

NOTICE

MINUTES

FOURTH WALNUT CREEK MUTUAL BOARD OF DIRECTORS MEETING MONDAY, NOVEMBER 20, 2023, AT 1:30 P.M. BOARD ROOM - GATEWAY IN PERSON & ZOOM

CALL TO ORDER: President Seldon called to order a regular Board of Directors meeting of the Fourth Walnut Creek Mutual at 1:30 p.m. on Monday, November 20, 2023.

ROLL CALL: PRESENT: Janet Seldon, President
Ward Thompson, Vice President
Rajasundaram Sivasubramanian, Treasurer – 6 mins late to meeting
Robert Amans, Director

EXCUSED: Jeff Spires, Secretary - *Excused*

STAFF: Representing Mutual Operations were Rick West, Building Maintenance Manager, John Tawaststjerna, and Linda Schoeffner, Assistant Secretary.

APPROVAL OF CONSENT CALENDAR

The consent calendar consisted of Minutes:

- 2024 Special Board Meeting, October 25, 2023
Vice President Thompson made a motion to approve the 2024 Special Board Meeting Minutes of October 25, 2023. President Seldon seconded the motion, and it passed without dissent. 3-0
- Board of Directors Meeting, October 16, 2023
Vice President Thompson made a motion to approve the October 16, 2023, Board of Directors Meeting Minutes. President Seldon seconded the motion, and it passed without dissent. 3-0

MEMBERS' FORUM

"The following statements/opinions expressed by the members of Mutual 4 belong solely to those individuals. The Board of Directors is not obligated to respond or react to what is said. It is recorded in the Minutes for information only."

A Members' Forum was held. There were five (5) members in attendance and four (4) on Zoom.

PRESIDENT'S REPORT

At the Presidents' Meeting President Seldon reported everything was insurance, insurance, insurance, and revisions to the CC&Rs/Bylaws to reduce the 100% funding in the Replacement Fund to meet code. A ballot will need to be mailed to the members for a vote to pass the revision by a quorum of the membership. A Tabulation meeting is scheduled for December 29, 2023, to count the votes received.

TREASURER'S REPORT – Rajasundaram Sivasubramanian

Treasurer Siva was happy to report that he received the October financials. This is the first time that we have had a report from the previous month available for our regular Board Meeting. Normally we are a month behind. I thank MOD Accounting for keeping current.

The October ending balance for the Operating fund was \$576,600 and the Reserve fund was \$2,871,015 for a total of \$3,447,615.

The current state of our mutual is: As of October 31, we have a surplus against the budget of \$38K. Utilities were the major factor contributing \$37K favorably (Water \$27K and Trash \$13K, PG&E \$3K). Professional services had a positive variance of \$13K. Unfavorable variances Landscape \$5K, Building Maintenance \$25K (Carpentry \$7K, Rain Leak \$25K, with a positive variance from gutter cleaning of \$8K). Last month Siva reported that as of August, Insurance had a variance of \$23K. We received a commission refund of \$26K in September resulting in no variance on insurance.

As of 10/31/2023, total delinquencies were \$98,997 in past due monthly assessments. Two (2) manors are responsible for about 82% of the dues (\$81,557).

In an open meeting Treasurer Siva is not allowed to mention any names. Hence, will refer to this resident using an APN number 186-130-018-2. He reported last month that this resident has a delinquency of over \$50K. We have looked at several ways and have finally concluded that we need to turn it over to Adam Stirling, our legal counsel. Before proceeding with judicial foreclosure (it has pros and cons) we want our legal counsel to contact the County Public Administrator. In the last meeting the Board approved that we authorize our legal counsel to contact the County Public Administrator. Siva heard from our lawyers that they have indeed contacted the Public County Administrator. We will keep you posted when and if we hear from the County Administrator.

Delinquencies on third party billing is \$12,581. Siva met with Amanda and Irina in accounting who indicated that they have someone that is looking at it now. MOD Accounting cannot send our residents letters about their credit ratings etc. since they are not a collection agency. We are planning to take an aggressive approach and turn over some accounts to our collection agency. We need to weigh the costs in doing this.

Past Special Assessments have a delinquency of \$7,859. These will also be looked at with a view to turning it over to the collection agency.

Mutual also had interest incomes of \$12,816 in October and \$105,297 for the year.

Status of current year Special Assessment: The total special assessment is due on November 30, 2023. Most residents have paid for the Special Assessment. I will report on the status next month when we have more information available.

We successfully completed our 2024 budget at the last special meeting. Everyone will be receiving their booklet before the end of the year.

We do have a Treasurer's Club which meets once a quarter where all the Treasurers of the Mutuals get together. After the last meeting we agreed to compare our budget numbers for various major items. It allows us to compare ourselves to the other mutuals. So far, we have received information from only about five mutuals and they indicate that our numbers for landscape maintenance and water usage are comparable to other mutuals. Sometime in the future I will present a complete picture to the Board.

We also need to make two motions:

Treasurer Siva approved to certify that the October financials have been reviewed in accordance with civil code #5500. Director Amans seconded, and the motion passed without dissent. 4-0

Treasurer Siva made a motion that "in accordance with the collection policy for the time period between one meeting and the next, those owners who are delinquent will be sent 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)." Director Amans seconded the motion, and it passed without dissent. 4-0

MANAGER'S REPORT – Jeroen Wright, Director of Mutual Operations – *Out Sick, no report.*

LANDSCAPE AND GROUNDS, FIRE CLEARANCE - John Tawaststjerna - MOD

John was not in attendance. All plant replacements will be replaced in original locations unless there is no irrigation.

BUILDING MAINTENANCE REPORT:

- **Building Maintenance** – Rick West, Sr. Building Manager,
INFORMATION ITEMS: Work scheduled in progress or completed.
 1. **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. Total Inspection contract Cost \$78,071.00.
Contractor: FWC - Destructive testing and put back will be completed by others.
Contractor: Alp Construction was awarded phase I repairs.
(Work is in Progress Estimated Cost \$65,506.00).
 2. **Roofing Project – 2109 Sky Crest – DuraLast, Tile to Comp. Gutter & Downspouts.**
Contractor: Fiala Roofing. **Project scheduled for 2023.**
Rain Leak repairs and Balcony repair work are also included in this project.
 3. **Dry Rot and Touch Painting Project Contractor:**
MOD was awarded this project.
Skycrest / Pine Knoll / Tice Creek will be completed for an additional cost of \$50,000.00. **(The final phases will be completed in 2024).**

COMMITTEE REPORTS

- **Government Documents** - Kathleen Bridgeman, Chairperson

- **Firewise Committee** - Ward Thompson, Chairperson – No Report
Jeroen put together the Rossmoor Wide Committee and not Committees for individual Mutuals at this time.
- **Trash** - Deb Huchen, Chairperson
President Seldom reminded residents to thank Deb and the Committee on the fantastic job they are doing staying on top of all things trash (recycling, keeping costs down, monitoring what goes into the containers and that other mutuals are not dumping in 4WCM containers, etc.).
- **Communications Committee** - Carl Brown, Chairperson – No Report
Carl reported that a copy of the Draft CC&Rs/Bylaws can be reviewed on 4WCM.com under “Notices.”
- **Architectural Control and Alterations Compliance** - Linda Brown, Chairperson

OFFICERS REPORTS:

- **President** - Janet Seldon
- **Vice President** - Ward Thompson
- **Secretary** - Jeff Spires
- **Treasurer** - Rajasundaram Sivasubramanian – Report Submitted

NEW BUSINESS

- **CC&Rs/Bylaw Amendment on Insurance Section Verbiage**
The ballots are in the mail! VOTE to amend the CC&Rs/Bylaw verbiage on property insurance regarding the 100% Replacement Coverage on valuation. The reason is that the current language required is unattainable due to the cost of insurance should a catastrophic event happen.
- **Contract “Change Orders” for Repair to Entry 14 Due to Fallen Tree** - Signed
- **EV Charging Policy and Use of Mutual Electricity** – Board member Spires will collaborate with Carl Brown on the policy. Carl reported that currently there is no policy for Electric Vehicle charging. Carl and Jeff will work on a Draft EV Policy and submit to President Seldon to review with the Board.

OLD BUSINESS

ANNOUNCEMENT - Next **Meeting** – Will be a Special Tabulation Meeting for CC&R/Bylaws Amendment on Friday, December 29, 2023, in the Board Room (Gateway) starting at 9:00 a.m. This will be an In- Person and Zoom.

ADJOURNMENT - There being no further business, the Board adjourned the meeting at 3:49 p.m.

Linda Schoeffner

Linda Schoeffner, Assistant Secretary
Fourth Walnut Creek Mutual

