

**MINUTES**  
**Fourth Walnut Creek Mutual**  
**Monday, November 21, 2022 1:30 p.m.**  
**ZOOM**

**1. Call to Order – Linda Brown**

**2. Roll Call**

Directors - Brown, Spires, Ovalle, Seldon, Schwartz (ALL PRESENT)

**3. Consent Calendar – Linda Brown**

Minutes: Regular Board Meeting: October 17, 2022  
Budget meeting October 31, 2022  
Executive Session Meeting: November 17, 2022  
Approved as presented

**4. Residents' Forum – Linda Brown**

(Please note time limit of 3 minutes per resident.)

None

**5. Management Report - Paul Donner**

**Paul:** Budgets are finished and our mailing has been approved and the 2023 Budget package is required to be mailed to all residents. It will be printed and mailed in mid-December.

**Big leaf season.** Leaves are falling quickly

**CEO Task Force has been meeting.** From 31 to 6 resumes, then goes to GRF after we are down to 2-3. All of the candidates are qualified.

**6. President's Report – Linda Brown, President**

Linda announced that both Pam and Linda will be stepping down from the Board as of February 1, 2023. We are in need of new Board members!

President's forum reports the new computer system proposal by mid 2024 - a new computer system will be up and running. Long process and undertaking new training and moving data. It will be customized. Pam asked to be sure to reach out to the users to see what we need.

President's forum formed a group to work on the MOD proposal and has put it on hold until the new CEO is in place and a new attorney.

Fiala roofing project has been negotiated but there are still some terms to be written that are missing. There is still some confusion about materials and other costs. \$217,351.00 Rick asked that we have another Zoom meeting just on this contract and do it in an Executive Session and invite Nancy and Fiala.

**7. Task Force on Technology and Preventative Maintenance Report - Carl Brown, Chair**

MEM 3 Solar policy changes in 2023 that is less pricing that is not favorable.

## 8. Committee Reports

Landscape and Grounds – Janet Seldon, Chair  
Landscape Manager MOD

- Information Items and Work in progress
- Contracts Review and Approval: Action Items – Landscape Contract
- MAINTENANCE still cleaning drainage systems on-going this winter
- Leaves pickup weekly and ivy trimming
- We finished our MOD days, Lawn removal at Entry 8,
- \$6,845.44 is remaining in our landscape budget
- Small stuff it's in Terra's contract... use workorder email.

Building Maintenance - Rick West, Building Manager MOD

- Action Items
- Information Items

Proposal for 1817 Skycrest Dr., Duralast Project. Contract sent to the Board for review and signature.

1429 Skycrest Dr. Replace broken sewer line. Contractor CCCSD entry 8

Hole will be filled in tomorrow CCCounty Sanitation Dept. will re-dig the hole, fix a pipe that still needs some work.

Tried to get another contractor with the required license. Five Star isn't licensed yet. Rick is fine with the County doing it. We don't have a cost yet, waiting for their proposal. This is a new license (a resident called the County) this is a branch line not a main line.

Structural project (SB 326) still waiting for a 3<sup>rd</sup> estimate Phase 1. Phase 2 report should come any day.

Architectural Control Committee – Linda Brown, Chair

- Alterations Updates
- Compliance Updates: NO REPORTS RECEIVED

Emergency Preparedness - Chair open

CERT Updates, HAM Training Updates

## 9. Committee Reports, Cont'd

Trash Committee

Two more Green Cans have been installed. The entry 17 units were trained about what to put into compost and recycling.

Communications Committee - Carl Brown, Chair

- A. Newsletter Editors – Rich Kinsey: Working with Pam and people do reply and Rich forwards the comments to Linda, or to other appropriate people.

We can include pictures.  
Mostly once a month unless some special thing is happening.  
Computer system should report to us on move in's and move outs.

- B. Website Report - Carl Brown: Carl wants to include the Newsletter on our website. Carl asked Rich for the instruction sheet as how to sign up for Constant Contact.

Policy Committee – Kathleen Bridgman, Chair

- A. Status Updates : Radio silence from Melissa Ward on the review of all of our polices , CC&Rs and Bylaws. We need these by the end of the year. Pam will get in touch with her again.

**10. Officers' Reports**

President – Linda Brown – No report

Vice President – Jeff Spires

Jeff asked Melissa Ward and an insurance broker and wrote up a summary to the Board. Mutual 4 has no earthquake insurance and is so expensive we cannot buy that.

Catastrophic events

Unit owners are responsible interior space and boarded by windows etc.  
(Not roof or walls) HOA is responsible for balcony structure

Exclusive use common areas improvements.... Repairs responsible for unit owners

Mutual is responsible for common areas outside of unit.

Clarifications need to be made to our CC&Rs

Repairs: large deductible

Personal property insurance, Loss of use insurance,

Assessments insurance, California Earthquake Authority sells insurance  
(Issues with Condos. Not all insurance carriers will cover)

Very difficult topic

Treasurer – Pamela Ovalle

- a. Monthly Update, Financial Status

Pam \$578,000 and reserve 2.3 million

Working capital: Operating \$511,000. \$25,000 paid for an escrow issue on past sales, for payments not made to residents and were finally processed. East Bay Mud payments fluctuate, \$55,000 for two months, not sure when the invoices come in.

Delinquent \$115,000 past due, accounts have still not been sent to the new credit agency. MOD still didn't pay HOA RePay in order to make the transition.

Legal Expense is above budget because we prepaid for the new CC&Rs.

Roofing costs exceeded budget by \$65,000. Exceeded contracts.

Inflationary time has increased costs across the board.

65% increase in insurance costs in 2023.

\$500 Special Assessment for 2023 in two payments payable May 1<sup>st</sup> and Dec. 1<sup>st</sup>.

Investment decisions: COD, Treasury Bills , CDARS or Bank Sweep Program. We do not have our own financial advisor. We've had our money in City National Securities Sweep Program for the past 2 years. Money comes in and out of our account. Money is "swept in" to cover the bills, only 1.98% interest. Looking for a higher interest. Two years 4.5 %, 4.2% for treasury. Most Mutuals use Treasury bills. Sheldon made a motion to move our investments to Treasury Bills as soon as possible with Pam Ovalle, Treasurer will discuss with Joel our cash needs and make a final decision to make the final decision regarding the amount to be moved.

Pam seconded the motion and vote: Pam, yes, Brown, yes, Schwartz yes, Spires yes.

Motion was made for Linda to go with continuing the use of the form Melissa Ward prepared for us regarding CIVIL CODE 5500 for the transfer and payment of funds in excess of \$10,000 going forward in 2023.

Pam seconded it, vote: Brown, yes, Ovalle, yes, Seldon, yes, Schwartz yes.

Next Board Meeting is Tuesday, January 17<sup>th</sup>, due to Martin Luther King Holiday on Monday.

**11. Unfinished Business**

None

**12. New Business**

None

**Next meeting: Board Meeting – Tuesday, January 17, 2023 at 1:30 p.m. – Zoom**  
(There is no meeting in December) Happy Holidays

**13. Motion to Adjourn**

Submitted by: Janet Seldon



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Anne Paone, Assistant Secretary  
Fourth Walnut Creek Mutual