



Walnut Creek Mutual Four

BOARD OF DIRECTORS REGULAR MEETING

Monday, July 21, at 1:30 p.m.

Meeting is Conducted In-Person and Virtually

**Club Room - Creekside
1010 Stanley Dollar Drive, Walnut Creek, CA 94595**

MINUTES

Call to Order

President Brown called the meeting to order at 1:32 p.m.

Roll Call of Directors

Linda Brown - President
Robert Amans - Vice President
Rajasundaram Sivasubramanian - Treasurer
Beverly Mirsky - Secretary
Pam Ovalle - Director-at-Large

Mutual Operations Staff

Jeroen Wright - Director of Mutual Operations- *Absent*
Todd Arterburn - Chief Financial Officer
Luis Duenas - Building Maintenance Manager
Jesus Morales - Landscape Supervisor
Lisa Kam - Interim Board Services Coordinator

Members' Forum

There were no comments

Meeting Minutes

a. Board of Directors Regular Meeting Minutes – June 16, 2025

*Motion made by Mirsky, seconded by Siva, to approve the June 16, 2025 meeting minutes.
Approved by unanimous vote. (4-0)*

President's Report – Linda Brown

No report at this time.

Treasurer's Report – Siva

Received June financials on Saturday. As of June 30, our operating fund income exceeded expenses by \$172,407 and it exceeded budget by \$26,080. Reserve fund income exceeded expenses by \$11,017 and we actually have a negative variance against the budget of \$140,570. We have roofing expenses this year, so far \$394,893 and that is because we did 6 roofs this year. We were going to do some roofs toward the end of last year, but decided to do 6 roofs this year.

The reason we have a negative variance at the end of June is as follows: The accounting department decided to adapt seasonal budget instead of a yearly budget averaged every month. And the seasonal budget, for a variety of reasons they put \$0 in the roofing budget for the first 5 months. So, even though we spent \$394,000 on roofing this year, we had a budget of \$73,000 through the end of June. Eventually we will catch up, it is fine. Our actual budget for Carpentry, roofing and painting for the year 2025 is \$ 598500 for reserves and 63500 for operating funds. We also spent almost \$53,000 on replacing the smoke detectors while the budget was \$27,000.

We also received a year-to-date interest of \$66,598 from both operating and reserve funds. I am reporting reconciled cash balances this month since accounting is providing those numbers now. This is different than the cash balances shown in the bank statement. Our reconciled cash balances as of June 30, 2025 are:

Operating Fund: \$ 614338
Reserve Fund: \$3,353,155

We have two major delinquencies. In both cases, the homeowner has passed away. One of the homes is actually owned and occupied by the bank and they have started paying the coupon from May. The good news is that we won't see the coupon delinquency every month, but the bad news is that we won't be able to recoup the monies they owed us. The other home that owes us a lot of money is going through our legal counsel. They went through a non-judicial foreclosure. They have paid old dues in excess of \$ 70,000. Those two large delinquencies have been settled now. Since the first one since is actually a bad debt, we will need to write it off.

Motion made by Siva, seconded by Brown, to certify compliance with Civil Code §5500 for the June 2025 financial statements. Approved by unanimous vote (5-0)

Motion made by Siva, seconded by Ovalle, to send delinquent members to A.S.A.P. Collection Services to initiate collection activities, including but not limited to recording a lien and/or any successive liens(s). Approved by unanimous vote. (5-0)

Siva also reported the reports are different that are being sent out and so it takes a bit to understand them. Todd has answered a lot of our questions. One thing that came up at the last meeting was the work order.

Bob commented that is relative to the finances. We do pay for the work order desk by 15% of the material cost. Although when you look at the billing there is no material. There is a tremendous amount of other, but no material. So, I would like to suggest your supervisors take the time to fill them out then life would be good. Also, I make a recommendation to the board and RPM that the people who request work through the work order desk probably have no clue what anything costs. Last month we spent \$10,000 on the work order desk. Great stuff, they did everything they were supposed to do, no complaint, but I'll bet you Billy has no idea he paid \$80.00 to have a light bulb installed. I think that is important because every year when it is coupon time, everybody has an opinion on how to cut costs, and nobody has an idea where the cost comes from. And I found out we spent \$10,000 on the work order desk. Multiply that out over 12 months that is a lot of money. So I would like management, first of all, when someone asks for work to be done, they are given a chance to sign off. For example, I asked to be done I had no clue, work I asked to be done was done until I went out and looked. There is no closing of the loop. The second reason I request our treasurer has found errors, no cheating, just posted to the wrong place. If the requester signs off, they get the job whether done inside or out and tell them what it costs. I think this is important. I thought we paid the work order a percentage of material and a percentage goes to paying the worker.

Mutual Operation's Report – Jeroen Wright

No report given.

Chief Financial Officer's Report – Todd Arterburn

Arterburn reported the Management Agreement is close to being finalized, there will be no more gray in terms of what the management fee pays for and what services we are providing. It has been a year of transition for all of us. You will continue to see enhanced reporting. We are going to continue to refine the data and make it more readable, usable, including the dashboard. I am waiting to get all the audits back from 2024. Once we get those audits done and to the board, we will do any audit adjustments, close out 2024. One of the reasons I held off with the balance sheets and some of the general ledger details is because of the open balances in 2024 Jenark. Going forward wants to be completely transparent with the system, and you will see exactly that the numbers do match. I am currently working on Workday Adaptive, which is another piece of software, and ties directly with NetSuite and is just for budgeting and forecasting. Another thing I want to be really clear because I think one of the other things in terms of standardization is even though the board approves a contract, any disbursements of funds over \$10,000 will still need two signatures. Right now, even a monthly utility bill over \$10,000 still needs two signatures. Discussion over invoices being approved by RPM first which says the work was done and approved before the checks are cut and the board needs to sign them. Budget calendar will be coming out soon. There will be NetSuite training for all board members.

Showed the group a visual on how the reporting in NetSuite looks.

Building Maintenance Report – Luis Duenas

Luis reported that Fiola completed 6 roofs at \$444,832, did have 3 change orders. Five Star is about 95% complete with the smoke detectors, need to schedule remaining. RPM is not installing any smoke detectors, if a resident has a problem they should be calling Five Star. Still working on the estimate for the garbage enclosures, signs and materials on order. Entry 10, TARC come out and provided an estimate for the asphalt, estimate \$190,000. Will add this to the budget for next year. Two other bids needed. Bob would like to see, going forward, line items. on the invoices, wants to see the materials listed and a price

Rossmoor Property Management

INFORMATION ITEMS: Work scheduled in progress or completed.

1. **SB326 Dry Rot and Touch Painting Project.** Contractor: MOD
Skycrest / Pine Knoll / Tice Creek will be completed for an additional cost of \$50,000.00.
The final phases will be completed in 2025.

2. **Roofing Project – Six Buildings - 1901, 1801, 1501, 1225, 1233, 1133.**
This will include New DuroLast on Flat roofs, Composition on sloped roofs, New Gutters and Downspouts.
Three additional change orders due to the city mandate for R14 and R24 insulation below the new DuroLast.
For Bldgs. 1501, 1233 ,1225 - Total cost \$58,798.00
Contractor: Fiala Roofing – Grand Total Estimate \$444,832.00
Work will be completed in 2025 (COMPLETED)

3. Replacement of 880 Smoke Detectors with new 10- year KIDDE sealed Lithium Battery Detectors. Contractor: Five Star
Work on progress approx. (10) units pending
4. Trash Enclosures Entries 1 & 3 Contractor: RPM Cost \$8,452.50
(COMPLETED)
5. 16 entry signs approved NTE \$16,000 *materials and signs on order*

Landscape Report – *Jesus Morales for John Tawaststjerna*

- a. Approve Eucalyptus removals in Pine Knoll Entry 7A

Morales introduced himself, he is the Landscape Supervisor, and I assist John T. I manage the crew that is dedicated to your mutual three times a year to do rehab projects which involve anything in landscape. Seldon stated we talked about removing some edging. Send photos/email to Luis.

RPM

- Summer Days July 28th – August 4th (6 days). DG walkway repairs
 - Pine Knoll entry 7A.
 - Skycrest entries 11, 15, 16.
 - Plant replacements, requests accepted through email at plantreplacement@rossmoor.com. Deadline for submissions is August 15th.

Landscape Maintenance

Terra's doing the normal maintenance routine. Anything out of order, please call the work order desk so we can get them out there. New contact at Terra, Juan Chavez.

Tree Maintenance

Looking for an approval on Eucalyptus Tree Removals in Pine Knoll Entry 7A. Tree bids provided by Waraner Bros Tree Service at \$27,500 and Hamilton Tree Service @ \$22,720.

Motion made by Brown, seconded by Ovalle, to use Hamilton Tree Service to remove 3 Eucalyptus trees located at Pine Knoll, Entry 7 not to exceed \$22,720. Approved by unanimous vote (5-0)

Committee Reports

Governing Documents – No report, need members to volunteer
We need member volunteers to start doing this.

EV Charging

C. Brown met with an engineer for 2-3 weeks, estimated four carports to add power and from that extrapolate how much it would cost to provide EV services so we can set up pricing and estimates and move on with a plan.

Trash Committee

No report

Communications Committee

C Brown co-author at constant contact, will have backup and will be training with website support.

Alterations Committee

L. Brown reported from January 1, 2025-July 20, 2025, 33 alterations permits have been processed and 22 permits issued; and from January 1, 2025-July 20, 2025, 26 alterations have been completed.

Fire Extinguisher Inspection Committee

We no longer are required to do month-to-month inspections, but the committee still wants to do it.

Motion made by Siva, seconded by Ovalle, to temporary suspend the Fire Extinguisher Committee. Approved by unanimous vote (5-0)

New Business Cont.

Action Items

Billing for Golf Cart Charging

C. Brown reported the board approved \$25.00 per quarter starting on July 1, 2024, to charge for electricity. Will put together a list of current golf carts to accounting to charge from July 1, 2024 – June 30, 2025. Will need to identify new golf cart users and make sure they are registered with GRF Securitas. Linda to follow-up with accounting.

Guest Parking

People who own a second car don't have another carport so park in guest parking which is allowed by our rules. What is not allowed is to cover it with a tarp and leave it there for 3 months. Ask our neighbors who park in the guest slot, that is the car you move. Linda to reach out to the complainer.

Carport Storage

Need to pay attention to carport storage that is open. Keep clean and tidy. If overflowing, improper storage of dangerous chemicals or attracting critters, the board will send them a letter asking them to clean it up

Linda Brown made a motion, Mirsky seconded, that if any residents complain about the storage in someone's carport, two board members will need to go out to look and then the board will send out a letter to the resident. Approved by unanimous vote (5-0)

Flooring options for upstairs residents

Siva reported that many mutuals are now changing their hard surface flooring policy. He would like to explore the possibility for our mutual. Resident stated we hired a sound company out of San Francisco we had different types of flooring and underlaying. The conclusion was if you wanted to leave 18" around your room without carpet you could, you could have carpet in the middle.

Announcements

The next scheduled Board of Directors Annual Meeting is August 7, 2025, in the Fairway room at Creekside Clubhouse at 1:30 p.m.

Adjournment to Executive Session

There being no further business and the Board of Directors adjourned at 3:21 pm

Board Assistant Secretary's Certificate

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

Lisa Kam