

MINUTES

FIRST WALNUT CREEK MUTUAL
REGULAR MEETING OF THE BOARD OF DIRECTORS
FRIDAY, MAY 25, 2007 AT 10:00 A.M.
DELTA ROOM, DEL VALLE CLUBHOUSE

President Gerald Priebat called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, May 25, 2007 at 10:00 a.m. in the Delta Room, Del Valle Clubhouse, Walnut Creek, California.

PRESENT: Gerald Priebat, President, District 2
Melvin C. Fredlund, Secretary, District 5
Randall Morgan, Second Vice President, District

Roll Call

EXCUSED: Nancy Turnier, First Vice President, District 3
Melvin Wall, Treasurer, District 1

Mutual Operations was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Financial Officer; Rich Perona, Landscape Manager; Doug Hughs, Building Maintenance Manager; and Dyann Paradise, Administrative Secretary.

President Priebat welcomed the twenty residents in attendance.

APPROVAL OF MINUTES

Mr. Fredlund moved, Mr. Morgan seconded, and the motion carried unanimously to approve as written and reviewed the minutes from the April 27, 2007 regular board meeting.

Approval of Minutes

PRESIDENT'S REPORT – Gerald Priebat

Mr. Priebat reported that during the month of May to date there had been nine manor sales at a median price of \$280,000. This month three purchase loans in the amount of \$582,200 have been placed as well as one equity line of credit in the amount of \$100,000 and a refinance loan in the amount of \$125,000. Since its inception, share loans have been placed in the amount of \$7.3 million. Mr. Priebat reiterated that a share loan is a contract between the individual borrower and the lending institution with the Mutual's involvement strictly limited to ensuring that its interest is protected vis-à-vis the borrower signing a Recognition Agreement.

President's Report

Mr. Priebat reported that the fire prevention committee held its first town hall meeting. The purpose of the meeting was to hear the concerns from residents. These issues will become points of discussion of the committee. Fire Marshal Rick Carpenter discussed kitchen fire prevention procedures. Research is underway regarding fire alarms and enunciators, as well as fire extinguishing systems. The findings will be shared with Mutual members as they become available.

MUTUAL OPERATIONS REPORT – Doug Hughs, Maintenance Manager

MOD Report

Mr. Donner reported that the household hazardous waste program has started and so far has been very successful. Numerous fluorescent tubes, various forms of e-waste and a plethora of batteries were picked up by Curbside, Inc., the household hazardous waste contractor. Residents are reminded to call Curbside, Inc. for their recycle items instead of depositing them at 800 Rockview Drive. Resident Barbara Derber commented that she had a very positive experience with the new recycling program pickup.

Mr. Hughs reported that the city inspector stated that at this time he will not require any handicapped upgrades for the rebuilding of the fire damaged building at 1959 Golden Rain Road. However, fire sprinklers are scheduled to be installed in the manor interiors and carports.

Mr. Hughs reported that the roofers are in progress with the 2007 roof replacement work at 1315, 1809, 1825, and 3441 Golden Rain; 1101 and 1501 Rockledge; 2340 Tice Creek.

The carpentry crew is currently working at 1748 Golden Rain and 1409 Oakmont Drive.

The bridge replacements are complete at 1857 Golden Rain and 2057 Golden Rain. The remaining three bridges will be completed within the next three weeks, which will complete the 2007 bridge replacement program.

Mr. Fredlund asked if the utility enclosures outside the manors are inspected on a regular basis, as several are looking rather shabby. Mr. Hughs stated that repairs to the utility enclosures are handled as any work order request and should be reported to MOD as noticed. Mr. Priebat stated that the garbage enclosures are also a recurring maintenance issue. Mr. Donner stated that any such needed repairs should be reported to MOD for follow up.

(A copy of Mr. Hughs' report dated May 25, 2007 is attached.)

LANDSCAPE REPORT – Rich Perona

Landscape
Report

Mr. Perona reported during the month of June all the turf areas will be aerated and fertilized. The irrigation is on approximately four days per week depending on weather conditions. Additional ET smart controllers will be installed soon. Entry maintenance crews are on their routine schedules, annual color spots have been replaced. Tree crews will trim quite a few trees in various locations and several pine trees will be thinned out. Golden Rain – Entry 15 rehabilitation has been completed, and fire abatement will be started next week.

Behind Pine Knoll – Entry 5, a dead pine will be removed; at Rockledge – Entry 9 an ash tree that has uplifted a sidewalk will be removed; at Golden Rain – Entry

21 a dying bishop pine will be removed. At Golden Rain – Entry 20 a few trees had to be removed for the bio-barrier near the roadway.

Mr. Morgan asked about the condition of the slope above Oakmont – Entry 12 which is bare. Mr. Perona stated there is no irrigation in that area but there has never been an erosion problem in that location.

Goats have been placed on the hillside on Skycrest Drive as an environmentally-friendly weed abatement measure. They will be moved to several other areas as needed.

Resident John Nutley asked about the condition of the trees surrounding the fire building at 1959 Golden Rain. Mr. Perona stated that the city inspector does not want the trees or limbs removed at this time in order to determine if they will revive. Mr. Nutley said there are several dead and fallen limbs. Mr. Perona said he will continue to monitor the area.

LANDSCAPE COMMITTEE REPORT – Herb Andersen, Chair

Landscape
Committee
Report

Mr. Andersen reported that discussion at the May landscape meeting centered on landscape violations. It was noted that the landscape representatives have received quite a bit of verbal abuse from violators. The Landscape Committee asks that this behavior cease and desist, otherwise landscape volunteers will be reluctant to serve the committee.

Long-time landscape representative Mary Bowers, who has served for over twenty-five years, will be moving out of Rossmoor. She was honored with a certificate of appreciation for her many years of dedicated service. The audience concurred with a round of applause.

The August landscape committee meeting has been canceled due to conflicting vacation schedules of the committee members. The next meeting will be November 7 at 9:30 a.m. in the Board Room at Gateway

BUDGET AND FINANCE COMMITTEE REPORT – John Nutley, Chairman

Budget & Finance
Committee
Report

Mr. Nutley reported that the committee found everything in order in the financial report.

TREASURER'S REPORT – Melvin Wall, Treasurer

Treasurer's
Report

On Mr. Wall's behalf, Mr. Chakoff reported that expenses are overall within \$2,745 of budget. Revenue is approximately \$64,000 to the good year to date due primarily to the MOD dividend that was paid in April. First Mutual's portion was approximately \$50,000.

Expenses are over in insurance due entirely to deductible expenses. The actual policy expense came in under budget and should stay on budget by year's end.

The other overage is in utilities due to water expenses, but that should level out by year's end.

The Mutual purchased a manor that will be on the real estate market shortly.

Fund balances are healthy and overall the Mutual is in good financial condition.

(A copy of the monthly financial report is attached.)

NEW RESIDENT ORIENTATION – Melvin Wall, Coordinator

New Resident
Orientation

No report

EMERGENCY PREPAREDNESS – Loren Ashley, Liaison

Emergency
Preparedness
Committee
Report

No report

POLICY COMMITTEE REPORT – Nancy Turnier and Melvin Wall

Policy Committee
Report

No report. Comments are still being received regarding the proposed barbecue policy. Resident Barbara Derber asked if barbecue propane tanks are considered a fire hazard, especially in cases of an existing fire occurrence. Mr. Priebat stated that the committee will consider that concern.

UNFINISHED BUSINESS

Unfinished
Business

The proposed carport inspection contract with Securitas was modified to specify inspections every other month. Following further review,

Approval of
Carport
Inspection
Contract

Mr. Morgan moved to approve the contract between First Mutual and Securitas for bi-monthly carport inspections throughout the Mutual. Mr. Fredlund seconded, and the motion carried unanimously.

NEW BUSINESS

New Business

Mr. Fredlund commented that there are some inherent problems with the buildings in First Mutual because they are over forty years old, with outdated plumbing and electrical systems. This potentially could present dangers to resale values.

Mr. Fredlund suggests that a long-range planning committee be established to investigate what procedures could be put in place to modernize, and possibly enlarge, some of the buildings. Resident Elaine Timko commented that various building experts should be involved on such a committee. The Board will accept resident comments on this matter. A written report on this subject by attorney Tyler Berding is available for any resident interested in reviewing it.

Mr. Hughs requested the Board approve a contract from Five Star Painting for this year's first phase of painting. He noted that Five Star Painting has worked extensively in Rossmoor for more than ten years at a satisfactory level of quality. The bid they have submitted for First Mutual remains the same as last year, which is very competitive with other painting companies who work in Rossmoor. Following review,

Approval for
Painting Contract

Mr. Fredlund moved to approve the bid from Five Star Painting to paint six buildings (1748 Golden Rain; 2001 Pine Knoll; 2000, 2016, 1409 Oakmont; 1140 Fairlawn) at a cost of \$44,139, which is within the 2007 paint budget. Mr. Morgan seconded, and the motion carried unanimously.

RESIDENTS' FORUM

Residents' Forum

Resident John Nutley reported that residents are being sought who were original Rossmoor residents in the years 1964-1969. Such residents are asked to contact Mr. Nutley, the *Rossmoor News*, or Channel 28. Interviews will be scheduled with those residents with an historical perspective.

Mr. Nutley also reported that there was an omission in the recent *Rossmoor News* regarding the landscape maintenance for Entries 8-13 on Golden Rain Road. He hopes it will be corrected and the information included in the next issue.

ANNOUNCEMENTS

Announcements

The next regular meeting of the Board is scheduled for Friday, June 22, 2007 at 10:00 a.m. in the Delta Room at Del Valle Clubhouse.

The GRF board meeting will be held on Thursday, May 31, 2007 at 9:00 a.m. in Peacock Hall.

A copy of the resale report is attached.

Adjournment

ADJOURNMENT

Having no further business, the meeting adjourned at 10:51 a.m.

Mel Fredlund, Recording Secretary
First Walnut Creek Mutual

