

## BOARD OF DIRECTORS REGULAR MEETING

Friday, October 27, 2023 at 10:00 a.m.

Event Center – Donner Room  
1021 Stanley Dollar Drive, Walnut Creek, CA 94595

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### MINUTES

#### Call to Order

President England called the meeting to order at 10:02 a.m.

#### Roll Call of Directors

Mary A. England – President – District 5  
Pat Donahue – 1<sup>st</sup> Vice President – District 4  
Young Chung – 2<sup>nd</sup> Vice President – District 3  
Jen Moreau – Secretary – District 2  
Jean Autrey – Treasurer – District 1

#### MOD Staff

Jeroen Wright – Director of Mutual Operations  
Dave Peakes – Building Maintenance Manager  
John Tawaststjerna – Landscape Manager  
Bud Baxter – Budget Manager  
Victoria Thomas – Board Services Coordinator

#### Residents' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included: carport policy, residents did not receive a Nixle alert when the water main broke, asked for the vision for landscaping, Architectural Control Committee not reporting on all remodels, request to hire an outside accounting firm, questions on the landscape budget and report on plant replacements, owners should have the same landscaping, the lint in dryers need to be cleaned to prevent fire, and dryers need to be more efficient.

#### Consent Calendar

- a. Board of Directors Regular Meeting Minutes – September 22, 2023
- b. Board of Directors Executive Session Meeting Minutes – September 22, 2023
- c. Architectural Control Committee Meeting Minutes – October 6, 2023
- d. Annual Membership Meeting Minutes – October 10, 2023
- e. Board of Directors Organizational Meeting Minutes – October 10, 2023
- f. Board of Directors Executive Session Meeting Minutes – October 13, 2023

*Motion made by Autrey, seconded by Moreau, to approve the Board of Directors Meeting Minutes as posted. Approved by unanimous vote. (5-0)*

#### Treasurer – Jean Autrey/Tom Hand/Ann Prichard

- a. Treasurer's Report – Jean Autrey  
No report.

*Recommendation: The Board of Directors certifies compliance with Civil Code §5500.*

*Motion made by Autrey, seconded by Moreau, to certify compliance with Civil Code §5500. Approved by unanimous vote. (5-0)*

**Mutual Operations** – Jeroen Wright/Dave Peakes

Wright reported that Staff is currently finalizing all the Mutuals' budgets. Budgets will be mailed on or before December 1<sup>st</sup>, which is compliant with civil code. Staff is also continuing with firewise safety and insurance projects. The next Firewise Safety Committee meeting is November 7<sup>th</sup> at 1:30 p.m. in the Board Room at Gateway Clubhouse, wherein the three-year plan will be finalized.

Peakes reported on:

**Carpentry/Paint Rehab Work** – One of our carpentry crews has finished up work on Entry 1 Pine Knoll Drive (buildings 2000, 2008 and 2100) and have moved to Entry 3 Pine Knoll where they are currently working on buildings 2209 and 2217. Painters are following up on that crew. They are currently finishing up 2133 Tice Creek and have initiated work on 2100 Pine Knoll. We have gotten the green light from the attorneys to commence the rehab at 3241 Golden Rain Road. Our other carpentry crew has just begun the rehab process there after having finished up on 1573 Rockledge (where our other painting crew is currently working).

**Electrical Panels** – To date, Gauthier Construction has replaced 60 electrical panels. There are approximately 20 panels left to be replaced from the list originally put together by Pure Electric. At years end they should be near completion and another list of 100 can be put together from the data gathered from the annual home inspections.

**Roofs** – The work on the 2023 roof program has been completed. I will schedule a time to walk the new roofs with the contractor and collect the permits.

**PG&E – VPI** (Veteran Power) has initiated the next phase of the underground electrical powerline upgrades in FWCM at entry 7 Rockledge. Initial preparations of marking the pipes and lines took place over the past couple of weeks and this week the drilling/trenching will start so that they can install conduit before ultimately running the new electrical lines.

**Committee Reports**

- Budget and Finance Committee Report – Ann Prichard  
Prichard reported that the Committee did not meet in October.  
The next Committee meeting is November 21<sup>st</sup> at 3:00pm. The meeting will be conducted virtually.
- Landscape – McGregor  
The Committee met in October and created subcommittees to address the ongoing unresolved formal issues of policy as well as addressing landscape best practices.
  - 2023 line item budget issues of rehabs have been prioritized.
  - The 2023 priority of fire as well as personal/property safety in continuation of Monterey Pine removals
  - Subcommittee for policy; Pat, Mary, and Changlin
  - Subcommittee for Landscape Maintenance Best Practices; Yvonne & Don
- Landscape Manager's Report – Tawaststjerna  
Landscape Maintenance
  - All lawns have been overseeded
  - Leave removal will be weekly basis per entry in November
  - V-ditch clearing is underway
  - Irrigation has been turned down but not off

- Tree Maintenance
  - Approved Tree permits
    - 1935 Golden Rain Entry 11 (1) Cedar and (2) Canary Island Pine
    - 3033 Golden Rain Entry 24 Aleppo Pine
    - 2841 Golden Rain Entry 20 (2) Stone Pine
    - 1533 Oakmont Entry 12 Monterey Pine
    - 1131 Oakmont Entry 3 (5) Monterey Pine
    - 1501 Rockledge Entry 9 Golden Rain
    - 1517 Rockledge Entry 9 Magnolia
    - 1179 Oakmont Entry 6 Monterey Pine
  - Denied Tree Permits
    - 2841 Golden Rain Entry 20 (2) Stone Pine

- Proposals for Approval
  - Rockledge Entry 1 MP tree hillside planting
    - Not to Exceed \$9,814.31
    - Reserves

*Motion made by Autrey, seconded by Moreau, to approve a not to exceed \$9,900 to be paid from the reserve account for Rockledge Entry 1 tree hillside planting. Approved by unanimous vote. (5-0)*

- Golden Rain Entry 6 lawn removal
  - \$16,381.12
  - Reserves
  - EBMUD rebate of \$2,650 for conversion

*Motion made by Autrey, seconded by England, to approve a not to exceed \$16,400 to be paid from the reserve account for Golden Rain Entry 6 lawn removal project. Approved by unanimous vote. (5-0)*

- Governance Committee – Paul Wright
 

The Committee met on October 22<sup>nd</sup> to discuss:

  - Members’ contract list
 

Work with list prepared by Victoria Thomas – consider how the list can usefully reflect Rossmoor
  - New Member Orientation
 

Haven’t yet scheduled a meeting with Jerry P.
  - Alterations Policy review
 

Board interviews completed special committee meeting scheduled to discuss options
  - MOD Agreement
 

Consider options for next steps
  - Board Liaison role
 

Draft liaison role statement and share with other Board Committees
- Capital Projects Committee – Young Chung
 

The Committee met on September 22<sup>nd</sup> to discuss:

  - New Committee Chair is Pamela Hudson.
  - RFP for electrical engineering study

- Board approved with changes to objectives paragraph. “Response by” date change required. Will be finalized at next Board meeting with a recommendation to authorize sending RFP to select contractors.
- Storm drainage and flood control studies
  - The Committee discussed a rough draft proposal and documentation of Oakmont and Fairlawn issues and circulated working copies to John Tawaststjerna and Dave Peakes. The Committee will arrange in-person meetings with MOD to discuss and finalize after the 2024 budget completion. MOD’s attention is urgently needed.
- MCE Energy Efficiency Program
  - The Committee recommends to sign the agreement with no obligation, no MCE account requirement.
- MCE EV Charging Program
  - The Committee recommends to sign agreement with no obligation, but requires First Mutual to have an MCE account.

The Committee needs more volunteers. The meetings are currently conducted virtually. The Committee meets on the second Tuesday of each month at 10:00 a.m.

- Social Engagement Committee – Marcia Keating
  - The Committee met on October 16, 2023. Attendees were: Jean Autrey, Jack Appleman, Kathy Riley, and Marcia Keating.
  - Agenda items were:
    - New Chair: Marcia Keating
    - Action items for SEC
    - What is SEC about?
    - District 1- Meet their Director Meeting, October 30th
  - Discussion:
    - Marcia Keating’s first meeting: discussed role of SEC
    - District 1 meeting: October 30, Vista Room, Hillside, 4:30-6:00 p.m.
    - SEC will meet at 3:00 p.m. at Jean’s house prior to the Director meeting
    - Setup: tables, chairs, mics, snacks/drinks
    - Agenda for meeting
    - Social and Q&A discussion (SEC and Jean Autrey, Director. District 1 attending)
    - Survey sheet that includes request for email
  - SEC review of recommendations to First Mutual
    - Townhall meetings
    - Director meetings
    - Neighborhood meetings
    - How to get residents more involved
    - Insurance policy for the residents: creating a sample
    - Role/skills of SEC permanent committee
  - Next SEC meeting: October 31, 2023

### **President’s Report**

Discussion items were: insurance, review of the GRF Management Agreement. Past practice is that the agreement is automatically renewed annually unless there is a need to review. The agreement has not been reviewed since 2011. The Presidents agreed that the agreement needed to be reviewed and possibly updated. During the review process it was determined that several sections in the agreement need to be amended. Additionally, the Presidents created a GRF Service Level Analysis, which will be reviewed with MOD and GRF. The analysis focused on civil code, governing documents, and statutes, which apply to the relationship between GRF and the Mutual.

**New Resident Orientation**

Priebat reported that the next meeting will be held on November 14<sup>th</sup> at 10:00 a.m. in the Donner Room at the Event Center. Existing residents and Board Members are welcome to attend.

**Unfinished Business**


**Action Items**

- a. Reserve Study Provider Contract  
Staff will notify the Board when the contract expires. It is planned that the Mutual will change the provider to FAI.
- b. Carport Inspection Report Follow Up  
A carport inspection was conducted for 1,878 carports in the Mutual. A process for a follow up needs to be determined.

**New Business**

**Action Items**

- a. 2024 Proposed Budget Review

 <b>ROSSMOOR</b> Walnut Creek			
<b>First Walnut Creek Mutual 2023 Annual Disclosures</b>			
<b>2024 Budget</b>			
<p><b>In compliance with California Civil Code §5300, the following is a summary of the First Walnut Creek Mutual budget for next year. The complete pro forma operating budget follows. Copies are available for your review at the Board office located at 1001 Golden Rain Road. To obtain a copy please submit your request in writing to the Board of Directors.</b></p>			
<p>The Operations Budget covers the expenses for normal day-to-day operation of the Mutual and includes items such as: management and administration; routine landscape and building maintenance; insurance; and utilities (outdoor electricity, water, trash collection and recycling). The Reserves Budget is for the rehabilitation, replacement, or repair of major components that the Mutual is obligated to maintain during the life of the Mutual - "rehabilitation" generally refers to long-term maintenance and repairs. Rehab programs for individual buildings are generally on a 10-year cycle. Any new landscape installation or replacement of an old landscape is considered rehab. Major tree work is also considered a part of landscape rehabilitation.</p>			
<p>In addition to Mutual Operations and Reserves budgets, the Mutual is obligated to collect from its membership amounts due to the Golden Rain Foundation (GRF) for maintenance of the Trust Assets and to support overall community services and recreational activities provided by GRF.</p>			
<b>Monthly Assessment Summary Comparison of 2023 Budget to 2024 Budget</b>			
	<b>2023</b>	<b>2024</b>	<b>Change</b>
<b>Mutual Assessment</b>			
Maintenance & Operations	\$458.25	\$560.82	\$102.57
Repair and Replacement Reserves	264.01	275.00	10.99
Working Capital	42.81	90.73	47.92
<b>Total Mutual Assessment</b>	<b>\$765.07</b>	<b>\$926.55</b>	<b>\$161.48</b>
<b>Golden Rain Foundation Assessment</b>			
Trust Operations	270.38	277.44	7.06
Cable TV Service	59.54	57.25	(2.29)
<b>Total GRF Assessment</b>	<b>\$329.92</b>	<b>\$334.69</b>	<b>\$4.77</b>
<b>Total Basic Assessment</b>	<b>\$1,095</b>	<b>\$1,261</b>	<b>\$166</b>
<p>In addition to the Total Basic Assessment, members are assessed Property Taxes based on the Contra Costa County valuations of their respective units and parcel taxes.</p>			
<p>California Civil Code §5550 requires that a Reserve Study be conducted every three years to identify major components, their expected and remaining lives, and to estimate the cost to repair and replace these items. Included in the attached disclosures is the Assessment and Reserve Funding Disclosure Summary and other pertinent information from the Mutual's latest Reserve Study. A copy of the complete thirty (30) year study is available for your review at Member Records in the Gateway complex. If you would like to obtain a personal copy of the study, please submit your request in writing to Member Records Department, P.O. Box 2070, Walnut Creek, CA 94535 or MRD@rossmoor.com.</p>			

**First Walnut Creek Mutual  
2024 Budget  
Revenues and Expenses**

	<b>Operations Budget</b>	<b>Reserves Budget</b>	<b>Total Budget</b>
Less Transfer to GRF	(7,542,574)	0	(7,542,574)
Less Allocation for Working Capital	(2,044,691)	0	(2,044,691)
<b>Total Mutual Revenues-Net</b>	<b>12,878,420</b>	<b>6,197,400</b>	<b>19,075,820</b>
<b>Expenses</b>			
MOD Management Fee	1,538,182	0	1,538,182
Building Maint. & Public Works			
Building Stabilization	0	0	0
Carpentry, Roofing and Painting	495,250	1,990,000	2,485,250
Mechanical & Electrical	800,000	2,034,000	2,834,000
Fire Safety	53,900	30,000	83,900
Public Works	0	645,000	645,000
Other	0	0	0
<b>Total Bldg. Maint. &amp; Public Works</b>	<b>1,349,150</b>	<b>4,699,000</b>	<b>6,048,150</b>
Landscape Maintenance	1,410,688	572,000	1,982,688
Elevator Maintenance	0	0	0
Custodial Services	76,000	0	76,000
Insurance	6,130,081	0	6,130,081
Utilities			
Trash & Recycling	320,004	0	320,004
P.G.&E.	153,446	0	153,446
Water	1,586,939	0	1,586,939
Telephone	5,238	0	5,238
Recycling Center	106,217	0	106,217
<b>Total Utilities</b>	<b>2,171,844</b>	<b>0</b>	<b>2,171,844</b>
Professional Services	164,500	18,750	183,250
Other Gen. and Admin. Expenses	38,000	0	38,000
Income Taxes	0	0	0
<b>Total Expenses</b>	<b>12,878,445</b>	<b>5,289,750</b>	<b>18,168,195</b>
<b>Excess/(Deficiency) of Rev. over Exp.</b>	<b>(\$25)</b>	<b>\$907,650</b>	<b>\$907,625</b>
<b>Estimated Change in Fund Balances</b>			
Estimated Beginning Balance	\$5,164,860	\$9,009,439	\$14,174,299
Excess/(Deficiency) of Rev. over Exp.	(25)	907,650	907,625
Allocation for Working Capital	2,044,691	0	2,044,691
<b>Estimated Ending Balance</b>	<b>\$7,209,526</b>	<b>\$9,917,089</b>	<b>\$17,126,615</b>

Notes: There are no outstanding loans with an original term of more than one year.

Except for circumstances that may be described in the Reserve Study, the Board has not determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less.

**First Walnut Creek Mutual**  
**Comparison of 2023 Budget to 2024 Budget**  
**Per Manor per Month**

	2023 \$/M/M	2024 \$/M/M	Increase/ (Decrease)	% Change
Carpentry, Roofing and Painting	19.82	21.98	2.16	10.9%
Mechanical & Electrical	35.50	35.50	0.00	0.0%
Fire Safety	2.04	2.39	0.35	17.2%
Public Works	0.00	0.00	0.00	N/A
Other	0.00	0.00	0.00	N/A
Total Bldg. Maint. & Public Works	57.36	59.87	2.51	4.4%
Landscape Maintenance	61.24	62.60	1.36	2.2%
Custodial Services	2.84	3.37	0.53	18.7%
Pool or Pond Maintenance	0.00	0.00	0.00	N/A
Insurance	178.41	272.01	93.60	52.5%
Utilities				
Trash & Recycling	13.40	14.20	0.80	6.0%
P.G. & E.	6.00	6.81	0.81	13.5%
Water	64.88	70.42	5.54	8.5%
Telephone	0.23	0.23	0.00	0.0%
Recycling Center	4.00	4.71	0.71	17.8%
Total Utilities	88.52	96.37	7.86	8.9%
Professional Services	5.97	7.30	1.33	22.3%
Other Gen. and Admin. Expenses	0.68	1.69	1.01	148.5%
Income Taxes	0.00	0.00	0.00	N/A
Total Operating Expenses	460.03	571.46	111.45	24.2%
Net Mutual Operating Costs	458.25	560.82	102.57	22.4%
Increase/(Decrease) Working Capital	42.81	90.73	47.92	111.9%
Mutual Maint. & Operations Assessment	501.07	651.55	150.48	30.0%
Mutual Reserves Assessment	264.01	275.00	10.99	4.2%
<b>Total Mutual Assessment</b>	<b>\$765.08</b>	<b>\$926.55</b>	<b>\$161.47</b>	<b>21.1%</b>
<b>Golden Rain Foundation</b>				
Trust Operations	270.38	277.44	7.06	2.6%
Cable TV Service	59.54	57.25	(2.29)	-3.8%
<b>Total GRF Assessment</b>	<b>\$329.92</b>	<b>\$334.69</b>	<b>\$4.77</b>	<b>1.4%</b>
<b>Total Basic Assessment</b>	<b>\$1,095</b>	<b>\$1,261</b>	<b>\$166</b>	<b>15.2%</b>

Notes: Per Manor per month calculations, including the totals, are based on total budget dollars and rounded. Consequently, the summation of the rounded detail may not add to the rounded totals.

**First Walnut Creek Mutual  
2024 Budget  
Comparison to 2022 Actual, 2023 Budget, and 2023 Forecast**

	Operating Fund					2024 Budget	5%	Reserves Fund					
	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget			2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	2024 Budget
<b>71005 Management Fee</b>	<u>1,257,254</u>	<u>1,464,935</u>	<u>732,468</u>	<u>1,464,935</u>	<u>0</u>	<u>1,538,182</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
<b>Building Maintenance and Public Works</b>													
<b>72000 Building Stabilization</b>	<u>2,004</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>15,441</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Carpentry, Roofing and Painting													
72005 Carpentry - General Building Repairs	89,102	109,000	53,706	109,000	0	112,000		825,000	750,000	393,347	775,000	25,000	825,000
73045 Termite Control	14,046	3,000	3,294	5,000	2,000	5,000		0	0	0	0	0	0
72010 Steel Work	0	0	0	0	0	0		0	0	0	0	0	0
72015 Deck Coatings	0	0	0	0	0	0		183,033	175,000	91,319	175,000	0	165,000
72020 Power Wash	145	250	45	250	0	250		0	0	0	0	0	0
72025 Doors, Windows, & Hardware	72,084	80,000	42,372	85,000	5,000	90,000		0	0	0	0	0	0
72030 Painting	6,009	4,000	3,081	6,000	2,000	6,000		375,188	400,000	214,805	415,000	15,000	400,000
72035 Roofing	0	300	1,115	2,000	1,700	1,500		205,783	300,000	20,028	465,000	165,000	600,000
72040 Sheet Metal/Gutter Repair	5,687	6,700	4,058	7,000	300	7,000		390	0	4,350	4,350	0	0
72045 Gutter Clearing	52,547	77,000	74,148	80,000	3,000	80,000		0	0	0	0	0	0
72050 Laundry Room Repairs	50,296	41,500	8,816	41,500	0	41,500		2,163	0	921	1,843	1,843	0
72055 Manor Inspection	67,564	75,000	35,529	72,000	(3,000)	72,000		0	0	0	0	0	0
72060 Rain Leaks	52,313	40,000	82,667	125,000	85,000	60,000		366	0	0	0	0	0
72065 Resale Work	13,478	10,000	11,927	20,000	10,000	20,000		0	0	0	0	0	0
72095 Manor Damages Repairs	0	0	0	0	0	0		0	0	0	0	0	0
72070 Balcony Inspections	0	0	0	0	0	0		0	0	2,989	5,978	5,978	0
<b>Total Carpentry, Roofing &amp; Painting</b>	<u>423,272</u>	<u>446,750</u>	<u>320,758</u>	<u>552,750</u>	<u>106,000</u>	<u>495,250</u>		<u>1,391,923</u>	<u>1,425,000</u>	<u>727,760</u>	<u>1,842,171</u>	<u>217,171</u>	<u>1,990,000</u>
Mechanical & Electrical													
72075 Electrical	172,321	150,000	68,195	135,000	(15,000)	165,000		84,292	150,000	117,246	234,493	84,493	200,000
72105 Furnace Repl	0	0	0	0	0	0		88,935	120,000	51,480	102,960	(17,040)	120,000
72080 Lighting	114,689	100,000	40,900	95,000	15,000	110,000		62,433	60,000	35,982	71,964	11,964	70,000
72085 HVAC	1,047	0	0	0	0	0		197,954	150,000	64,305	132,609	(17,391)	200,000
72090 Appliance Repair	337	0	0	0	0	0		107,882	75,000	47,874	95,748	20,748	75,000
72100 Resident Reimb-Appliances	0	0	0	0	0	0		0	0	2,820	5,639	5,639	0
72110 AC Repl	0	0	0	0	0	0		122,958	250,000	16,856	33,712	(216,288)	250,000
AC Conversions													
72115 Refrigerator Repl	0	0	0	0	0	0		59,732	55,000	16,127	32,255	(22,745)	55,000
72120 Cooktop Repl	0	0	0	0	0	0		910	2,000	0	0	(2,000)	2,000
72125 Oven Repl	0	0	0	0	0	0		9,132	12,000	9,557	19,114	7,114	12,000
72130 Exhaust Fan Repl	871	0	0	0	0	0		10,806	12,000	4,008	8,016	(3,984)	10,000
72135 Range & Oven Repl	0	0	0	0	0	0		12,428	25,000	22,546	35,000	10,000	35,000
72140 Water Heater Repl	804	0	0	0	0	0		39,234	370,000	140,549	321,098	148,902	330,000
72145 Garbage Disposal Repl	957	281	0	0	0	0		74,092	75,000	22,449	44,898	(30,102)	60,000
72150 Washing Machine Repl	0	0	0	0	0	0		0	0	0	0	0	0
72155 Drier Repl	0	0	0	0	0	0		0	0	0	0	0	0
72160 Dishwasher Repl.	0	0	0	0	0	0		0	0	0	0	0	0
72165 Other Appliance Replacement	350	0	0	0	0	0		10,218	35,000	1,453	2,907	(32,093)	25,000
72170 M&E Other - Plumbing	525,653	550,000	170,783	390,000	(160,000)	525,000		35,993	8,000	23,992	47,985	39,985	40,000
<b>Total Mechanical &amp; Electrical</b>	<u>817,030</u>	<u>800,000</u>	<u>280,158</u>	<u>620,000</u>	<u>(180,000)</u>	<u>800,000</u>		<u>1,287,199</u>	<u>1,399,000</u>	<u>599,244</u>	<u>1,188,398</u>	<u>(210,602)</u>	<u>2,034,000</u>
Fire Safety													
72185 Smoke Detectors	12,782	12,000	4,867	10,000	(2,000)	12,000		0	0	2,380	3,000	3,000	0
72190 Extinguishers	31,426	32,000	22,171	45,000	13,000	40,000		59	0	0	0	0	0
72195 Alarms	1,560	1,600	670	1,350	(250)	1,500		0	0	0	0	0	0
72200 Sprinklers	230	400	50	100	(300)	400		0	0	0	0	0	0
72205 FS, Other (CO sensors, attic fire walls)	7,670	0	498	0	0	0		13,288	30,000	5,571	11,143	(18,857)	30,000
<b>Total Fire Safety</b>	<u>53,668</u>	<u>46,000</u>	<u>28,255</u>	<u>56,450</u>	<u>10,450</u>	<u>53,900</u>		<u>13,347</u>	<u>30,000</u>	<u>7,952</u>	<u>14,143</u>	<u>(15,857)</u>	<u>30,000</u>





**First Walnut Creek Mutual  
2024 Budget  
Comparison to 2022 Actual, 2023 Budget, and 2023 Forecast**

	Operating Fund					Reserves Fund						
	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	2024 Budget	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	2024 Budget
<b>Public Works</b>												
7210 Concrete	908		0	0	0	0	94,271	115,000	37,014	104,028	(10,972)	115,000
7215 Asphalt Repair / Sealcoat	59		0	0	0	0	1,187	100,000	396	792	(99,208)	250,000
7220 Drainage	0		0	0	0	0	39,049	70,000	70,823	110,000	40,000	200,000
7225 Water Supply/ PW Repair Fund	0		0	0	0	0	82,481	90,000	10,724	21,449	(68,551)	80,000
<b>Total Public Works</b>	<b>967</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>216,987</b>	<b>375,000</b>	<b>118,958</b>	<b>236,269</b>	<b>(138,731)</b>	<b>645,000</b>
<b>Other</b>												
7215 Coin Run	0		0	0	0	0	0		0	0	0	0
72180 After Hours Contract	419		0	0	0	0	2,764		0	0	0	0
7250 BM, Consumables	0		0	0	0	0	0		0	0	0	0
7255 Unscheduled Contingencies	0		0	0	0	0	0		0	0	0	0
<b>Total Other</b>	<b>419</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,764</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Bldg. Maint. &amp; Public Works</b>	<b>1,297,360</b>	<b>1,292,750</b>	<b>629,172</b>	<b>1,229,200</b>	<b>(63,550)</b>	<b>1,349,150</b>	<b>3,077,661</b>	<b>3,429,000</b>	<b>1,453,914</b>	<b>3,280,981</b>	<b>(148,019)</b>	<b>4,699,000</b>
<b>Landscape Maintenance</b>												
7300 M OD Contracted Services	0		0	0	0	0	0		0	0	0	0
73015 Entry/Grounds Maintenance	1,052,452	1,052,184	536,616	1,073,232	21,048	1,094,688			(25)	(50)	(50)	0
73020 Tree Maintenance/Removal	95,388	115,000	38,221	76,442	(38,558)	115,000	215,481	250,000	102,765	205,530	(44,470)	300,000
73025 Irrigation	12,700	0	1,127	0	0	0	21,087	35,000	30,184	60,368	25,368	72,000
73030 LS, Miscellaneous	0		0	0	0	0	0		0	0	0	0
73035 LS, Rehabilitation	106,290	150,000	101,229	150,000	0	130,000	209,831	300,000	31,694	63,387	(236,613)	200,000
73040 LS, Materials	0		0	0	0	0	0		0	0	0	0
73050 LS, Pest Control	52,778	63,000	34,686	69,373	6,373	71,000	0		0	0	0	0
73055 LS, Other (Fire Abatement)	0		0	0	0	0	0		0	0	0	0
<b>Total Landscape Maintenance</b>	<b>1,319,608</b>	<b>1,380,184</b>	<b>711,880</b>	<b>1,369,047</b>	<b>(111,137)</b>	<b>1,410,688</b>	<b>446,399</b>	<b>585,000</b>	<b>164,618</b>	<b>329,235</b>	<b>(255,765)</b>	<b>572,000</b>
<b>Elevator Maintenance</b>												
72235 Maintenance Contract/Annual Permit	0		840	0	0	0	0		0	0	0	0
72240 Repair Calls	0		0	0	0	0	0		0	0	0	0
<b>Total Elevator Maintenance</b>	<b>0</b>	<b>0</b>	<b>840</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Custodial Services</b>												
72230 Custodial Services/Materials	65,667	64,000	34,800	69,599	5,599	76,000	0		0	0	0	0
<b>Total Custodial Services</b>	<b>65,667</b>	<b>64,000</b>	<b>34,800</b>	<b>69,599</b>	<b>5,599</b>	<b>76,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pool/Pond Maintenance</b>												
72245 Pool/Pond Maintenance	0		0	0	0	0	0		0	0	0	0
<b>Total Pool or Pond Maintenance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Insurance</b>												
73015 Property Damage	2,431,706	4,100,775	2,008,079	4,016,158	(84,617)	5,903,752	0		0	0	0	0
73020 General Liability	37,850	43,528	21,882	43,765	237	50,330	0		0	0	0	0
73025 Umbrella Liability	36,945	40,898	18,654	37,308	(3,590)	42,904	0		0	0	0	0
73035 Directors & Officers	20,363	21,788	10,762	21,525	(263)	24,754	0		0	0	0	0
73040 Blanket Crime	20,682	22,523	11,453	22,905	382	26,341	0		0	0	0	0
73055 Mutual Shared Deductible	0	72,000	0	0	172,000	72,000	0		0	0	0	0
73050 Insurance Recoveries	0	(290,832)	0	0	290,832	0	0		0	0	0	0
73060 Uninsured Loss Expense	0		239	478	478	0	0		0	0	0	0
73065 Insurance Fire Damage (Insurance Deductible)	0	10,000	0	0	(10,000)	10,000	0		0	0	0	0
73070 Insurance Fire Damage 2	0		0	0	0	0	0		0	0	0	0
<b>Total Insurance</b>	<b>2,547,545</b>	<b>4,020,680</b>	<b>2,071,069</b>	<b>4,142,139</b>	<b>121,459</b>	<b>6,130,081</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**First Walnut Creek Mutual  
2024 Budget**

**Comparison to 2022 Actual, 2023 Budget, and 2023 Forecast**

	Operating Fund					Reserves Fund						
	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	2024 Budget	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	2024 Budget
<b>Utilities</b>												
76000 Trash and Recycle	0	302,024	148,150	296,300	(5,724)	320,004	0	0	0	0	0	0
76020 Solid Waste Disposal - Recycling Center	287,022	90,171	51,561	103,123	12,952	106,217	0	0	0	0	0	0
76010 Water	(181,342)	1,462,158	573,809	1,462,617	459	1,586,939	0	0	0	0	0	0
76015 Telephone	0	5,238	0	5,238	(0)	5,238	0	0	0	0	0	0
76005 P.G.&E.	0	135,276	69,119	138,239	2,963	153,446	0	0	0	0	0	0
76025 Water Reimbursement	0	0	0	0	0	0	0	0	0	0	0	0
Total Utilities	105,680	1,994,868	842,639	2,005,517	10,649	2,171,844	0	0	0	0	0	0
<b>Professional Services</b>												
74020 Legal Counsel	89,393	60,000	45,805	91,610	31,610	90,000	0	0	0	0	0	0
74025 Audit & Tax Preparation	5,506	19,500	0	19,500	0	19,500	0	0	0	0	0	0
74026 Reserve Study	0	0	0	0	0	0	6,750	0	3,375	6,750	6,750	18,750
72070 Balcony Inspections	0	0	0	0	0	0	0	2,989	5,978	5,978	0	0
74030 Other Professional Services	10,573	55,000	0	0	(55,000)	55,000	0	0	0	0	0	0
77005 Total Professional Services	105,472	134,500	45,805	111,110	(23,390)	164,500	6,750	0	6,364	12,728	12,728	18,750
<b>Other General and Administrative Expenses</b>												
74015 Public Relations & Entertainment	105	0	0	0	0	0	0	0	0	0	0	0
74035 Postage & Delivery	4,735	4,700	7,551	15,103	10,403	15,000	0	0	0	0	0	0
74040 Printing & Reproduction	16,778	10,593	10,386	20,772	10,179	22,000	0	0	0	0	0	0
74045 Office Expense	776	186	372	372	372	1,000	0	0	0	0	0	0
74050 Office Equipment	0	0	0	0	0	0	0	0	0	0	0	0
74095 Bank Charges	0	0	0	0	0	0	0	0	0	0	0	0
74100 Bad Debt Expense	0	2,733	5,466	5,466	0	0	0	0	0	0	0	0
77005 Amortization Expense	0	0	0	0	0	0	0	0	0	0	0	0
72260 Miscellaneous Expense/ Settlement Expense	0	0	0	0	0	0	0	0	0	0	0	0
Total Other General & Administrative	22,394	15,293	20,856	41,713	26,420	38,000	0	0	0	0	0	0
<b>Income Taxes</b>												
80000 Federal Income Tax	103,566	0	0	0	0	0	0	0	0	0	0	0
80005 State Income Tax	0	0	0	0	0	0	0	0	0	0	0	0
Total Income Taxes	103,566	0	0	0	0	0	0	0	0	0	0	0
<b>Total Mutual Expenses</b>	<b>6,824,546</b>	<b>10,367,210</b>	<b>5,089,529</b>	<b>10,433,260</b>	<b>66,050</b>	<b>12,878,445</b>	<b>3,330,810</b>	<b>4,014,000</b>	<b>1,624,895</b>	<b>3,622,944</b>	<b>(391,056)</b>	<b>5,289,750</b>

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First Walnut Creek Mutual 2024 Budget Comparison to 2022 Actuals, 2023 Budget, and 2023 Forecast												
	Operating Fund					2024 Budget	Reserves Fund					2024 Budget
	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget		2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2023 Forecast Over/(Under) Budget	
<b>Other Income</b>												
44015 Laundry Coin	0	0	0	0	0		0	0	0	0	0	0
44020 Golf Cart Rentals	17,909	19,000	8,420	16,840	(2,160)	19,000	0	0	0	0	0	0
44030 Maint. Yard Rent	6,000	6,000	3,000	6,000	0	6,000	0	0	0	0	0	0
Rental and/or Laundry Room Income	23,909	25,000	11,420	22,840	(2,160)	25,000	0	0	0	0	0	0
44010 Amortization of Investments	0	0	0	0	0	0	0	0	0	0	0	0
44000 Gain/(Loss) on Investments	0	0	0	0	0	0	0	0	0	0	0	0
43000 Imbound Interest	0	0	0	0	0	0	0	0	0	0	0	0
43005 Treas. Notes Interest	0	0	0	0	0	0	0	0	0	0	0	0
43015 Bank Interest	63,026	107,211	214,422	214,422	214,422	200,000	25,062	76,958	153,916	153,916	0	0
43020 RNMA Stock Dividend	0	0	0	0	0	0	0	0	0	0	0	0
43010 RHL & MMA Interest	0	0	0	0	0	0	0	0	0	0	0	0
Total Interest Income	63,026	107,211	214,422	214,422	214,422	200,000	25,062	76,958	153,916	153,916	0	0
40025 Prior Year Mortgage Refund	0	0	0	0	0	0	0	0	0	0	0	0
44025 Electrical Fees	4,760	6,680	3,710	7,420	740	6,680	0	0	0	0	0	0
44035 Late Fees	19,335	8,100	3,102	6,204	(11,891)	8,100	0	0	0	0	0	0
46000 Miscellaneous Income	764,862	(1,176)	0	0	0	0	0	0	0	0	0	0
Total Other Income	788,957	14,780	5,636	13,624	(1,156)	14,780	0	0	0	0	0	0
47000 M.O.D. Dividend	273,925	0	0	0	0	0	0	0	0	0	0	0
Total Other Income	1,149,817	39,780	124,267	250,886	211,106	239,780	25,062	0	76,958	153,916	153,916	0
<b>Total Mutual Expenses Less Other Income</b>	<b>5,674,729</b>	<b>10,327,430</b>	<b>4,965,262</b>	<b>10,182,374</b>	<b>(145,056)</b>	<b>12,638,665</b>	<b>3,305,748</b>	<b>4,014,000</b>	<b>1,547,937</b>	<b>3,469,028</b>	<b>(544,972)</b>	<b>5,289,750</b>
<b>Other Sources/Uses of Funds</b>												
Incr/(Decr) Fund Bal/Chg in W Capital	2,093,537	964,766	509,784	1,089,302	124,536	2,044,691	1,441,141	0	837,873	1,071,286	(16,225)	0
Work Cap/Equ. Adj/Interfund Trfr/Sp Asmnt	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Sources/Uses of Funds	2,093,537	964,766	509,784	1,089,302	124,536	2,044,691	1,441,141	0	837,873	1,071,286	(16,225)	0
<b>Expenses Covered by Monthly Assessment</b>	<b>7,768,266</b>	<b>11,292,196</b>	<b>5,475,046</b>	<b>11,271,676</b>	<b>(20,520)</b>	<b>14,683,356</b>	<b>4,946,889</b>	<b>4,014,000</b>	<b>2,385,810</b>	<b>4,540,314</b>	<b>(561,197)</b>	<b>5,289,750</b>
<b>Mutual Assessment</b>												
Expenses covered by coupon / billing units (12 mo's x 1878 units = 22,536 billing units)	411.19	501.07	500.16	500.16	(0.91)	451.05	219.51	264.01	263.53	201.47	(62.54)	275.00
<b>Golden Rain Foundation</b>												
Trust Operations	233.88	270.38	270.38	270.38	0.00	277.44	0.00	0.00	0.00	0.00	0.00	0.00
Cable TV Service	57.25	59.54	59.54	59.54	0.00	57.25	0.00	0.00	0.00	0.00	0.00	0.00
40000 Total Golden Rain Foundation	308.22	329.92	329.29	329.92	0.00	334.69	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Basic Monthly Assessment</b>	<b>719.41</b>	<b>830.99</b>	<b>829.46</b>	<b>830.08</b>	<b>(0.91)</b>	<b>986.24</b>	<b>219.51</b>	<b>264.01</b>	<b>263.53</b>	<b>201.47</b>	<b>(62.54)</b>	<b>275.00</b>
<b>Change in Fund Balances</b>												
Beginning Balance	1,982,021	4,138,127	4,075,558	4,075,558	(62,569)	5,164,860	6,497,012	7,586,913	7,938,153	7,938,153	351,240	9,009,439
Excess/(Deficiency) of Revenues over Expenses Work Cap/Equity Adj/Interfund Trfr/Sp Asmnt	2,093,537	(82)	509,784	1,089,302	1,089,384	(25)	1,441,141	1,087,511	535,643	1,071,286	(16,225)	1,071,286
Aut Adj/Adjustments Difference from 1/31		964,766			(964,766)	2,044,691	0	0	0	0	0	0
Ending Balance	4,075,558	5,102,811	4,585,342	5,164,860	62,049	7,209,526	7,938,153	8,674,424	8,473,796	9,009,439	335,015	10,080,725
<b>Working Capital/Reserves Requirements</b>												
Working Capital or Reserve Req.	2,547,545	4,229,512	424,127	869,438	(964,766)	6,048,081	6,499,402	0	0	0	0	0
Working Cap. or Reserves Over/(Short)	1,528,013	873,299	4,161,215	4,295,422	1,026,815	1,161,445	1,438,751	8,674,424	8,473,796	9,009,439	335,015	10,080,725
<b>Total Capital per Unit</b>	<b>2,170</b>	<b>2,717</b>	<b>2,442</b>	<b>2,750</b>	<b>33</b>	<b>3,839</b>	<b>4,227</b>	<b>4,619</b>	<b>4,512</b>	<b>4,797</b>	<b>178</b>	<b>5,368</b>

*Motion made by Autrey, seconded by Donahue, to adopt the proposed 2024 Budget which involves a increase of \$166 per manor per month representing a 15.2% increase from 2023. Approved by a vote. (4-1 England apposed)*

- b. Appoint Pam Hudson as Chair to the Capital Projects Committee

*Motion made by Chung, seconded by Autrey, to appoint Pam Hudson as the Chair of the Capital Projects Committee. Approved by unanimous vote. (5-0)*

- c. Appoint Young Chung as Board Liaison to the Capital Projects Committee

*As Board President England appointed Young Chung as Board Liaison to the Capital Projects Committee.*

- d. Appoint Madelyn Miller to the Governance Committee

*Motion made by England, seconded by Chung, to appoint Madelyn Miller to the Governance Committee. Approved by unanimous vote. (5-0)*

- e. Appoint Barry Hirsch to the Governance Committee

*Motion made by England, seconded by Autrey, to appoint Barry Hirsch to the Governance Committee. Approved by unanimous vote. (5-0)*

- f. Appoint Marcia Keating as Chair to the Social Engagement Committee

*Motion made by England, seconded by Autrey, to appoint Marcia Keating to the Governance Committee. Approved by unanimous vote. (5-0)*

- g. Clearesult Participation Agreement (*Authorize Board President to Sign Agreement*)

*Motion made by Autrey, seconded by Chung, to approve the Clearesult Participation Agreement and authorize Mary England to sign the agreement. Approved by unanimous vote. (5-0)*

- h. Zoom 1-Year Subscription

*Motion made by Autrey, seconded by England, to approve the Zoom license in the amount of \$149.90 and reimburse the resident that personally pays for the license. Approved by unanimous vote. (5-0)*

- i. Proposed Architectural Control Committee Charter  
England wrote a draft Charter for the Board to review.

*Motion made by England, seconded by Moreau, to approve the Architectural Control Committee Charter*

Discussion:

Autrey said the format is not consistent with other Committees' Charters.

*Approved by a vote. (4-1 Autrey abstained)*

- j. Conduct Board Meetings Hybrid

Moreau asked if the Board meetings can be conducted in person and virtually. England asked if the Board Room used for meetings allows for virtual meetings. Thomas replied yes.

*Motion made by Chung, seconded by England, to conduct Board meetings in person and virtually. Approved by unanimous vote. (5-0)*

- k. Community Associations Institute (CAI) Annual Subscription

*Motion made by England, seconded by Autrey, to approve the CAI annual subscription in the amount of \$320.00. Approved by unanimous vote. (5-0)*

- l. Contact List when Residents need Assistance from MOD/GRF

Thomas created a contact list for residents to know who to call at MOD and GRF when there is a situation. Autrey suggested MOD review the contact list.

- m. Review Manor/Unit Inspection Purpose, Scope of Work, Form to Document Inspection

England reported that manor inspections are conducted to ensure Mutual owned utilities and appliances are up to date and safe. Furnaces, changing filters, and checking smoke detectors is also part of the inspection. The inspector will note if appliances have been replaced.

Autrey asked who files the forms. Peakes replied that MOD Staff keeps the forms.

### **Informational Items**

- a. Bylaws Revision Regarding Insurance Coverage  
Current language in the Bylaws state that manor's have 100% property coverage. The Bylaws will need to be revised by legal counsel due to the change with insurance coverage. England will give the Bylaws to the legal counsel for review and revision.
- b. Townhall Meeting  
Topic was deferred for January.
- c. Post Annual Committee Reports on the Mutual's Website  
The Board directed Thomas to post all annual Committee reports on the website.
- d. MCE Account Requirements for RFP  
No discussion.
- e. GRF General Manager revisit GRF Management Agreement with Presidents' Forum  
GRF General Manager, Jeff Matheson, proposed the management agreement be reviewed. England outlined three phases: premium tools in a workgroup with GRF Staff with Presidents representing Mutuals 1, 2 and 3. There are legislative requirements that Mutuals must fill. Wright, Matheson, and the Presidents will review the requirements.
- f. Mutual Presidents' Forum draft proposal to document GRF.MOD Service Levels  
No discussion.

### **Announcement**

The next scheduled meeting is the Board of Directors Regular Meeting on November 17, 2023 at 9:00 a.m. in the Board Room at the Gateway Clubhouse.

### **Adjournment to Executive Session**

There being no further business, the Board of Directors Regular Meeting was adjourned at 11:57 a.m. The Board moved into Executive Session.

### **Executive Session Summary**

The Board met in Executive Session from 12:05 p.m. to 12:27 p.m. to discuss member matters, delinquent accounts, liens and foreclosures, contract formation, and alteration issues.

### **Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the minutes.

*Victoria Thomas*