



Walnut Creek Mutual Forty

MEETING MINUTES OF THE BOARD
THURSDAY, NOVEMBER 16th, 2024, AT 1:00 PM
FAIRWAY ROOM AT CREEKSIDE
1010 STANLEY DOLLAR DR – WALNUT CREEK, CA 94595

Call to Order

President White called the meeting to order at 1:01 p.m.

Directors Present

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

Staff Present

Jeroen Wright, Mutual Operations Director
Clayton Clark, Building Maintenance Manager
John Tawastsjerna, Landscape Manager
Lucy Limon, Board Services Coordinator

Approval of Minutes

1. Board Meeting Minutes of October 26th, 2023
2. Executive Meeting Minutes of October 26th, 2023

Kathy Parish made a motion and Greg Gould seconded to approve the minutes to the aforementioned Board Meetings.

Moved, seconded, Approved 5-0

President's Report

Susie White gave the following report:

We are now officially Mutual 40, not individual projects 40 and 41. As Gayl will tell you we are well on our way to sending your 2024 budget packet which will only have Mutual 40, not a project breakdown, of financials.

Saklan Entry 2 painting is nearly complete, with just some trim to go. Saklan Entry 10 is next and 2641 will be the first building to be painted because the rehab is complete. The painting process should begin in the next week. We had to do extensive siding repairs on building 2603 and that has slowed the rehab process, but when it is completed, painting will begin as weather permits.

We continue to work on your behalf and welcome your comments and questions.



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Treasurer's Report.

1. Gayl Westendorf, Treasurer, reported that the October financial reports had been received and reviewed by all directors, and therefore made a motion to certify compliance with Civil Code section 5500. That motion was seconded, and **approved 5-0**.
2. Mr. Westendorf reported that the budget and annual disclosure booklet was now complete, and in the hands of MOD for final assembly, printing and mailing. Jeroen Wright stated that Bud Baxter would be coordinating this, with mailing list information from Mutual Records.
3. Mr. Westendorf reported that the final Helsing reserve study has been received and distributed to all directors for review and comment. It includes the required reserve disclosure statements for the budget booklet, and contains a favorable "yes" answer to the question of whether Mutual 40's reserve funds and funding plans are expected to be adequate to pay for future reserve expenses. He noted that the Helsing report suggests that annual increases in our reserve assessment of 7% per year may be needed over the next 10 years to continue to satisfy the "threshold funding" targets. However, this is a decision that the board will need to make in future years, and may be impacted by future changes in the reserve study, and actual experience with reserve expenses and investment income. Other directors had no comments or questions.
4. Mr. Westendorf reported that the engagement letter with our CPA for audit and tax services for 2024 has been negotiated and completed, and that the fee will be \$4,000 less than the fee for 2023 because the merger of our two projects will reduce the amount of work required to complete our "reviewed" financial statements.
5. Finally, he reported that 53 of the 72 Project 41 members have made timely payments of the special reserve assessment levied as part of the project merger, 46 of whom have paid the assessment in full and 7 of whom have elected the monthly installment option. Mr. Westendorf reported that the board in executive session will discuss how best to follow up with the members who have not yet paid their special assessment.

Finance Committee Report:

No report.

Committee Reports

Landscape Committee -

Kathy Parish gave the following report:

Shari Carroll and I met with John T and Eddie to discuss next year's goals and calendar. Our MOD days will be in March, June, and September 2024.

John presented his design for the grass rehab project for the Saklan Indian hill between entries 6 and 8. A few changes were made and he will submit the plan to EBMUD for approval. The anticipated rebate



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should be about \$6,400. He will get two bids and it is expected that the project will be under the allocated \$30,000.

John and Eddie will hold in meeting will hold a meeting in January to present for the seating/meeting area in Saklan Indian #2. He will present a plan for discussion and planting selections. Hopefully this work will be done during the March MOD workdays.

Governing Documents Committee:

Nancy Herney reported the following:

Ms. Herney reported the following:

Last GDC meeting: November 6.

- Use Restrictions have been returned from Melissa Ward. Redlined copy will be distributed to the Board for review.
- Rules Approved still in legal review: EV, Maintenance
- Solar draft is complete with comments from Mr. Westendorf to be distributed to Board.
- Rules under development:
 - Leasing Cynthia Sneider is developing
 - Fiscal Policy Mr. Westendorf is reviewing
 - Tree Removal Owner-intitiated Ms. Parrish is reviewing
 - Exterior Painting Ms. White is reviewing
- Other Items in Development:
 - Table of Contents
 - Introduction
 - Definitions/Abbreviations/Acronyms
 - Adoption and Revision Tables

Building Maintenance Committee:

Susie White gave the following report:

The committee met on Monday, November 6, without a quorum again. We will be recruiting new members in January, so if you are interested, please contact me. We are especially looking for individuals with contracting, building, and electrical experience, but also for others who care about how our mutual operates for the benefit of our members.

The discussion centered on garage door repair noting that the door is the responsibility of the mutual, but the motor that operates the door is the responsibility of the owner of the unit.

We also discussed the plan to add building numbers to the sides of the buildings so that those entering an entry will know which building is which. This will not only benefit guests but also delivery and service people. This will occur as part of a building's rehab process. We also plan to include rehabbing exterior lighting in the rehab process.



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Othe discussions centered on replacing broken pagoda lights with newer LED capable lights and replacing all unit numbers with consistent numbers rather than owners' choices of numbers which vary greatly and are hard to discern at times.

Alteration/Architectural Review Committee:

Greg Gould reported that there has been 4 new alteration requests.

Emergency Preparedness Committee:

No report was presented.

Recycling and Green Committee:

Stan Wells gave the following report:

Madam President, hardworking distinguished board members, Honored and supportive Mutual Operations Guests and fellow Mutual 40 members.

I am pleased to report that Mutual's year to date trash costs remain favorable to budget through the month of October.

Our cost for landfill pickup through October was \$30,318.

There are 43 landfill containers dispersed among the 19 trash sheds in Mutual 40 and our monthly cost for Republic servicing these is \$3,563 or \$42,750 per year. Considering we possibly face a 10% cost increase in the coming year, any reduction we can make could result in significant savings!

The only real way to reduce our landfill waste is to continue to expand our residents' recycling habits. So, we plan to aggressively promote recycling among our residents during the coming year by increased advertising, and entry meetings among other activities.

Old Business

No old business.

New Business

1. New Reserve Investments:

Mr. Westendorf reported that, with the benefit of the new budget for 2024, he has reviewed the cash flow needs for the next 12 months for reserve expenses and for the loan to the operating account to pay insurance premiums. Based on that review, he proposed that the following investments of available cash in the reserve funds of Projects 40 and 41 be made, and made a motion that the Board approve the following resolution:

RESOLVED, that the Treasurer and the Assistant Treasurer of the Mutual are authorized and



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directed to instruct City National Bank and/or its affiliate City National Securities to make the following investments from the reserve funds of Projects 40 and 41:

1. Invest \$300,000 from Project 40's reserve funds in US Treasury notes with a maturity of approximately 24 months,
2. Invest \$200,000 from Project 41's reserve funds in US Treasury notes with a maturity of approximately 24 months,
3. Invest \$200,000 from Project 41's reserve funds in US Treasury bills with a maturity of approximately 12 months.

Managers' Report:

Jeroen Wright reported that budgets are finalized, and residents should already be receiving them by mail. It was also reported that the Firewise committee has finalized their 3-year activity plan, and they submitted their plan to ConFire for review. The committee hopes to have recognition as of 2024. SWCM suffered a loss of about \$80k in 2021, the resident's insurer refused to be liable for the damage. SWCM will pay the first \$10k of that and the rest of the Mutuals that participate in the Shared Deductible Agreement will contribute the remaining \$70k.

Member's Forum:

No questions from any members.

Executive Session Summary

The Board met in executive session from 2:00 pm to 3:00 pm to discuss the following:

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

Announcements

It was agreed that the December 28, 2023, Board Meeting is cancelled.

Adjournment

With no further business, the meeting was adjourned at 1:41 p.m.

Lucy Limon

Assistant Secretary

Walnut Creek Mutual No. Forty