



Walnut Creek Mutual Forty

MEETING MINUTES OF THE BOARD
THURSDAY, JANUARY 18, 2024, AT 1:00 PM
CLUB ROOM AT CREEKSIDE
1010 STANLEY DOLLAR DR – WALNUT CREEK, CA 94595

Call to Order

President White called the meeting to order at 1:03 p.m.

Directors Present

Susie White – President
Greg Gould – Vice President
Gayl Westendorf – Treasurer
Nancy Herney – Secretary
Kathy Parish – Director

Staff Present

Clayton Clark, Building Maintenance Manager
Jeroen Wright, Director of Mutual Operations
John Tawaststjerna, Landscape Manger

Approval of Minutes

1. Board Meeting Minutes of November 16, 2023
2. Executive Meeting Minutes of November 16, 2023
3. Executive Meeting Minutes of December 16, 2023

Ms. White made a motion and Ms. Herney seconded to approve the minutes to the aforementioned Board Meetings.

Moved, seconded, Approved 5-0

President's Report

Ms. White gave the following report:

Ms. White welcomed all the residents in attendance and provided information about the Mutual website, noting that all of our governing documents that have been adopted are available there as well as meeting agendas and minutes and other useful information. The Rossmoor website contains a wealth of information about services that are available from MOD, the information is easily found on their website.

As a reminder to all, plastic bags must not be put in the recycle. Residents should empty their recycle contents in to the recycle bins and then put the plastic bags into the landfill bin.

There is a new scam spreading around Rossmoor from a company called Ridwell. If anyone sees a message in email from them, you should delete it.



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The President's Club is continuing to discuss and stay informed about the ongoing insurance issue. The next meeting is Monday, January 22 and Jeff Matheson is expected to provide the latest information on the Master Policy. The Treasure's Club has been invited to attend this important meeting.

Treasurer's Report.

Mr. Westendorf reported that all directors have received and reviewed the financial reports for Projects 40 and 41 for the month of December, and moved that the board certify its compliance with Civil Code section 5500. That motion was **seconded and approved 5-0.**

Mr. Westendorf reported that the Mutual has financially ended 2023 in a good financial position. We ended 2023 very close to budget. We were approximately \$10,000 over budget. Our reserves, going into 2024, are very satisfactory. In 2024, we will continue to focus on managing receivable as well as working with MOD and accounting to develop some processes that will make the collection process move more quickly and efficiently.

Since completing the merger, we have collected nearly 100% of the special assessments from P41 residents.

Finance Committee Report:

Nothing to report

Committee Reports

Landscape Committee -

Ms. Parish gave the following report:

Although the committee did not meet this month (December), Shari was busy revising the Resident Forms. They have been distributed to all residents and the entry coordinators should have some information soon to help prioritize our March MOD Work Days.

Pam Jester, a new resident in Entry 6 is joining the Landscape Committee.

According to our December financials, the operating budget for Project 40 was over budget by \$1,726. \$1,000 of that was due to Pest Control. Hence, the committee will continue to address this problem. The next meeting will be Wednesday, February 7, 2024 at 3:30pm in the Mulligan Room at the Creekside.

Ms. Parish made a motion to approve Pam Jester as a member of the Landscape Committee, Ms. Herney **seconded and approved 5-0.**

Governing Documents Committee:



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Ms. Herney reported the following:

The GDC has had 3 meeting since the last Board meeting. All meetings were focused on preparing the final draft of Operating Rules.

Building Maintenance Committee:

No report, however, Ms. White is looking for volunteers for the Committee especially someone with construction background.

Alteration/Architectural Review Committee:

Mr. Gould report that there were 2 alterations requests in December: 1 HVAC and 1 patio alteration.

Emergency Preparedness Committee:

Ms. Parish gave the following report:

There was not meeting this month due to a lack of a quorum.

The next meeting will be on Thursday, February 22 at 4:00 pm in the Bunker Room.

Recycling and Green Committee:

Mr. Wells gave the following report:

All budget items related to recycling and trash have been favorable and the Committee continues to be actively educating Residents on proper disposal of all forms of recycle and trash.

Old Business

No old business.

New Business

1. Resolution authorizing budgeted transfers:

Mr. Westendorf made a motion to approve the following:

A. WHEREAS, under Civil Code §§ 5380(b)(6) and 5502, transfers of funds out of the Mutual's operating or reserve accounts may not be authorized without prior written approval from the Board unless the amount of the transfer is less than the lesser of ten thousand dollars (\$10,000) or 5 percent of the estimated income in the Mutual's annual operating budget;

B. WHEREAS, by way of the adopted pro forma operating and reserve budgets for the Mutual for fiscal year 2024 (the "2024 Budget"), the Mutual has approved (and the Board hereby ratifies) certain expenditures from the Mutual's operating and reserve accounts for various goods and services (collectively, the "2024 Budgeted Expenses");



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C. WHEREAS, by way of the 2024 Budget, the Mutual has also approved (and the Board hereby ratifies) certain transfers from the Mutual's operating accounts to the Mutual's reserve accounts during fiscal year 2024 of amounts collected as part of the Mutual's regular assessment that are designated to be added to the Mutual's reserve account (collectively, the "2024 Reserve Transfers");

D. WHEREAS, the Mutual's manager, MOD, is authorized to commit, transfer, and expend monies from the Mutual's operating and reserve funds in a manner consistent with this resolution, subject to compliance with any other requirements set forth in the Mutual's Fiscal Policies;

E. WHEREAS, pursuant to Civil Code section 5510, withdrawals or transfers from the Mutual's reserve accounts shall also require the signatures of either (i) two Directors, or (ii) one Director and one Officer who is not a Director.

BE IT RESOLVED, that transfers from the Mutual's operating and reserve accounts to pay for 2024 Budgeted Expenses and 2024 Reserve Transfers as set forth in recitals A through E above are hereby approved and ratified.

Ms. Herney **seconded and approved by the Board by a vote of 5-0.**

2. Policy on Board or officer approval of certain expenditures:

Mr. Westendorf made a presentation on the proposed Fiscal Policy which will be included in the set of Operating Rules going out for Resident comment. Certain items in the rule are required by statute, others are more discretionary, such as approval of certain expenditures from the operating and reserve accounts. After a lengthy discussion among the Board members and MOD staff, it was decided to set certain dollar limits for approval by the President. The Board will continue to approve all investment moves. Contract or work orders that will be billable to an Owner must be approved in advance by the Mutual President. Mr. Westendorf will incorporate these changes to the draft of the Fiscal Policy. Mr. Westendorf made a motion to approve the Fiscal Policy per the Board's discussion. Ms. Parish **seconded and the motion was approved 5-0.**

3. Board Meeting Dates:

It was discussed and decided that there will be a February 29, 2024 Board meeting. Lucy Limon will secure a room and notify the Board. Ms. White has requested that a schedule of the Board Meetings be posted to the Mutual website.

4. Approval of Operating Rules:

Ms. Herney made a motion that the Board approve the following Operating Rules: Electric Power and Equipment, Emergency Situations, General Maintenance and Replacement, Mutual Administration, Rental and Leasing, Solar Energy Systems, Tree Removal, Work Rules for Contractors and Service Providers and Use Restrictions. After some discussion on Rental Caps the motion was **seconded by Mr. Westendorf and approved 5-0.** These rules will be distributed for a 28 day resident comment period and discussed for adoption at the February 29 Board Meeting.



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5. Approval of Shared Deductible Agreement:

Ms. White made a motion for the board to approve Mutual 40's participation in the Shared Deductible Agreement. Ms. Parish **seconded the motion and approved 5-0**. The board further witnessed Ms. White's signature on the document.

6. Election of Directors:

No additional candidate have come forward to run for the upcoming open positions on the Board. Greg Gould and Kathy Parish will be appointed by acclamation. Ms. White made a motion to approve, **seconded by Ms. Herney, approved 5-0**. Mr. Gould and Ms. Parish are elected by acclamation.

Managers' Report

Jeroen Wright, Director of Mutual Operations covered the following items:

FireWise certification for Rossmoor has been completed and approved effective December 23.

Rossmoor has been awarded a \$3M grant to remove fire fuels from the rim of the valley. The work on this will begin soon.

Gallagher Insurance has finalized the Master Policy for Rossmoor and GRF. More details will be forthcoming.

John Tawaststjerna, Landscape Manger reported the following:

Six (6) tree permits for Mutual 40 have been submitted to the City of Walnut Creek. John will report back when the permits are approved.

Mutual 40 MOD days for Spring are scheduled for March 26-April 5. Summer and Fall MOD days are TBD.

Member's Forum:

- What are MOD days: explained.
- When will work on steps at Yearout Park be completed: addressed by Clayton Clark.
- How will the new Operating Rules be distributed for comment: US mail and email per preference.

Executive Session Summary.

The Board met in executive session from 2:45 pm to 3:10 pm to discuss the following:

1. Member Matters – Member Receivables
2. Member Matters – Alteration Issues

Announcements

The next scheduled Board meeting will be on February 29 at 1 pm, Location to be determined.



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Adjournment

With no further business, the meeting was adjourned at 3:10 p.m.

Lucy Limon

Assistant Secretary

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