

SUMMARY OF YEAR'S ACTIVITIES

Ms. Brown reported the monthly Board meeting will be on ZOOM at least through September, or perhaps longer. The Board is concerned about the sewer line drains and have been snaking them and checking them with a video camera.

- Building Maintenance

Mr. West presented his report as follows:

INFORMATION ITEMS: Work scheduled in progress or completed.

1. 2021 Roofing Project going out to Bid for 7 Buildings. This project will include the Remaining Tar and Gravel Roof buildings in 4th mutual. Included in the Proposals will be new DuroLast Material installed on the flat sections - of the roofs. Also new gutters and downspouts. And new tile to comp roofing if needed.
Building included are: # 1109 SC / 1301 SC / 1509 SC / 1902 SC / 1910 SC / 2101 SC / 2105 SC.
Frank Fiala Roofing was awarded total project at \$368,328.00.
2021 Phase I Roofing Project will complete Buildings #1301, #2105, and #1509.
For a Total cost of \$101,838.00.
(Project is scheduled to start in September).
2. New Solar LED Lights – for 11 entry signs. MOD cost for Material and Installation Labor Estimate \$1,771.00
(Lights are on order).
3. 2021 Entry 3A/3B repaving project for 2021 Removal and replacement of 4" depth and 20,500 sf (513) tons of Asphalt. Includes new painted white lines and hydrant marker. Black Diamond Paving was awarded this project – Estimate \$73,206.00.
(This Project was completed on July 21st)
4. Progress update on the Annual Sewer line drain preventive snaking –
Includes using video camera in lines.
Annual Cost \$25,200.00.
(Project is in progress for 2021 - Five Star to complete 118 Drain lines).
5. Senate Bill SB326 - Structural Engineers inspection of raised mutual components –
The Board has elected to complete this project in 4 Phases over 4 years starting in 2021 - and completing the inspections in 2024. Deadline to complete these inspections is January 1st, 2025.
Contractor: FWC - Destructive testing and put back to be completed by others.
2021 Phase I Cost \$18,720.00

(This project is now scheduled to begin Monday August 9th).
(Notices were posted one week prior to the start date).

6. 2021 Phase II & Phase III Dry Rot and Touch up Painting Project – Contractor: MOD

This project will include repairs and paint to 18 Buildings and 12 Carports.

MOD is currently working in entry 11 and 15 Skycrest Dr.

2021 Building Carpentry and Supervision Budget for this Project is \$90,000.00.

The Board has approved a total of \$62,600.00 to date for 2021.

(Phase II of this project is currently in progress. The final phase will be completed in 2022).

7. Interior Electrical Building and Unit panels inspections - Contractor: Sang Electric

Sang has completed 70% of the units to date.

4th Mutual has all GE Electrical Panels – No Zinsco Electrical panels have been found.

(This Project is in progress and will be completed in 2021).

8. Entry One SC Trash Enclosure Gate Replacement - Removal of existing gate and install a new Vinyl Gate with new hardware.

Contractor: Five Star Cost \$2,875.00

(Installation was completed in July).

9. 1617 SC #22 Remove and replace 45 feet of Grapevine Fence. Including new 4x4 posts.

Contractor: AMAC \$4,750.00

(Completed In July 2021).

- Technology and Preventive Maintenance Task Force

Mr. Spires reported they are investigating the possibility of solar. There is not anything to report at this time.

- Landscape and Grounds

Ms. Pollon reported they are doing a renovation on E13 behind the carport. E11-E17 are having mulch installed. 1209 had a small retaining wall installed. They met with Skycrest E1 residents. The Meeting went well. Ms. Pollon is getting estimates.

Ms. Brown reminded the members to report anything that has to do with water.

- Policy Revisions

Ms. Brown reported that the committee is meeting twice monthly. They are redoing the policies and hope to have them done by the end of the year.

TREASURER'S REPORT

Ms. Ovalle reported the following:

At the midpoint of the year, the performance and financial condition of the FWCM is solid.

Year-to-date operating performance is ahead of last year. Excluding the one-time revenue item from the Special Assessment, revenue exceeded expenses by \$332K, up from \$204K for the same period last year. The Mutual revenue of \$1.2 million (excluding the non-recurring special assessment revenue) is consistent with YTD and total budgeted amounts. Similarly, expenses of \$1.07MM are slightly below the budgeted amount of \$1.1MM. Both revenues and expenses for the first half of Fiscal 2021 are tracking closely to budgeted amounts.

On a year over year basis, the Fund Balance has increased from \$2.0MM to \$2.5MM. The replacement reserve balance account stands at \$2.1MM and total Mutual assets have increase from \$2MM at 12/31/20 to \$2.6MM at 6/30/21. Liabilities for the period increased fractionally due to an increase in Pre-Paid Assessments.

Reserve Fund revenues and expenses are within budgeted amounts.

Overall, the financial condition of the Mutual is sound, as noted above. However, we are only halfway through the year, so continued vigilance with respect to expenses is warranted to remain within the budget.

MEMBERS' FORUM

Resident had a question about the deck inspections. Mr. West reported that they are doing 8 buildings starting at E1. It will be done in 4 phases through 2024.

Resident asked if the Board would inquire about allowing members to pay the monthly coupon with a credit card.

Resident asked why the entry lights on his stairs are on 24/7. He stated that E1 doesn't have a food recycling bin. He was advised he can go to other entries. There is no room in that entry for a bin. He stated that he thought the Mutual was supposed to have money in the budget for insurance. He was advised that insurance is paid in full in January and is recouped during the year.

Resident asked if the inspection of the electrical panels is done. Mr. West reported it is ongoing and they skipped anyone that wasn't available. Tice Creek has not been done yet.

Resident asked why the insurance doubled. Mr. Donner reported that the loss history in Rossmoor for the past 5 years has been terrible. There was also 2 years of California wildfires. Rossmoor's rating as a fire zone was reassessed. This moved Rossmoor up. She also asked what the cost was to remove the large dead tree in E17. Ms. Pollon reported the cost was \$3,600.

Resident asked if the coupon would keep going up every year. Ms. Ovalle reported that insurance is a big factor in driving up the cost of the coupon. Mr. Donner added that rising water rates contribute to the coupon increases.

Resident asked what happens if the Mutual moves forward with solar and a resident already has it installed. Mr. Spires stated it is too early, but they are mindful of this matter. Another question was whether drought-resistant plants can be planted. Ms. Pollon reported that Rossmoor is under a 10% voluntary water reduction. There is a 5-yr plan in place to reduce lawns. Lawns are what take up most of the water.

Another question was a concern about the end of Skycrest where the ravine is located. There is a concern about it being a fire hazard. Ms. Pollon reported that the area is checked. Ms. Brown reported that PG&E just took out some dead trees in that area.

Resident stated that she presented the Board with signatures from 29 people to ask that

GRF not allow BBQ fire around the canyon. The Board formulated a letter to GRF. GRF responded quickly. She received a letter. She acknowledged the Board for addressing the issue. Some trees have been cut and fire extinguishers are now there.

Resident reported there is water running between 2 buildings. Pictures were sent to the work order desk. She wondered if there was a way to capture grey water. Ms. Pollon reported they cannot tap into grey water due to the configuration of the building and irrigation. Resident thinks an investigation should be done regarding wiring in attics.

Resident thanked the Board for doing a great job. She had put in a request to have bark placed behind her unit. Ms. Seldon reported that the cost would be \$3,000 to do the mulch. This is not in the budget for this year. Ms. Pollon reported that maybe this can be done next spring. It should be done using MOD days.

Resident asked if there is a maintenance schedule for tall bushes. Ms. Pollon reported that certain plants are done at certain times of the year. Pruning trees for a "view" is a resident billable item.

Resident reported that the water from her faucets have a musty smell. The water has not been used for 6 months and they just moved into the unit. Mr. West said that they may just need to have the water run for a while to clear the pipes. He advised her to contact the work order desk and they will have the lines checked.

Resident stated that she reported some dead trees. Everyone should pay attention. If people have questions about fire matter, they should go to the EPO meeting. There is lots of information. They could also go to the website at www.Rossmoorepo.org.

Resident thanked the Board, Rick West, and Paul Donner. He also thanked Ms. Pollon for work that was done in front of their unit. Someone put a bicycle in the trash bin. It was not anyone in their entry. Speeding is also a problem. It is terrible on Skycrest.

Resident asked what company provides water to Rossmoor. She was advised that it is EBMUD. She asked when her building will be painted. Mr. West reported there is a 10-year plan. She thinks she sees mold on the exterior of her building. Mr. West will take a look.

Resident suggested placing recycling signs at the trash enclosures.

Resident said her patio slab has a lot of mold. Ms. Pollon advised her to contact MOD and copy the Board. She also expressed a concern for people walking the area around a beautiful tree. She thinks residents could possibly fall down. She thought she should take pictures of people speeding. Ms. Ovalle stated she would be concerned for the resident's safety. People can be quite aggressive.

Resident stated they recycling signs are needed. She advised everyone that the Rossmoor phone book had lots of information. She asked about mulch. Ms. Pollon explained there are 2 types of mulch. They use composted mulch. The other type turns grey and people don't like it. It also does not have many nutrients and is not as effective as the composted mulch.

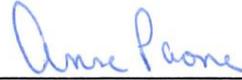
ANNOUNCEMENTS

Ms. Brown announced that next Board meeting will be held on Monday, September 20, 2021 at 1:30 p.m. via Zoom.

Ms. Brown thanked everyone for attending the annual meeting.

ADJOURNMENT

Having no further business, the Twenty-First Annual Meeting of Members adjourned at 4:48 p.m.



Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual