

SECOND WALNUT CREEK MUTUAL

ANNUAL MEMBERS MEETING

Tuesday, October 15, 2024, at 9:00 a.m.

Meeting is Conducted In Person and Virtually

Gateway Clubhouse– Fireside Room
1001 Golden Rain Road, Walnut Creek, CA 94595

MINUTES

Call to Order

President Steidel called the meeting to order at 9:06 a.m.

Certification of Notice of Meeting – Lisa Kam

I, Lisa Kam, Interim Assistant Secretary to Walnut Creek Mutual Two, certify that a Call for Candidates notice was mailed to homeowners on May 1, 2024, July 2, 2024, and August 12, 2024, by Pro Elections.

There are three vacant seats up for election in 2024. The board received four nominations from: Lon Bruce, Michele Colucci, Vona Scott and Loran Shlevin. Therefore, a ballot was required.

A secret ballot was mailed out to all residents on September 12, 2024. The ballot count will be conducted by Pro Elections during this meeting.

In accordance with Corporations Code § 7511(b), a notice of the Annual Members Meeting was mailed to the membership on TBA.

Tabulation Results for Director Election

A secret ballot in the matter of a Director Election was mailed on September 12, 2024, for a vote of the membership. Ballots will be opened and tabulated during the Annual Meeting. The winning candidates will be seated at the Organizational Meeting that follows the Annual Members Meeting.

Annual Reports

Presidents Report – Jeanne Steidel

Steidel commented that it has been quite a year for the mutual. Thanked Loran Shelvin for all her hard work. The boards main goals were to move our money. GRF is using our money to support a new computer system which will allow us full disclosure and many reports. We have given MOD the chance to use “our money for this project. Our second goal is insurance, we were devastated about the homeowners insurance, our premium goes up and our coverage goes down. Tried to look elsewhere but did not want to risk our policy being cancelled by the current carrier, it was out of our hands. Lastly, we really wanted to lower the coupon price for everyone. We have been working with MOD on the budget and ways to keep the coupon down. A big thank you to Susan Davis and Dan Davis for the creation of our wonderful website.

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Vice President's Report – Dan Davis

Davis commented that he has only been the VP a couple months and really appreciated our constructive working relationship with MOD staff. Thanked MOD and especially Eric Howard for working closely with us to figure out ways to moderate the current proposed coupon increase. Also thanked FAI and MOD for constructing a reserve funding plan that will result in only small coupon increases in the future without the need for any special assessments.

Treasurer's Report – Marv Ryken

Ryken reported that he receives the monthly financial report from accounting. Unfortunately, it comes out at the end of the day on the 15th of every month, so he doesn't always have the information for the meeting.

Secretary's Report – Vacant

No Report was given.

Water and Conservation Committee Report

Welter encouraged everyone to look at the new mutual website, she will be updating all the data. Our September total usage was 14% down in 24 versus 23. She will also post water saving program instructions on the website for homeowners to be able to do it on their own.

Trash Committee Report

No Report was given.

Finance & Insurance Committee Report

No Report was given.

Landscape Committee Report

TBA

EPICS

No Report was given.

Communications & Technology Report

No Report was given.

Welcoming Committee Report

No Report was given.

Manager's Report

Director of Mutual Operations – Jeroen Wright

Wright stated what an amazing year! The reorganization of the board is going well and all working well together. Started the budget season in September. As of January 1, 2025 the mutuals will be able to vote electronically. I have included in the budget an additional staff person at MOD to specifically assist with the 4041 data input. Encouraged everyone to choose either email or mail, but if everyone goes email, it will save the mutual a lot of money. I have received a new certification for Large Scale Community Management. Wright encourages

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everyone with questions or concerns to reach out to him he will gladly talk to anyone and/or meet with them.

Chief Financial Officer – Todd Arterburn

We are in the process of changing software to “Netsuite”. Accounting will roll out the first part of 2025. I am anticipating be able to produce a fiscal calendar mid-November as well as audits, and other milestones.

Building Maintenance Manager – Eric Howard

Building Rehab Work- SWCM continues to maintain the buildings on a 10-year painting cycle. A total of 41 structures consisting of buildings, carports and laundry rooms are expected to be completed by the end of this year. The locations are entries 4 and 5 Tice Creek and entries 1,2,3,4, and 5 Singingwood Court.

Water-Cooled Air-Conditioning Conversion- Freemans HVAC is on the second year of a 3-year contract to convert the water-cooled air conditioners. They have completed 300 installations to date out of the scheduled 468 units. This places the project at approximately 65% completed.

2024 Roofing Program- State Roofing has completed 9 out of the 13 scheduled roof replacements for 2024. They are scheduled to complete the project in its entirety this year.

1217 #5 Running Springs Fire Update- A contractor has been selected to begin the rebuilding of manor #5. The project managing agent “Pound Management” will be submitting to SWCM the contract for signing in the coming weeks.

1333 and 1349 Running Springs Foundation Repairs- The contractor Acustruct has initiated work on the foundation stabilization project at 1349 Running Springs and will initiate the foundation repairs at 1333 Running Springs by the end of this year.

Re-piping Galvanized Water Lines- Proposals have been submitted by Contractors to re-pipe the galvanized water lines at 3441 Tice Creek and will be submitted to the SWCM board to review in the next couple of weeks.

Annual Inspections- The 2024 annual inspections included changing out of all the old smoke detectors and carbon monoxide detectors with a newer 10-year lithium battery style. The annual inspections are scheduled to be completed at the end of October.

Hillside V-Ditch Replacement- In the spring of 2024, Fleece construction completed the replacement of 3 hillside v-ditches. Two were located on Stanley Dollar Dr. and one at the end of Singingwood Court.

Entry 3 Canyonwood- Silicone Valley Paving has started the project to repave entry 3 Canyonwood and install a new drainage system under the entry asphalt. This project is scheduled to be completed on October 23rd.

Re-Paving Projects- SWCM Contracted with Silicone Valley Paving to repave Entries 6,7,10,11 Leisure Lane and Entry A and 12B Tice Creek. This work has been completed.

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Landscape Manager – John Tawaststjerna

Landscape Maintenance

- Terra contract will be amended to switch from RoundUp to an Organic Herbicide in 2025

Landscape Rehab Projects Updates

- Mulching of Phase II completed
 - o Singingwood, Canyonwood, & Ptarmigan all Entries
- 9 total lawn conversions
 - o Two EBMUD rebates totaling \$5,200
- 20 miscellaneous rehab projects
 - o DFSC rebates totaling \$5,000 for juniper removals
- Plant Replacements will take place in the Fall of 2024

Tree Maintenance

- Completed pruning for all Entries at the following
 - o Ptarmigan
 - o Tice Creek
 - o Fairlawn
 - o Running Spring
 - o Leisure Lane
 - o Stanley Dollar (by end of 2024)
- Major Removals
 - o Tice Creek Entry D
 - 4 Monterey Pines
 - o Tice Creek Entry 13
 - Willow
 - Arizona Cypress
 - Redwood
 - o Canyonwood Entry 10
 - 3 Eucalyptus Blue Gum
 - o Stanley Dollar Entry 3
 - 4 Monterey Pines

Budget Presentation for 2025 – Jeroen Wright

Wright gave the following Budget Presentation:

Wright also spoke about the Firewise program to improve against wildfire. Most homes don't burn from flames, but the embers that fly through the air. We are working on removing the flammable mulch 5' from the buildings, want to keep the landscape attractive

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Members' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Members made comments on: Wanted to know what the projected rate of increase is for the next five years. Our current bank lacks technology information and there is a disconnect with connectivity and bank reconciliation. Echo club coming in Rossmoor on November 17, there will be lots of contractors there and they all want to do business in Rossmoor. I don't have a TV do I get a discount in the coupon price. Thank you for working so hard to keep the coupon increase as low as possible. Thanks to the board for all your work. Board needs to work on keeping the agenda postings organized. How many times can we defer necessary work, I don't approve the budget.

Ballot Count

The team with Pro Elections has finished opening and counting the votes as follows:

Number of seats up for election: 3 board seats

Result:

Vona Scott	568 votes – elected
Michele Colucci	556 votes – elected
Lon Bruce	548 votes – elected
Loran Shlevin	221 votes – not elected
Overvote – invalid	1 ballot
No Response	4 ballots

Announcement

The next scheduled meeting will be the Organization Meeting immediately following the Annual Meeting on Tuesday, October 15, 2024.

Jeroen Wright and Todd Arterburn both thanked exiting Director Loran Shlevin for her work with them over the years. Shlevin thanked the Members for their support and exited the meeting.

Adjournment

There being no further business, the Annual Members Meeting was adjourned at 11:00 a.m.

Secretary's Certificate

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

Lisa Kam