

MINUTES
WALNUT CREEK MUTUAL NO. FIFTY-SIX

THIRTY-SECOND ANNUAL MEETING OF THE MEMBERS
WEDNESDAY, OCTOBER 20, 2021 AT 9:30 A.M.
ZOOM

The Thirty-Second Annual Meeting of Members was convened by President Robert Ward, on Wednesday, October 20, 2021 at 9:30 a.m. via ZOOM.

ROLL CALL: PRESENT: Robert Ward – President
Karen Tarkoff – Vice President
Gini Voelkel – Treasurer/Secretary

EXCUSED: None

Representing Mutual Operations Division were Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Supervisor; Rebecca Pollon, Landscape Manager, and Anne Paone Administrative Secretary.
Joel Lesser, Chief Operating Officer-excused.

Jo Ann Cooper attended to help with the presentation of the proposed 2022 budget.

CERTIFICATION OF NOTICE OF MEETING

Assistant Secretary Anne Paone certified that notice of the annual membership meeting was published in the *Rossmoor News* on August 18, 2021 and a copy of the notice was sent to all members of record on September 23, 2021, in accordance with Article 4, Section 4.3, of the Bylaws of said corporation.

OFFICERS' REPORTS

President: Mr. Ward reported on Mutual Fifty-Six as follows, elaborating on some topics:

2021 Accomplishments:

Landscaping

- Street view rehab completed
- Five year maintenance contract
 - Turf replacement included
- Tree maintenance resumed

Governing Documents

- CC&Rs posted
- Terminated Establishing Agreement
- Policies and Rules Updates

- Management Agreement update underway

New Pond Maintenance Contractor

Aggressive Fence Replacement

2022 Budget planning Key Assumptions

Assessment increase < inflation (3.3%)

Highest priorities

- Fences/Arbors
- Pond infrastructure
- Roads

Repaint Buildings – 2028

- Begin Reserve Accumulation – 2023

Reroof – 2043

- Begin 50% linear Reserve accumulation – 2028
- Assume 50% by Special Assessment – 3042

Reserve Account > \$100,000

Road Repair Options

Total Road Surface ~ 32,550 Sq. Ft.

- Slurry sealed ~ 10 years ago

Recommended 2022

- Remove/replace 2,800 Sq. Ft. ~ \$27,560.00

Option 1 2022-2024

- Slurry seal ~ \$28,000
- Serviceable road 6-8 years
- Expect ~ \$20,000 repairs every few years

Option 2 2022-2024

- New asphalt ~ \$82,000
- Serviceable road 8-10 years

Pond Status

New Maintenance Contractor – Waterworks

- Selected by Waterford
- Change ratifies in September – 11/1/21 start

Proposed Improvements - \$26,383

- All vaults

- Install Ventilation fans
- Replace internal strainers
- Vault #1
 - Replace time clock
 - Replace sump pump
 - Fix vault leak
- Pond #2 – Replace fountain light
- Vault #3 – Replace missing 5 H.P. pump and motor

Under Consideration

- Vault #1 motor repair ~ \$6000
- All ponds – bio filter cleaning ~ \$6000/pond

Key Policies and Rules Updates

Updated Civil Code References

Eliminated Extraneous and Outdated Material

Added

- Solar Energy Systems
- Back-Up Electrical Power Systems
- Electric Vehicle Charging Stations
- Private Gardens

Clarified Propane-Fueled BBQs Only

No Changes

- Member Records (Access)
- Voting and Election Rules

Late Change

- Schedule of fines and monetary penalties

Vice President: No report

Treasurer: Ms. Voelkel reported that at the end of August, the operating fund had a balance of \$49,562. The reserve fund had a balance of \$168,945. The pond maintenance expenses were \$21,000.

REPORTS OF COMMITTEES

Building Maintenance

Mr. Ward referred back to the slide on road repairs and reviewed the options.

Landscape – Ms. Pollon reported there was a lot of relandscaping done this year. 1,500 sq. ft. of turf renovations were in the contract for Brightview. They put in some plants.

She asked that residents report to the work order desk if they see any that look dry. Curtis has retired.

Ponds – Mr. Ward referred back to the slide and discussed using Waterworks as the new contractor. Mr. Ames reported that the ponds have not been maintained to the level that they should have been. Mr. Ward recommends doing the bio filter cleaning.

Social – Ms. Ward reported the annual holiday party will be on December 6. Flyers will be out with details at the end of October. It will be held at the Stanley Dollar Clubhouse. Send proof of vaccination with your checks.

PRESENTATION OF 2022 BUDGET

Paul Donner provided a review of the proposed 2022 budget and resulting coupon. There will be a \$45.00 increase for a total coupon amount of \$1,392.00 per manor per month. The management fee will increase by \$3.21. There is a 3.8% COLA increase for staff. There will be a new position for the accounting department and a position that will be shared between H/R and MOD. Total Building and Public Works will increase by \$8.15. Landscape will increase by \$4.70.

There is no increase for Ponds.

Insurance will decrease by \$31.13. The method of allocation has been reviewed. They look at the type of building material, sprinklers, etc. Loss History is also considered.

Utilities is increased by \$1.54. Operating expenses will decrease by \$10.91.

Working capital will decrease by \$4.81. The reserves assessment will increase by \$43.26. GRF amount will be \$17.44. This is for Trust Operations and cable TV Services.

The total increase from 2021 is \$45.00.

RESIDENTS' FORUM

Resident stated that a lot of new residents are moving in to the Mutual. She and her husband can put together a Welcome pamphlet. Any residents that want to contribute may contact her at sfcrist52@gmail.com.

Resident thanked the Board for their service. She asked them to explain the savings for roofs. Mr. Ward stated that beginning in 2028, the Mutual will save money every year up to 2042. In 2042, the Mutual will do a special assessment for the rest of the money needed.

Resident asked about road repairs. He suggested sealing the cracks before it rains.

Resident stated that she noticed improvements in the ponds and thanked the Board.

Resident asked if all of the ponds will be equal. The fountain is barely a trickle. Mr. Ward stated that he will advise the pond contractor.

Mr. West reported that it is important to have dryer vents cleaned. This can be a fire hazard. The Fire Department says to clean them every 2 years. Residents may contact Mr. West and he can give them some names. The cost is about \$65-\$75.

NEW BUSINESS

Election Results: Anne Paone reported the following:

I, Anne Paone, Assistant Secretary of WALNUT CREEK MUTUAL FIFTY-SIX (Lakeshire), do hereby declare that Nancy McClellan was the only candidate to come forward by the

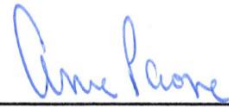
deadline of July 23, 2021. She was elected by acclamation and will serve for a three-year term.

ANNOUNCEMENTS

The next regular meeting of the Board of Directors is scheduled for Wednesday, January 19, 2022 at 10:00 a.m. in the Board Room in Gateway complex or via Zoom.

ADJOURNMENT

Having no further business, the Thirty-Second Annual Meeting of Members adjourned at 11:01 a.m. to an organizational meeting.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Fifty-Six