. She is the voice on the phone. She advises the Board regarding laws and Davis-Stirling civil code, which all Associations must follow. All of these staff members provide services to many Mutuels, not just Mutual 70.

Ms. Alley welcomed the 40 residents present. Fifty-two owners were needed for a quorum (30% of the total number of 172 member owners), however since there were no items to be voted upon at the meeting, a quorum was not required.

PROOF OF NOTICE OF MEETING

Ms. Paone certified that notice of the annual membership meeting appeared in the *Rossmoor News* on April 12, 19 and 26, 2017. A notice was mailed on June 5, 2017 by first class mail to each membership household in accordance with Section 4.4(a) of the Bylaws of Walnut Creek Mutual Seventy.

APPROVAL OF MINUTES

President Alley asked for any additions or corrections to the minutes of the Fifth Annual Membership Meeting and the Organizational Meeting held June 17, 2016. Hearing none, Ms. Alley declared the minutes approved as written and reviewed.

ELECTION RESULTS

Ms. Paone reported that there were two openings and two people announced their candidacy. Incumbents Jill Alley and Roger Svoboda were elected by acclamation.

REPORTS OF OFFICERS

President's Report - Ms. Alley presented a quick overview of some of what has been going on in the Mutual lately.

- Painting of iron railings around decks
- Installation of all new smoke detectors with the 10-year batteries-in progress
- Duralast buildup of carport roofs – continuing project
- Complete upgrade of two elevators
- On-going replacement of trash enclosure gates and bumper guards to eliminate damage to stucco
- Landscaping rehabs/tree trimming and removals
- Rain leaks and deck replacements

Other issues in process or to come:

2018 big ticket item: 3 year project-painting stucco and trim and deck replacement

Solar – Mutual survey in 2015. There is new legislation regarding condo associations. The Mutual will need a policy regarding installation of panels on roofs.

Recycling efforts – Walnut Creek is targeting Rossmoor for more recycling. There will be new posters depicting items appropriate to recycle.

Carol Weed is working with Republic Services to evaluate the current configuration of bins in the trash enclosures. The goal is to maximize the availability of recycling containers and downsize, where appropriate, the size of the landfill bins in enclosures. This will decrease the cost to the Mutual.

Vice President's Report – No report, but he is happy to be here.

Secretary's Report – No report.

Treasurer's Report – Mr. Smith reported the operating fund ending balance for the month of May is \$57,545. The reserve fund ending balance for May is \$923,395. The total balance for both funds is \$980,940.

Ms. Alley reported that the Board is working on a 10-year reserve funding plan. They are looking at projects to see what needs to be done and how much money will be required.

BUILDING COMMITTEE REPORT

Ms. Alley reported that the Building Committee consists of Dale Smith, Herb Salomon, Rick West and herself.

Mr. West gave an overview of 2017. The Mutual will be doing the 4 remaining elevators as part of a rehab project. It will take 4 weeks for OTIS Elevators to do the work and 2 weeks for the state to inspect. Securitas will help residents down the stairs, if help is needed. The balcony railing painting was completed.

Nine of the carport roofs were completed and nine will be done next year. At that point, all

of the carports will be done.

The breezeway recoating will be done in the fall of this year. The location is at 3288 Terra Granada. The cost is about \$40,000 per building.

The 10-year smoke detectors installation is almost complete. He advised the residents to call the work order desk if theirs have not been done.

The Mutual is using a new gutter cleaning company called Professional Gutter Services. They are an excellent company and all they do is gutter work.

Rear balcony repairs are ongoing. All rear balconies were inspected. There are about 7 left. The cost is anywhere from \$10,000-\$50,000 each to replace.

MOD is working with Dale Smith on the 10-year plan to make sure enough money is being kept in the reserve account.

LANDSCAPE COMMITTEE REPORT

Mr. Drommond called off the names of his committee members. The committee meets on the first Tuesday of the month.

He reminded the residents if there is an emergency such as no sprinklers working, they should call the work order desk.

If money is involved to correct a landscape issue, call your landscape representative.

Trees are getting to the end of their lives. Ed Waraner, Steve Ormond and the committee do a tree walk-through every year. Mr. Ormond gives the committee a work request report. The committee reviews it and then approves items.

New plantings are done in the fall or winter so Mother Nature will supply the water.

Mr. Drommond introduced the committee members that were in attendance.

BUDGET & FINANCE

Mr. Smith displayed his annual meeting report for residents to follow along. He reported that the annual income for Mutual 70 is \$1,692,000. The costs, which include the annual operating costs of \$566,000, GRF annual fee of \$500,000 and the annual reserve costs of \$600,000 total \$1,666,000.

The Board budgets on an annual basis. Mr. Smith spoke about the Reserve Fund 10-Year study plan. It includes 2017-2027 and lists items needed to be done.

The Helsing Group advises the Mutual about components that need to be repaired or replaced. It includes painting, roof tiles, etc.

The Board decided to rehab all four elevators this year instead of doing two in 2017 and two in 2018. The Mutual should have one and a half times its annual spending in the reserves.

GOVERNING DOCUMENTS COMMITTEE REPORT

Ms. Alley reported that the committee needs to maintain the Bylaws, CC&Rs and the Operating Rules. They need to make sure they are current. Mr. Svoboda will chair the committee.

Mr. Svoboda reported that based on input from residents and the Board changes are made. Operating rules are sent out for a 30-day comment period.

A big change to the Operating Rules is that prior to selling your unit, you must install braided supply lines.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

MEMBERS' FORUM

Resident read a letter from people in her entry. Sixteen units have changed ownership. The bins are overloaded and left open. Animals can get to the trash. They are suggesting that the Board appoint a committee of residents, along with a Board member, to brainstorm solutions.

Ms. Alley reported that the Presidents' Forum is discussing this issue. Realtors have been notified to remind contractors to follow Rossmoor rules, which include taking their trash away.

Resident, Carol Weed, is a "TrashTalker" and is working with MOD, RecycleSmart and the Board to try to solve problems. The law now requires RecycleSmart to divert 75% of waste from landfill to recycling. Rossmoor is at about 50%.

Residents need to break up carton boxes. If they are not broken down, they take up too much space in the bins. When someone throws items outside of the bin, especially furniture, the Mutual is charged extra for removal.

Paper cups go in the landfill bin. This is because of the type of paper used to make the cup. Styrofoam goes in the landfill.

If you find ants in the bin, call MOD. They will look at it to determine what needs to be done.

Gutter cleaning was discussed. The money comes from the reserve fund. The deck gutters are the owner's responsibility. The residents can ask the contractor when they are out on the property if they would clean the residents' gutters for a fee. Mr. West is not sure if they do that type of individual service. If not, there are other companies that can do it.

Resident reported that her building is dirty and the walkways need to be power washed.

Ms. Alley advised resident to call the work order desk.

A resident asked if the Board is entertaining solar panels. Ms. Alley reported that once the law is finalized, the Board will look into this with expert advice. The Board is waiting because the survey that was sent out indicated that there was not any interest at this time.

ADJOURNMENT

Having no further business, the Fifth Annual Membership Meeting adjourned at 11:25 a.m. to an Organizational Meeting to elect officers of the corporation.

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