

THIRD WALNUT CREEK MUTUAL
REGULAR SESSION MEETING MINUTES OF THE BOARD
MONDAY, AUGUST 10, 2020 AT 10:00AM
ZOOM VIDEO AND CONFERENCE CALL MEETING

Call to Order

President Rothman called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 10:02 a.m.

Roll Call

Directors Present:

Arlyss Rothman, President Dist. IX, (2022)	
Chuck Decker, VP Dist. X, (2021)	Nan Warren, Director Dist. XIV, (2022)
Matt Kaplan, Treasurer Dist. V, (2022)	Walt Braun, Director Dist. XIII, (2023)
John Swearingen, Secretary Dist. VII, (2021)	Donna Landeros, Director Dist. VIII, (2023)
Gery Yearout, Director Dist. XI, (2021)	James McFarland, Director Dist. III, (2021)
Marilyn Mason, Director Dist. XV (2022)	Tom Lauck, Director Dist. IV, (2023)

Also Present: Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Clayton Clark, Building Maintenance Manager; Kelly Maki, Board Services Coordinator; Rick Chakoff, Chief Financial Officer; and Tess Haskett, Assistant Controller

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. Topics discussed included reserve funds being FDIC insured.

Approval of Meeting Minutes

President Rothman asked for any corrections and/or additions to the following minutes:

- a) Regular Board Meeting MinutesJune 8, 2020
- b) Executive Session Meeting MinutesJune 8, 2020
- c) Executive Session Meeting Minutes.....July 1, 2020
- d) Dist. VIII Director Election Ballot CountJuly 7, 2020
- e) P64 Special Assessment Ballot CountJuly 9, 2020
- f) Dist. XIII Director Election Ballot CountJuly 10, 2020
- g) Organizational Meeting MinutesJuly 13, 2020
- h) Special Meeting Minutes.....July 22, 2020
- i) Executive Session Meeting MinutesJuly 22, 2020

A motion was made to approve all the above minutes.

Moved, Seconded, Carried 11-0

President's Report

Arlyss Rothman reported on the Julyt President's Forum: Tim O'Keefe gave an update on the COVID-19 status for the valley. The number of COVID cases in Rossmoor is unknown. Owners were reminded to stay vigilant, social distance, and wear a mask. Also discussed in the President's forum was delinquent accounting practices by MOD accounting. It was

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suggested to all directors to review their aged receivable reports and contact MOD accounting with any questions.

Secretary's Report

Secretary Swearingen reported that 3 articles have been recently published in the Rossmoor news.

Treasurer's Report

Treasurer Kaplan gave the following Report:

Treasurer Report: Aug 10, 2020

This report is based on the TWCM financial reports for May and June 2020.

As of May 31, 2020, the TWCM bank balance was \$20,610.

TWCM payments in May were \$54,576 allocated as specified to the projects.

Republic Services trash pick-up was \$23,009. Legal services was \$21,149 with \$451 to Hughes, Gill, and Cochrane, and \$20,698 to Ann Rankin. MOD trash recycling was \$5,809. Trash enclosure cleaning by CSS was \$4609.

TWCM Owner Billables (amounts owed by owners to their project) as of May 31, 2020 was \$130,968.

TWCM Assessments (Coupon) owed as of May 31, 2020 was \$79,966, an increase of almost \$17,000 from the prior month, and about \$35,000 more than early in this year.

As of June 2020, the TWCM bank balance was \$20,789.

TWCM payments in June were \$48,103 allocated correctly to the projects.

Republic Services trash pick-up was \$23,320. Legal services were \$3,951 with \$1,186 to Hughes, Gill, and Cochrane, and \$2,765 to Fong and Fong. MOD trash recycling was \$5,009. Trash enclosure cleaning by CSS was \$7,481. Mailings by Integrity was \$3,392. Fire protection from Contra Costa Fire was \$4,950.

TWCM Owner Billables (amounts owed by owners to their project) as of June 30, 2020 was \$140,559.

TWCM Assessments (Coupon) owed as of June 30, 2020 was \$95,437, an increase of about \$15,000 from the prior month, and now more than double since early in this year. In January 2020, 17 owners were past due at least 1 month, while in June 2020, 41 owners were past due

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at least 1 month.

a. Motion that the Mutual Funds Report has been reviewed by the Treasurer and a summary provided to all Directors: The motion was made for the May 31, 2020 and June 30, 2020 Mutual Funds Report.

Moved, Seconded Carried 11-0

b. Motion that all Directors have reviewed their Project Specific Financials: The motion was made for all Project Specific Financial Reports ending on May 31 ,2020 and June 30, 2020.

Moved, Seconded Carried 11-0

Building and Maintenance Committee

Nan Warren gave the following report:

The Building Committee met on 6 August 2020 to discuss organization and activities. The committee members volunteered to look into whether the following policies would need correction or redrafting under the new CC&Rs.

1. The matrix
2. Architectural Standards
3. Policy 48, Maintenance and Repair
4. Policy 49, Inspections
5. Policy 58, walkways.

In addition, Policy 64, Electric Vehicles and Golf Carts will be reviewed to address areas that were not covered last time the policy was reworked.

The committee also agreed to check and see if our CC&R's covered collateral damage to neighboring units in case of a failure in a flex line.

A motion was made to appoint Dale Harrington as a member of the Building Maintenance Committee.

Moved, Seconded, Carried 11-0

Landscape Committee

Walt Braun gave the following report:

TWCM Landscape Committee Report of Aug 2020

I have worked with Gery Yearout to turnover her files and get up to speed on what her key initiatives have been in the last year.

I expect to continue the fine work she has done.

- First, I will be contacting the directors for a referral for a district Landscape Coordinator

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or Coordinators.

The role of the coordinator(s) will be to:

- participate in any Rossmoor – wide landscape meetings similar to the one held recently by MOD’s Rebecca Pollon
- provide input to the Landscape Chair on mutual-wide problems, assess the effectiveness of the work being done by our landscape contractor

Governing Documents Committee

Marilyn Mason gave the following report:

Meeting Date:	July 28, 2020	Resident Members:	Roxanne Stallings
Director Members:	Marilyn Mason, Chair Arlyss Rothman Nan Warren	MOD Advisors:	Paul Donner Clayton Clark

The meeting was called to order at 3:00 p.m. by Chairperson Marilyn Mason. The focus of the meeting was planning and organization of items for the coming year.

It was determined the first goal of the committee this year would be to bring consistency to the governing documents as they relate to each other. The committee will identify inconsistencies between the Policies, Bylaws, and new CC&R, and make the necessary edits to policies and bylaws thereby eliminating the confusion that currently exists when referencing and implementing the respective information. Some revisions will be due to the need to eliminate outdated information, while others will be based on the need to add new information.

As this process develops, it will result in revisions to some policies, perhaps the creation of a new policy or two, and revision of the Bylaws.

The committee discussed prioritizing the documents that require review. It was decided that for those policies that focus specifically on maintenance issues that they would first be reviewed by the Building and Maintenance Committee and then sent up to the Governing Documents Committee for final review and possible edits. As with all new or revised policies, they are then provided to the Board for review. Once the Board approves them, they will be sent out to the membership for the required review and comment period prior to Board adoption.

The first items to be reviewed are the Internal Dispute Resolution Policy, the Alternative Dispute Resolution Policy, the Conflict Resolution Committee and the new Dispute Resolution Committee to determine the appropriate guidelines and necessary revisions needed for each. Nan Warren and Arlyss Rothman have discussed these conflicts and Nan has graciously agreed to bring notes which will act as a basis for further review and discussion at the next meeting of the Governing Documents Committee.

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Alteration Permit Application Review

The committee had no report to give this month.

Communication Committee

John Swearingen reported that any corrections on communications should be directed to him.

Emergency Preparedness Committee

Arylss Rothman reported that EPO does a monthly presentation via Zoom for the entire valley. Last month's topic was COVID-19. The committee supports the EPO organization via IT and Zoom.

Dispute Resolution Committee:

Nan Warren reported the committee would submit draft information on policy 75 and 76 to the Governing Documents Committee for review. Setting up training for the committee is still being considered and will be more difficult than expected.

Old Business

- a. **CDARS:** Matt Kaplan gave a brief history on what a CDAR is and how it relates to each project's financials. Matt informed the Board that each Director will need to meet with Tess Haskett and Rick Chakoff to make decisions on investing each project's reserve funds in Brokerage CDs so that reserve funds remain in amounts that are FDIC insured.
- b. **Petition Update:** It was reported that to date 21 out of 22 projects have been granted petitions to record the master CC&Rs. Project 51-2 has yet to be decided on and any briefings on this project's petition will incur additional legal fees.

New Business

- a. **Announce Results of P64 Special Assessment Ballot:**

A secret ballot in the matter of a Special Assessment in the amount of \$22,250 per manor was mailed on June 2, 2020 for a vote of the membership. Ballots were opened during an Open Ballot Count Meeting on Thursday, July 9, 2020 at 10:00 a.m. via Zoom.

For purposes of a special assessment, the approval requirement is set by statute rather than the governing documents. Regardless of anything to the contrary in an association's governing documents, special assessments are approved by a majority of a quorum of the membership. The Davis-Stirling Act defines a quorum to mean more than 50% of the owners of the Project. It then defines a majority of a quorum to mean the affirmative vote of a majority of the votes cast, which votes also constitute a majority of the required quorum.

The following is a report prepared by the Inspector of Elections:

Total Manors/Units:	9
Total Ballots Received:	9

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Total Invalid Ballots: 0

Total Valid Ballots: 9

Total FOR: 9

Total AGAINST: 0

By majority vote, the Special Assessment of \$22,250 per manor passed. This amount will be payable in two payments. The first special assessment payment is due on August 20, 2020 in the amount of \$10,000 and the second payment is due on October 4, 2020 in the amount of \$12,250. (Owners can make one lump sum payment, if they choose).

Adjournment to Executive Session

There being no further business, the Regular Meeting of the Board was adjourned at 11:09 am and the Board moved into executive session.

Executive Session Summary

The Board met in Executive Session to hold owner an owner hearing, consider a late fee waiver request, a variance request, and discuss legal matters.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.



Assistant Secretary

Third Walnut Creek Mutual