

MINUTES
FOURTH WALNUT CREEK MUTUAL
THURSDAY, JANUARY 13, 2022 AT 1:30 P.M.
Via ZOOM

President Brown called to order a regular meeting of the Board of Directors of Fourth Walnut Creek Mutual at 1:30 p.m. on Thursday, January 13, 2022.

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|---------------------|------------------|----------------|
| ROLL CALL: PRESENT: | Linda Brown | President |
| | Sheldon Schwartz | Vice President |
| | Pamela Ovalle | Treasurer |
| | Janet Seldon | Secretary |
| | Jeff Spires | Director |

ABSENT:

Representing Mutual Operations were: Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; and Anne Paone, Administrative Secretary. Rebecca Pollon, Landscape Manager – excused

Ms. Brown welcomed 3 residents in attendance.

APPROVAL OF CONSENT CALENDAR

Mr. Schwartz moved to approve the consent calendar with the minutes listed as follows:

Minutes: November 15, 2021: Regular Board Meeting

Ms. Ovalle seconded and the motion carried without dissent.

RESIDENTS' FORUM

Resident Forum was held. No questions or comments.

MANAGEMENT REPORT

Mr. Donner reported that the GRF Board has closed the indoor facilities until the end of the month. They will then review the situation. The golf course and the restaurant are opened. Drop boxes are available to residents. MOD is doing normal activities and staff is masked.

PRESIDENT'S REPORT

Ms. Brown reported that the Rossmoor website for the Mutuals will have the tabs changed. Per approval of the Mutual attorney, they will ask residents for email addresses.

TECHNOLOGY REPORT

Mr. Brown reported they are reviewing the EVC policy and will discuss at the policy committee meeting.

TASK FORCE ON PARKING

Ms. Seldon moved to disband this committee. Ms. Brown seconded and the motion carried without dissent.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Seldon reported the following:

The Mutual 4 President and Landscape Representative/Director met with the Landscape Manager and have laid out plans for 2022. We will continue our entry renovation program with Skycrest entry 3B, removing juniper and upgrading landscapes for better fire safety and drought tolerance. We will also be starting a 'mulching circuit' in which the MOD crew will work their way around the Mutual so that each area gets a refreshment of mulch every third year. We will start 2022 with entries 11-17.

E8-10 will be mulched next year.

BUILDING MAINTENANCE REPORT

Mr. West reported as follows:

INFORMATION ITEMS: Work scheduled in progress or completed.

1. 1301 SC #3 Kitchen Faucet Leak into unit #4 Homeowner insurance claim. Putback includes Dry wall at ceiling and walls. Tape / Texture. Kitchen cabinets and Countertop. Tile Kitchen Backsplash.

Contractor: ATI – Estimate \$28,402.77.
(Project is currently in progress).
2. Dryer Vent Cleaning – Contractor: Bay Air Flow to complete up to 286 units.

At \$65 Per unit. Total Price not to exceed \$18,590.00. Mutual will only be charged for the number of units actually completed. To - Date \$8,580.00 has been charged to reserves.
(Scheduled start date Nov. 15th scheduled to be completed in 2022.)
3. Roofing Project - This project will include the 7 Buildings remaining with Tar and Gravel Roof buildings in 4th mutual.
Included will be new DuroLast Material installed on the flat sections of the roofs. Also new gutters and downspouts along with new tile to comp roofing.
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 completed Buildings #1301, #2105, and #1509.
For a Total cost of \$101,838.00.
Phase II - # 1109 SC / 1902 SC / 1910 SC / 2101 SC
(Phase II Scheduled for spring 2022).
4. Progress update on the Annual Sewer line drain preventive snaking –
Includes using video camera in lines.
Five Star to complete 118 Drain lines Annual Cost \$25,200.00.
(Recent report shows that 84 Drain lines have been completed to date).

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. Total Inspection contract Cost \$78,071.00.
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
2022 Phase II Cost \$19,299.00
Phase I Inspections were completed in August 2021.
Phase II Inspection scheduled for summer 2022
(Currently reviewing FWC Report and SOW to go out to bid in Early 2022).
6. 2021 Phase II / 2022 Phase III / 2023 Phase IV - Dry Rot and Touch Painting Project Contractor: MOD – Phase II includes 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 for 2021.
Breakdown of 2021 cost to-date: 2021 MOD Reserve Supervision and consultation
Cost \$ 11,975.00 / Painting Exterior – Cost \$20,715.00 / Carpentry Exterior – Cost \$ 36,455.66
Total cost 69,145.66.
Additional Building and Balcony Dry Rot have been discovered in several locations.
(Phase II of this project is currently in progress. The final phase will be completed in 2023).
7. Interior Electrical Building and Unit panels inspections - Contractor: Sang Electric Sang has completed 85% 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 is scheduled to be completed by the end of in 2021).

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

Ms. Brown reported that from June - December, there were 26 applications completed with 26 in progress.

COMMUNICATIONS

Mr. Brown reported they are considering using Constant Contact on an opt-in basis. It will be discussed in the policy committee meeting.

POLICY COMMITTEE

Ms. Seldon reported there are a few outstanding policies to finish. They have gone through every policy for Fourth Mutual.

EMERGENCY PREPAREDNESS COMMITTEE

Chair is still vacant.

OFFICERS REPORTS

1. President: No report
2. Vice President: No report.
3. Treasurer: Ms. Ovalle reported the following:
This report is based on the performance of the Mutual for the period of November 21, 2021 to Nov 30 2021.
The Operating Fund continue to perform well with performance reflecting positive variance relative to the budget and on a YTD basis with actual Operating Income of \$2.3MM comparing favorably with a Total Year Budgeted Income of \$2.35MM. The YTD Excess of Revenue over expenses is quite strong at \$300M vs the \$101M budgeted for the entire year. A \$41M positive variance in plumbing was sufficient to offset negative variances in a number of accounts, most notably water which at November 30th was \$26.6M in excess of the YTD budgeted amount. Reserve Fund Revenue of \$618M are below the total year budgeted amount of \$674M. The deficiency of \$56M will be closed with the December revenue Receipts. For the first 11 months of the year, the performance of the Reserve Fund is well ahead of Budget with \$207.8M of revenue over expenses vs a projected full year deficit of \$300M.
The financial condition of the Mutual remains quite solid with working capital of \$363M. The Operating Fund and Reserve Fund balances are \$393M and \$2.1MM respectively with the Total Fund Balance of \$2.5MM - well ahead of the \$1.95MM reported for Fiscal 2020.
Insurance may be more than previously determined.
Mr. Donner reported that changing the fiscal year may not be a great solution. They will have to estimate the budget for 3 months. Insurance is going up because of the loss history at Rossmoor. The California fires have been bad. No one wants to insure wood frame structures, especially in a senior community. Ms. Ovalle reported there are some significantly past due accounts. The debt collector is HOA Repay.
Ms. Ovalle moved to accept the financial reports for November in accordance with civil code #5500. Ms. Seldon seconded and the motion carried without dissent.
4. Secretary: No report.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENT

Regular Board Meeting – Tuesday, February 22, 2022 at 1:30 p.m. – via ZOOM
Monday is a Holiday.

ADJOURNMENT

Having no further business, the meeting adjourned at 2:37 p.m.



Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual