

M I N U T E S
SECOND WALNUT CREEK MUTUAL
FORTY-NINTH ANNUAL MEETING OF MEMBERS
TUESDAY, OCTOBER 20, 2020 AT 9:30 A.M.
ZOOM Meeting

President Michael Stotter called to order the Forty-Ninth Annual Meeting of Members of Second Walnut Creek Mutual at 9:30 a.m. on Tuesday, October 20, 2020 via ZOOM.

ROLL CALL: Present: Michael Stotter, President
 Barbara El-Baroudi, Vice President
 Mark Fehlig, Treasurer
 Liz Bradner, Secretary
 Nathan Roundy, Director

Excused: None

Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Financial Officer; Mark Marlatte, Building Maintenance Manager; Rebecca Pollon, Landscape Manager, and Anne Paone, Administrative Secretary.

Jo Ann Cooper also attended.

Mr. Stotter welcomed the 43 members who were present.

CERTIFICATION OF NOTICE OF MEETING – Anne Paone, Assistant Secretary

Assistant Secretary Paone read the Certification of Notice of Members' Meeting certifying that proper announcements of the location, date, and time of the Annual Meeting were posted on the Second Mutual website and were published in the *Rossmoor News* on October 7 and October 14 in accordance with Article IV, Section 4(b) of the Bylaws of the Corporation.

APPROVAL OF MINUTES

Mr. Stotter motioned to dispense with reading of the minutes of the Forty-Eighth Annual Meeting of Members of October 15, 2019 and that the minutes be approved as written and reviewed. The membership approved by a voice vote.

PRESIDENT'S REPORT

Mr. Stotter reported the following:

- Completed the Landscape Rehabilitation of Ptarmigan Entry 4.

- Completed the final phase of the removal of diseased Pine trees on the large slope at the top of Running Springs and will soon begin the replanting process.
- Mulched 1/3 of the Mutual.
- Removed a substantial amount of juniper so far, with more to be removed in 2021.
- Completed plant replacements requested by Members and Staff.
- The Board of Directors voted to select Michael, who had been Acting President during Barbara's health recovery, to replace Barbara as President and allowed Barbara to become Vice President.
- Completed the 1200 Canyonwood building leveling project on time and on budget. \$1,000,000 job completed without the need for a special assessment. I want to acknowledge recent Boards efforts in budgeting so as to avoid a special assessment.
- Began restoration of 1201 Leisure and 1216 Running Springs after fires.
- Continued the Mutual's 8-10 year Carpentry, Rehabilitation and Painting Program with the completion of Running Springs Road despite working in a Pandemic work environment.
- Fire mitigation via draft-stops in Mutual G-11 buildings.
- Replacement of 12 roofs.
- G-11 Parking column at 1233 Singingwood replaced.
- Returned the Manor inspections to MOD and increased the inspection rate to over 90% complete. The end goal is 100% compliance, by early next year.
- The Board of Directors managed to keep the 2021 coupon increase below the average of all the Mutuels throughout the valley.
- Transitioned all Board of Director Meetings virtually on ZOOM.
- Utilized DocuSign to stream-line Member Records requests.
- Completed 3 stream recycling systems and services which included LANDFILL-RECYCLING-ORGANICS.
- Accommodated compliant applications for EV/PHEV CARPORT charging according to Mutual Policy.
- Accommodated EPO and CERT Emergency cabinets in the common area.

BUDGET 2021

Mr. Donner presented the 2021 budget. He advised the membership that there are 3 parts to consider. The operating fund is for day-to-day maintenance and repairs. The reserve fund is for repair and replacement of major components over 30 years, such as asphalt and painting. The GRF portion is to maintain Trust facilities such as pools, golf course, clubhouses, GRF staff, etc.

Mr. Donner went line-by-line explaining items on the budget, with the budget displayed on the screen. Water and insurance increases were mainly responsible for the raise in the coupon amount.

The total basic monthly increase will be \$50.00 for a total monthly coupon amount of \$909.00 per manor.

Budget Questions:

R – How can water usage in units be decreased?

Mr. Donner advised members to periodically check their toilets for leaks.

R – What is being done regarding delinquencies?

Mr. Chakoff reported that they have been rising in the valley. Boards are monitoring them so they may be addressed.

R – Why is there a \$21,00 decrease in the Reserves Assessment?

Mr. Donner explained that the money was taken from reserves and placed in the Operating-Working Capital fund. This will be reversed next year. This will give the Mutual a positive rating of the reserve fund over 30 years and a special assessment can be avoided.

R – We may have a dry winter. How will we reduce costs for water?

Mr. Donner reported there are no individual meters. Ms. Pollon started a program which is “give a foot-get a foot.” Turf that is not beneficial is being removed. Those areas are being reduced. This means less water usage is required. A SMART system is used. The satellite speaks to the computer to indicate how much water is needed. Additionally, irrigation systems have been changed from drip to bubblers. Water-cooled air conditioners can be replaced, but there is a cost to do so.

R – What about re-piping in buildings?

Mr. Donner reported that this is not a big issue in SWCM. Galvanized pipes can be an issue. Water main breaks are a problem. Re-piping water mains is cost prohibitive due to the necessity of digging under street, etc.

ELECTION RESULTS

Mr. Stotter reported that the Tabulation Meeting will be held on November 3, 2020. Currently, the Board remains the same.

RESIDENTS' FORUM

R – What about using generators in a manor?

Mr. Donner reported that the policies are silent on this matter right now. Gas generators should not be used due to safety concerns. Members can use battery type generators.

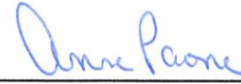
ANNOUNCEMENTS

Mr. Stotter announced that due to the Annual Meeting, there will be no regular board meeting this month. He also announced that the Organizational Meeting would immediately follow adjournment of the Annual Meeting.

Next SWCM Regular Board Meeting Thursday, November 19, 2020
10:00 a.m. – Zoom

The Board will hold a Special Board Meeting to appoint the assistant secretary, assistant treasurer, and to adopt the 2021 budget immediately following adjournment of this meeting.

Mr. Stotter announced that having no further business, the Forty-Ninth Annual Membership Meeting was adjourned at 10:40 a.m.



Anne Paone, Assistant Secretary
Second Walnut Creek Mutual