



ROSSMOOR
WALNUT CREEK

WALNUT CREEK MUTUAL THIRTY-NINE

ANNUAL MEETING MINUTES OF THE BOARD
WEDNESDAY, MAY 24th, 2023, AT 1:00 PM
CLUBROOM – CREEKSIDE CLUBHOUSE
IN-PERSON AND ZOOM MEETING
1010 STANLEY DOLLAR DR
WALNUT CREEK, CA 94595

Call to Order

The Annual Mutual Thirty-Nine Members meeting was called to order at 1:04PM

Election of Chair and Secretary for the Annual Meeting

A motion was made to appoint Claire Wolfe as Chair and Lucy Limon as Secretary for the Mutual 39 Annual Meeting.

Moved, Seconded, Carried 4-0

Directors Present

Claire Wolfe
Victoria Haket
Bill Claussen
Karen McEligot

Directors Absent

Mike Dwyer

Staff Present

Paul Donner, Mutual Operations Director
Tom Hand, Chief Financial Officer
Clayton Clark, Building Maintenance Manager
John Tawaststjerna, Landscape Manager
Lucy Limon, Board Coordinator

Committee Chairs: *Pam Dieckman*, Landscape; *John Rice*, Governing Documents; *Bill Claussen*, Budget and Finance; *Mike Dwyer*, Communications; *Victoria Haket*, Recycling; and *John Rice*, Building Maintenance/Alterations.

President's Report

Claire Wolfe gave the following report:

2023 saw many new faces in our Mutual with 10 sold Manors.

Welcome to:

- i. ROBERT AND DIANE GOLTON



WALNUT CREEK MUTUAL THIRTY-NINE

- ii. EILEEN AND STAN FELDMAN
- iii. GAIL FELLMAN
- iv. HAGAR SUSKIND AND YAACOV ARAZI
- v. PATRICIA BUSTON
- vi. LYDIA AND RICHARD SCHULMAN
- vii. KARLING LEUNG
- viii. GEORGE AND NAHIDE CRAIG
- ix. HELEN DAVARAN
- x. SANDRA NETHERCOTT

Realtors keep telling me that Mutual 39 has an excellent reputation and is considered a desirable Mutual to buy in! Sales are at higher prices and happen quickly. We can all take pride in this. And thanks for neighbors making new folks feel welcome and showing them the ropes...especially if one is new to Rossmoor which can be a bit daunting.

As you have heard from all the previous reports, Mutual 39 is in good shape from a financial perspective, thanks to our finance committee and, thanks to our landscaping committee, we are doing well with keeping our mutual looking so beautiful. We are proud of the turnaround time for alteration applications with thanks to our Alterations Committee. David Schubb has done an outstanding job on newsletters and I am pleased to be asking later in the meeting for a motion to appoint David as our Communications Chair. A big thanks to Vicki Haket who brings a recycle bucket for composting to each new neighbor. I must admit I was a skeptic and now am using my bucket. It is much easier than running the Insinkerator forever and wasting lots of water, plus using electricity. If you are not composting, I say, give it a try. We did not have much activity for Gov Docs in the past 12 months which is a good thing. The real heavy lifting was writing the new CC&Rs, ByLaws, and Policies and Procedures when we first exited Mutual 39.

I would really like to emphasize how we need more volunteers for our committees. The time commitment is not more than a few hours a month. I can hear you say...We are here to be retired, Claire, I came here to relax! This is very true.... but this is your home and just those few hours can really make a difference in keeping up our Mutual.... please see me at the end of this meeting or call me and let's match your interests to our Mutual's needs. Or connect directly with the Committee Chairs. Mutual 39 Needs You!!

Finally, a big thank you to Paul Donner, Clayton Clark and the entire MOD team that helps Mutual 39. I find it easy to work with MOD and they are always very responsive. We had some very challenging times with fire season and then a rainy season that was something we had never seen before. I know every situation was not "perfect"...but on the whole, things went very well.

Paul is retiring after many years of service to Rossmoor, and I will miss him greatly. Not only is he a wealth of information, but he is also a very kind and caring individual. Paul, we wish you all the best as you approach this next phase of your life with your wonderful family. You will be missed. And we welcome Paul's replacement, Jeroen Wright. We are looking forward to getting to know you and working with you.



WALNUT CREEK MUTUAL THIRTY-NINE

And as we say farewell to Paul, we say hello to Tom Hand as he takes over the Accounting Department at a very critical time. Tom will be selecting and implementing a new and very badly needed ERP system. We have been operating with an extremely outdated system which is completely overtaxed. The Accounting Dept. has had a complete turnover in personnel, and we appreciate the attitude of the new folks to learn their jobs quickly and with accuracy. The good news is that it will keep getting better if we can just remain a bit patient.

A very special thank you to Lucy Limon our Board Services Coordinating. I could not do my work without Lucy! She knows all the ins and outs of David Stirling and, if she doesn't know something, she will track down the answer.

And onward we go to another year in Mutual 39. Thanks again to all who volunteer, and we look forward to lots more of you joining in.

Committee Reports

1. Budget and Finance Committee: Bill Claussen

Bill Claussen reported on the following:

Financials through March 2023:

Operating: \$454,776

Reserve: Over \$1 million

Bill Claussen advised that M39 is in good financial condition. M39 is currently making interest in CD's. Both M39 accounts are fully insured.

A motion was made to rescind the motion that was made on February 21st, 2023:

A motion was made to write off \$20,992 of expenses for the fire damage in the fiscal year, either in February or March.

Moved, Second, Carried 4-0

Moved, Seconded, Carried 4-0

A motion was made not to accept the current financials until further review of the first quarter statements.

Moved, Seconded, Carried 4-0

2. Landscape Committee: Jean Faszholz

Jean Faszholz gave the following Report:

Good afternoon,

I have held the position of Landscape Chair for one year. And it has been a busy one. Hopefully most of you have been able to observe some of the work we completed this past year. We had 2 projects at Entry 7A, on Terra California Drive:

WALNUT CREEK MUTUAL THIRTY-NINE



A small grass area was removed, and a Crape Myrtle Tree was planted along with flowering plants. We are using cobble as a border to keep mulch in and turkeys out. A large boulder was added for interest and continuity as they are commonly used throughout the landscape in Rossmoor. This work was done by Terra Landscape.

Next, we did a rehab on a poorly performing front common area.



There was a lot of rock already there, so we used it in the new design. By adding cobble, a dry river was created that incorporated an existing drain. Grasses and other drought tolerant plants were added. One of the unique features of this landscape is the Century agave plant that was donated by one of the residents, Bob Wheeler. This work was done by MOD.

Next, we go to Entry 12 on Saklan Indian where we completed two additional projects:

WALNUT CREEK MUTUAL THIRTY-NINE



Working with Terra Landscape we rehabilitated the entry on both sides, planting trees, Cactus, dwarf oleanders, and grasses. This site already had rocks, so we worked to get a more pleasing “flow”.



The next job we did in Entry 12 was a big slope that had been covered with junipers. Working in between the many “Atmospheric Rivers” we experienced this past winter, we took out dying trees, and added olive trees, flowering plum trees, rock borders, trailing rosemary, oleanders, and grasses. As members of the landscape committee, we work with the crew with plant choices, placement, and design. I think you will agree the results are very pleasing. This work was done by MOD.

We have just finished working on part of Saklan Indian removing stressed plants and adding cobble borders, grasses, oleanders, and other drought tolerant plants. This work was done by Terra Landscape.

I want to extend my thanks to the Landscape Committee members: Olga Gordon, Martha Heald, Jean Faszholz, and Ron Goldberg. As most of you know Jean has retired as Landscape Chair but she has graciously accepted the new role as “consultant” and took the lovely photos we have seen today.

Many thanks to all the crew workers of MOD and Terra Landscape supervised by Eddy Ibarra, Kevin Jackson, & Trini Valencia. Last but not least thanks to Claire for your continued support.

WALNUT CREEK MUTUAL THIRTY-NINE

3. **Building Maintenance/Alteration Committee: John Rice**

John Rice provided a presentation, *see attachments at the end.*

4. **Communications Committee: Claire Wolfe for Mike Dwyer**

Claire reported that David Schubb will continue creating the M39 newsletters. The committee is looking for extra, any interested residents are encouraged to contact Mike Dwyer.

5. **Recycling Committee: Victoria Haket**

Victoria Haket gave the following report:

My recycling report for the past 12 months is as follows:

Welcome packets for new residents were created and distributed to 11 new residents from 6/1/2022 through 5/31/2023.

Composting bins were cleaned by Nice Cans for, July, August & September of 2022.

Recycling newsletters were sent out 7/21/2022, 12/1/2022 & 3/15/2023.

Entry 12, trash enclosure 39TR8 (2662/2666B) was having a number of missed pick-ups. Keven O'Bryne has been following up with Lisa Lankford to resolve.

Overall, I want to thank the residents and volunteers who are making an effort to live a more sustainable lifestyle. I'm not hearing from the volunteers often which is a good sign.

6. **Governing Documents Committee John Rice**

John Rice provided a presentation, *see attachments at the end.*

Budget Overview

Paul Donner reported on the financial reports of October 2022, November 2022, and December 2022. A special meeting was held on January 17th, 2023, where a motion was made to approve the 2023-2024 Budget as presented with a \$50 (4.7%) increase to the monthly coupon. Beginning April 1st, 2023, the monthly coupon changed from \$1,070 to \$1,120. The biggest portion of this increase was in insurance. Financially the Mutual is in very good shape.

Mutual 39 did not need to borrow from reserves to pay for this year's insurance premium.

Residents' Forum

A Resident's Forum was held for comments and questions from the membership. Topics discussed in the Resident's Forum included: Board issues, coupon increase in Rossmoor, insurance, gutters, and BBQ's.

Announcements

An organizational meeting of the board will directly follow the annual meeting. The next scheduled Board Meeting will be held on Tuesday August 15th, 2023, @ 1:00 PM in the Board Room at Gateway.



WALNUT CREEK MUTUAL THIRTY-NINE

Adjournment to Organizational Meeting

President Wolfe adjourned the meeting at 2:21 p.m. and the Board moved into an organizational meeting.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the annual minutes of Mutual 39.

Lucy Limon

**Assistant Secretary
Mutual 39**

DRAFT

Maintenance Activities

Entry 12 Saklan Ditch



867 TCal Drain



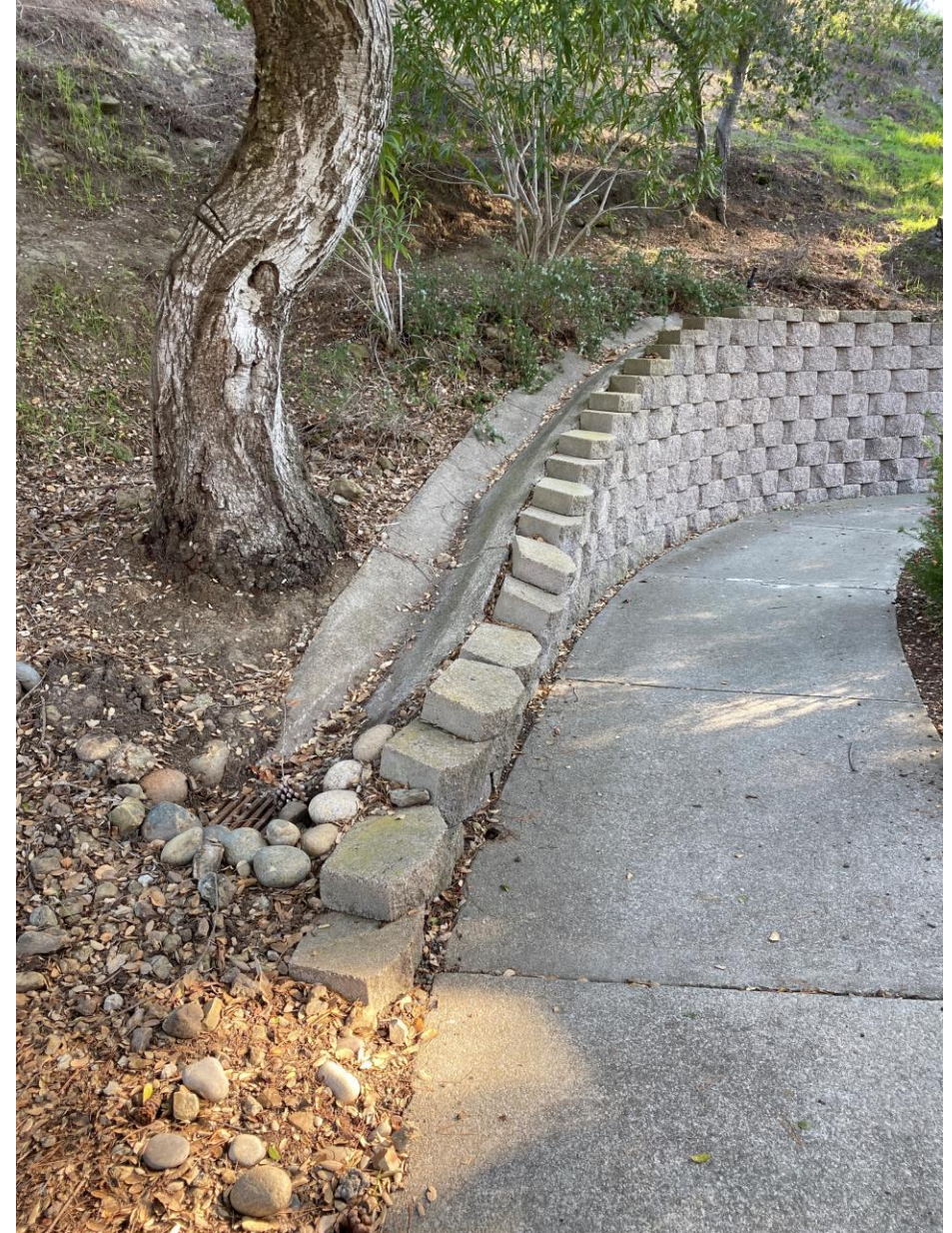
2616 Saklan drain



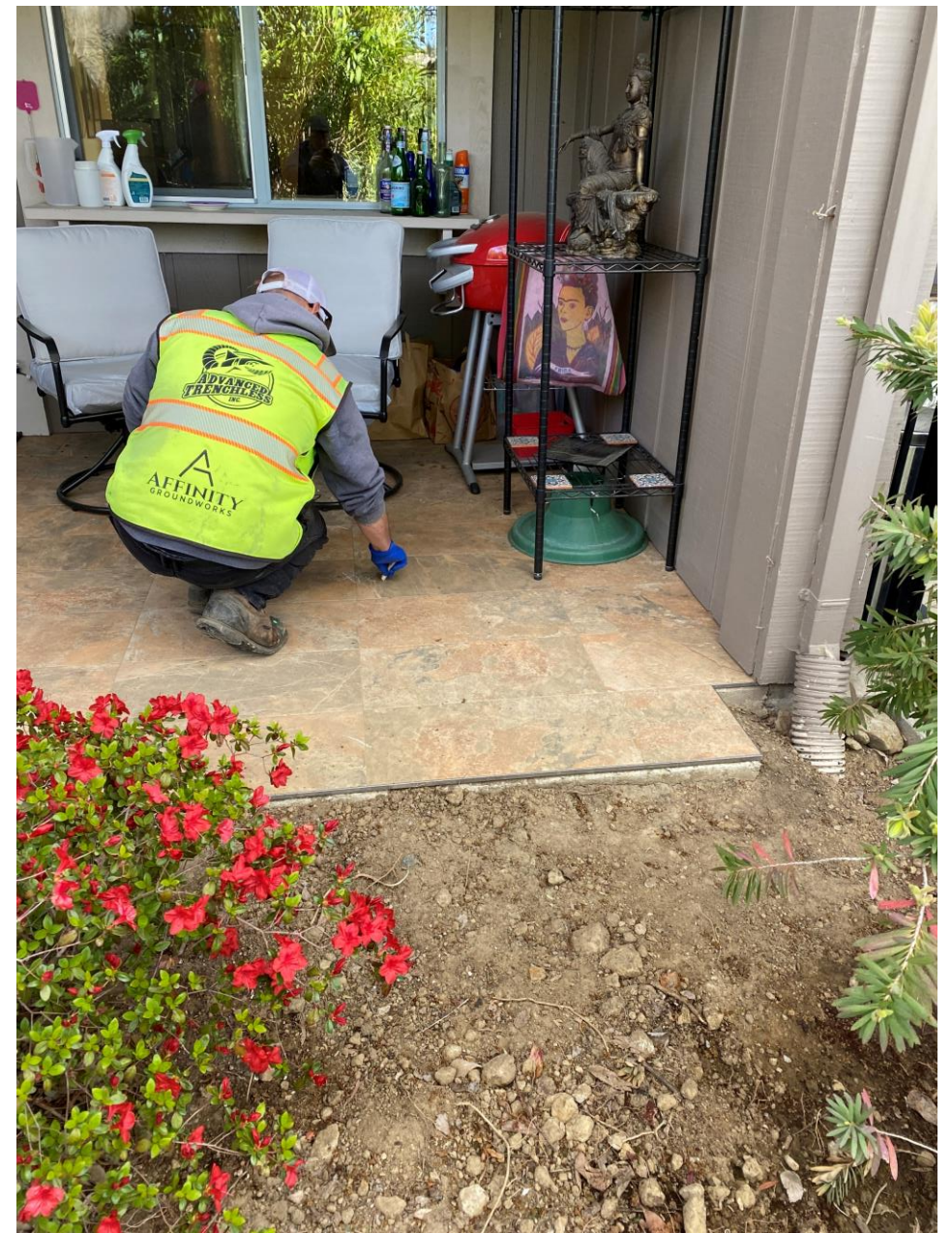
896 Tcal drain



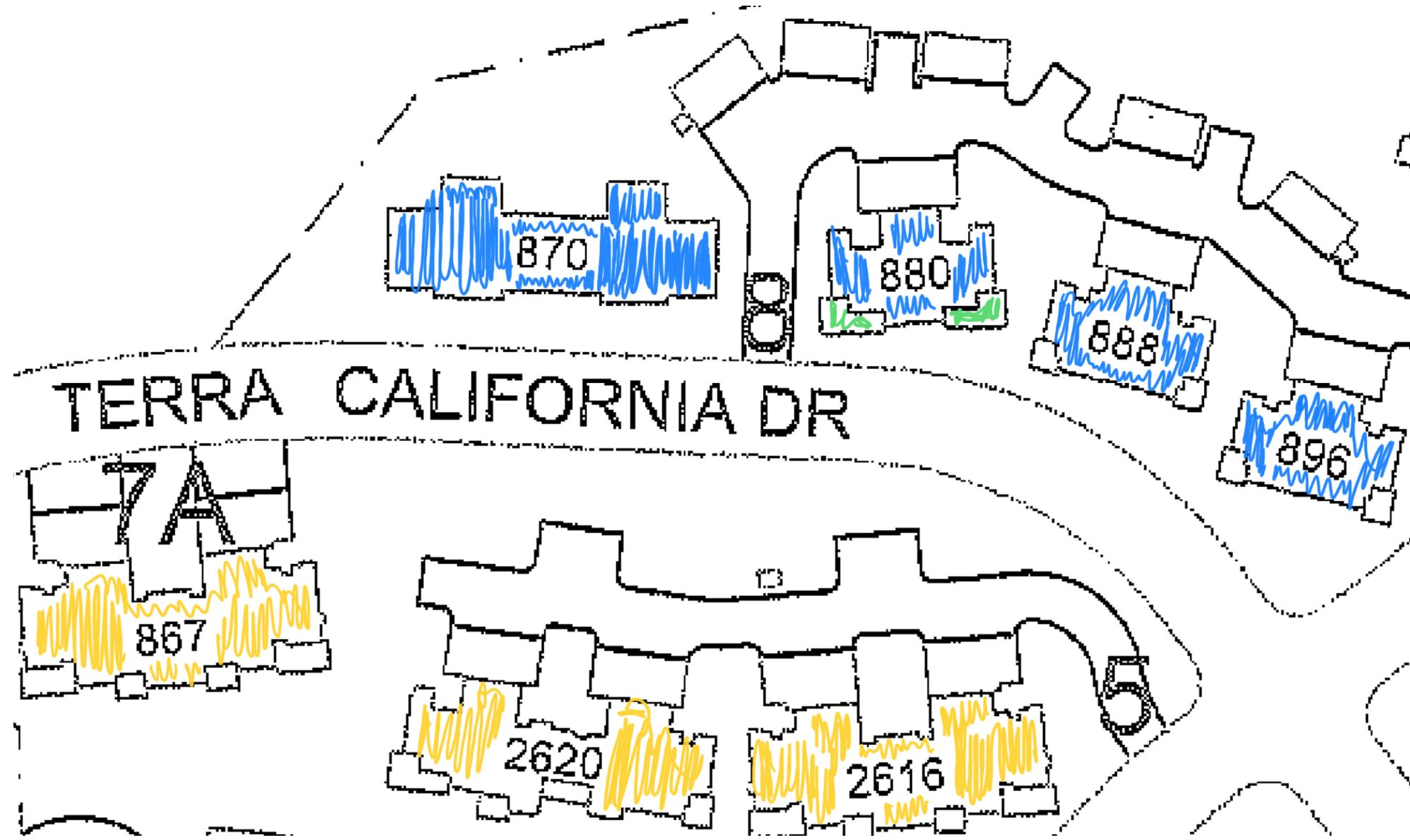
Tree at 870 Tcal





[illegible]

Rehab



Mutual 39 Governing Documents Committee

Report to BOD 05/24/2023

- M39 Governing Documents Committee
 - Carol Ansley
 - Denise Mauldin
 - Karen McEligot
 - Jennifer Mu
 - John Rice (c)
- Implementation of §4041 main activity during this cycle
- Preparing review M39 CC&Rs, Bylaws & Regulations for conformance to current law.
 - No member vote necessary if changes purely technical due to changes in the law
 - Needs to be certified by Legal and approved by 2/3 of Board
 - In the case of conflicts, the Law prevails over our Governing Documents
- Provided input to GRF regarding Mutuals' system requirements to comply with Davis Stirling, and operational tasks.
 - Member (user) management
 - Separation of GRF and Mutual tasks, processes
 - Workflow – alterations, landscape, etc.
 - e-mail engine

M39 Notices

Delivery Method Consent

Senate Bill 392/ §4041, Effective January 2023.

- Supports digital communication in HOAs.
- Owners can ask that individual notifications from the Mutual be delivered electronically, or by traditional mail. The default delivery method is postal mail if owners do not make a choice.
- Members are encouraged to accept communications electronically if they are comfortable doing so.
- Annually at least 30 days prior to distributing the Annual Budget Report, M39 must request the members their preferred method of delivering formal notifications.
- Requires a web site to be maintained for general notices (rossmoor.com/mutuals)
- Member Records/MOD is not equipped to handle these requirements
 - M39 handling preferences pending new system implementation by GRF/MOD.
 - M39 will provide Member Records a single email address per Unit based on §4041
- Consent Forms mailed to Members on January 24, 2023
 - 92 returned as of 5/17/23 - 17 requesting USPS delivery
 - Some confusion due to Form design – new version Proposed

Walnut Creek Mutual Thirty-Nine

Proposed new form for compliance with §4041

Walnut Creek Mutual Thirty-Nine (Mutual 39)

OWNER CONTACT INFORMATION

Members are not required to provide email addresses but are encouraged to do so and select it as the preferred delivery method to save the Mutual on administrative, copying and postage costs.

Property: «PROPERTY_ADDRESS», WALNUT CREEK, CA 94595
Owner(s): «Name1» «Name_2» «Name_3» «Name_4» «Name_5»

Dear Mutual 39 Member:

Civil Code §4041 requires Owners (i.e. Members) to provide on an annual basis written notice to Mutual 39 of the following:

1. The Owners' preferred delivery method for receiving notices from Mutual 39 (chose one or both):

☐ Mailing address _____

☐ Email Address _____

2. An optional alternate or secondary delivery method for receiving notices from Mutual 39:

☐ Mailing address _____

☐ Email Address _____

3. The name, mailing address, and, if available, valid email address of the Owner's legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the Member's extended absence from the condominium (i.e., Unit):

First and Last Name _____

Mailing address _____

Email Address _____

4. Whether the condominium (i.e., Unit) is

☐ Occupied by Owner ☐ Occupied by a "Designated Occupant" ☐ Rented out

5. Membership list Opt-out:

☐ If checked, I/we wish to opt out of having my/our name(s), address(es), and contact information listed on the Membership list that is open to inspection by Mutual 39 Owners.

I certify that I am an Owner of the Unit located at «Property_Address», Walnut Creek, CA 94595 and that all Owners of the Unit have authorized me to provide this written consent to use the addresses indicated above for all communications, including those required by §5300, §5310 and §5320, on behalf of any Owners collectively.

This consent shall remain in effect until revoked in writing.

Dated: _____ Owner's Signature: _____

Print Name: _____

Please return this signed document to Mutual 39
via email to Llimon@rossmoor.com, or
hand delivery or U.S. Mail to Walnut Creek Mutual Thirty-Nine,
Board Services Coordinator, 1001 Golden Rain Road, Walnut Creek, CA 94595.

Walnut Creek Mutual Thirty-Nine (Mutual 39)

THE FOLLOWING, BUT NOT LIMITED TO, DOCUMENTS AND NOTICES THAT MAY BE SENT TO YOU BY E-MAIL UPON RECEIVING CONSENT OTHERWISE WILL BE SENT BY US MAIL

(Numbered references are to the Civil Code).

I. GENERAL AND INDIVIDUAL NOTICES

II. ANNUAL BUDGET REPORT - FINANCIAL INFORMATION (Section 5300 and as noted)

- (1) Pro forma operating budget
- (2) A summary of the association's reserves per CC Section 5565.
- (3) A summary of the reserve funding plan per (5)(b) of Section 5550 or summary form per Section 5570.
- (4) A statement regarding any deferred maintenance.
- (5) A statement as to whether the board anticipates special assessments to pay for obligations regarding major components or to fund reserves.
- (6) A statement as to the funding plan for the reserves.
- (7) A general statement addressing the procedures used for the reserve study.
- (8) A statement as to whether the association has any outstanding loans with an original term of more than one year.
- (9) A summary of the association's property, general liability, earthquake, flood, and fidelity insurance policies.

III. ANNUAL POLICY STATEMENT (Civil Code Section 5310 and 5320 as noted)

- (1) The name and address of the person designated to receive official communications to the association, per Section 4035.
- (2) A statement explaining that a member may submit a request to have notices sent to up to two different specified addresses per Section 4040.
- (3) The location, if any, designated for posting of a general notice, Section 4045 (a)(3).
- (4) Notice of a member's option to receive general notices by individual delivery, pursuant to Section 4045 (b).
- (5) Notice of a member's right to receive copies of meeting minutes, Section 4950(b).
- (6) The statement of assessment collection policies required by Section 5730.
- (7) A statement describing the association's policies and practices in enforcing lien rights and legal remedies for collection of delinquent assessments per Section 5850.
- (8) A Discipline policy, if any, including any reimbursement or fine penalties per Section 5850.
- (9) A summary of dispute resolution procedures, pursuant to Sections 5920 and 5965.
- (10) A summary of requirements for association approval of a physical change to property, per Section 4765.
- (11) The mailing address for overnight payment of assessments, pursuant to Section 5655.
- (12) Any other information for all Owners that is required by law or the governing documents or that the board determines to be appropriate for inclusion.

Mutual 39 Alterations Committee

Report to BOD 02/21/2023

Alterations committee

- Members: John Rice, Karen McEligot.
 - Propose Missy Nelson as member (design experience)
- Current procedure is that MOD (as our agent) receives all alteration requests.
 - M39 BOD has delegated "standard" alterations to MOD for review and approval.
 - Non "standard" requests are sent to the Alterations Committee for review/disposition.
- Solar panel requests only non-standard for this report.
 - Driven by phaseout of NEM2 (4/15/23) by utilities
 - Main reason for permit delays is noncompliance with Reg 61.0 {Legally important due to use of the Common Area}
- Requests from other Mutuels to discuss BESS
 - Battery Electric Storage Systems driven in part by NEM3
- Attached are YTD Alteration statistics

M39 Alterations Overview

1/1/23 to 5/17/23

M39 Alteration Permits				Avg. Cycle(Days)	
	Total	Pending	Complete	Complete	Permit
windows	7	3	4	133	28
solar	4	3	1	113	30
remodel	4	1	3	331	24
floor	3	1	2	31	19
bath	2	1	1	112	7
asbestos	2	0	2	82	
enclosure	1	0	1	531	
electric	1	1	0		7
door	1	0	1	75	
Heat Pump	1	0	1	153	
Kitchen	1	0	1	47	
Total	27	10	17		