

## MINUTES

### SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS Feb. 1, 2024, AT 4:00 P.M. ZOOM and Creekside Club Room

1. **CALL TO ORDER** - President Loran Shlevin called to order the regular meeting of the Board of Directors of Second Walnut Creek Mutual (SWCM) at 4:01 p.m.
2. **ROLL CALL**
  - A. Present: President Loran Shlevin, Vice President Jeanne Steidel, Secretary/Treasurer Marv Ryken, and Director Liz Bradner
  - B. Absent: None
3. **AMENDMENTS** - Motion made by President Shlevin to amend agenda to include add consent calendar of minutes of Board Meeting on January 18, 2024, executive Board Meeting on January 18, 2024, amend January 4, 2024, minutes to read 2024 from 2023, and add Mary Beal-Neighbor to present latest information on the consequences of the insurance on SWCM at Rossmoor. Motion seconded by Director Steidel and unanimously approved.
4. **CONSENT CALENDAR**
  - A. Minutes of Board of Director's Meeting on January 18, 2024, motion to approve by Director Ryken, seconded by Director Steidel, and unanimously approved.
  - B. Minutes of Executive Board of Director's Meeting on January 18, 2024, motion to approve by Director Ryken, seconded by President Shlevin, and unanimously approved.
  - C. Minutes of Board of Director's Meeting on January 4, 2024, motion to change 2023 to 2024 by Director Ryken, seconded by President Shlevin, and unanimously approved.
5. **INSURANCE CONSEQUENCES AT ROSSMOOR** - Mary Beall-Neighbor, Broker/Realtor with ReMax Realty explained the current situation due to Rossmoor's 2024 insurance of less than 100% coverage having affected financing of Loans. No financing is available right now for co-ops because Freddie Mac and Fannie Mae has ruled that Rossmoor is unwarrantable. Only FHA loans are available for condos. The situation is in flux and current loans do not appear to be affected. There are private loans available now but the total money available is only \$5 million with a little higher interest rate.
6. **PRESIDENT'S REPORT** – President Shlevin reported that current SWCM rules on buying manor for cash are restricting buyers and these rules should be reviewed and at least made compatible with First Walnut Creek Mutual. There have been some private lenders that have shown interest in loaning money for buyers of manors at Rossmoor.
7. **TREASURER'S REPORT** - Treasurer Marv Ryken gave some information on the expenses for 2023 as compared to 2022. The total 2023 expense was \$24.1M and \$20.5M for 2022. The \$3.6M increase was due mostly to the increase in insurance, \$1.82M to \$3.09M, and maintenance, \$3.31M to \$4.48M. A quick look at replacing

all of the smoke and carbon monoxide detectors in SWCM shows that for 2 each smoke and 1 carbon monoxide 10-year detectors would cost about \$70 and if the installation cost was \$100 then the payback time would be approximately 4 years considering that smoke detector repair/preplace for 2023 was \$57,656. This represents a \$38K/year reduction in yearly maintenance cost over the 10-year life of the detectors.

8. **EPIC (INTRASTRUCTURE) COMMITTEE** - Dan Davis, co-chairperson, stated that the laundry room study was completed and resulted in a \$34,000/year contract for cleaning the laundry rooms. This is a savings of \$26,000/year compared to last year's cost of \$60,000. Residents' assessments of the cleanliness of the laundry rooms are welcome. One washer and dryer replacement "pilot" project is in the planning stage, and they will be installed in one laundry building to see how well they work and how long they last.
9. **RESIDENTS' FORUM**
  - A. What's being done to upgrade our 60-yr. old construction? We are out of compliance with current building codes. Concerns include electrical wiring, plumbing, insulation, replacement with double-pane windows, asbestos linings on water heaters, dirty water coming out of faucets, increasing costs of PG&E. Shlevin requested that the members with these concerns/issues write up their issues and email them to her.
  - B. Regarding the maintenance increase in 2023, it's important to understand how much is coming out of our Reserve Capital and Operating Capital. (Treasurer Ryken reported that for 2023's maintenance, \$1.1 was from the Operating Fund and \$3.4 Million from Reserves.)
  - C. It was noted that the mounting pads for the A/C units were 30"x30" and 30"x36" and the larger 30"x36" pads are intruding on storm drains and blocking water drainage.
  - D. The SWCM 2023 Audit cannot be completed until the 2022 Year-End Review is completed. An *Audit* results in an opinion and a *Review* requires an Opinion on the accounting and financials. (CPAs cannot do a 2023 Review.)
10. **ADJOURNMENT** – President Shlevin adjourned the meeting at 6:23 PM

*Executive Session January 18, 2023*

*Called to Order at 1:08 p.m.*

*Disciplinary Hearing:*

- *Approved fines against homeowner for repeat violations*

*Adjourned at 1:24 p.m.*

*Executive Session*

*Scheduled for February 1, 2024*

*Was CANCELED*

*Linda Schoeffner*

*Assistant Secretary*

*Second Walnut Creek Mutual*