

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD MONDAY, JULY 25th, 2022, AT 1:00PM ZOOM MEETING

Call to Order

President Howard called the meeting to order at 1:02 p.m.

Roll Call

Directors Present: Andy Howard, President
Martha Kohler, Vice President
Peter Yang, Secretary
Rick Hague, Director

Directors Absent: Alan Lindquist, Treasurer

The Mutual Operations Division was represented by Paul Donner, Mutual Operations Director, Rick West, Building Maintenance John Tawaststjerna, Landscape Manager and Lucy Limon, Board Services Coordinator.

President Howard welcomed the membership, staff, and thanked everyone for their attendance.

Approval of Meeting Minutes

President Howard asked if there were any additions or corrections to the following minutes:

Regular Meeting of the Board June 27, 2022
Annual Meeting Minutes June 27, 2022
Organizational Meeting Minutes June 27, 2022

Peter Yang made a motion and Rick Hague seconded to approve the minutes to the aforementioned Board meeting

Moved, Seconded, Carried 4-0

Announcements

- Next Board Meeting: Monday, August 22nd, 2022, at 1PM – Creekside Club Room pending improvement in COVID-19 case rate and hospitalizations.

Presidents Report

President Howard presented the following report:

President's Report – M68 Board Meeting July 25, 2022

- CEO Retirement
 - Tim O'Keefe will be retiring effective November 15, 2022
 - GRF BOD will be convening a replacement committee
- Accounting Update
 - Mutual Financial Statements – caught up, 2021 Audit (9 mutuals now complete (M68 still pending), goal – end of August)

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- 2021 MOD surplus refund (\$383,000) – mid August
- 2021 GRF surplus refund (\$2,711,412.00 – M68, \$94,631.37)
- Secure On-Line Access to Mutual Financial Statements

- Insurance Update
 - 2022 GRF TIV - \$1.471B, Premium - \$10.0M
 - 2023 GRF Target TIV - \$1.765B (avoids co-insurance), Premium ~ \$15.0M
 - Retained Risk Financing Program - \$5M per occurrence, \$10M annual aggregate, \$15M 3-year aggregate, Premium \$3.0M
 - Opportunity – Insuring 50% of total value per **occurrence** - \$750M per occurrence limit rather than \$1.5B (based on 2022 values), no single mutual > \$400M

- Mutual Leasing – 2020-2021 Comparison
 - Average length of 6-7 months in Rossmoor
 - M68 – 4 leases in 2021 (57 in Rossmoor by end of 2021)

Residents' Open Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives.

Comments included: Thanks to Rick West and Luis Duenas, and EBMUD.

Ralph Anthenien presented the following report:

Mutual 68 Disaster Preparedness Group (DPG)

Tips and Thoughts

July 25th, 2022

Re: Your Health: COVID-19 Cases continue to climb and there appear to be many individuals contracting it, including in Rossmoor. Caution is encouraged with the wear of the mask indoors, hand washing, use of sanitizer and keeping your distance. Remember, even if your potential case might be “mild,” the effects of “long” COVID-19” are not known so avoidance is your best course of action. Currently there have been over 6,600 NEW CASES in the last two weeks in CC County! Be Safe!

Honored!!

I was unavoidably absent from the last Mutual Board meeting and totally surprised and honored to be this Year's recipient of the **Flying Eagle Award**. I can, however, only accept this award on behalf of the **ENTIRE DPG TEAM**, including our talented Communications Manager, Barb Walker, of hard working, dedicated and involved men and women working on your behalf. Without this awesome team, all the accomplishments achieved would not be occurring. Please thank each one of them working in your area to improve your safety and well-being. Thanks too for the awesome support we receive from our Board of Directors, President and others who make all this possible. We are so blessed to have such knowledgeable and dedicated individuals who give up their time and energy for our well-being. Our Mutual has been so honored to have such talent and it continues for the benefit of all of us to ensure the beauty, well managed and fiscal efficiency continues for all our benefit. Our Mutual is indeed a model for all of Rossmoor to emulate. Thanks to all our leaders, board members and committees past and present.

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Please say some prayers and condolences for the recent loss of one of our team, Don Meek (631 Shadowhawk Way) who passed away this past month. His family, wife and children will appreciate our remembrance of his wonderful work for the benefit of all of us.

What should YOU be concerned with coming up to challenge us?

Nothing new -- Be Ready – Be Prepared – Stay Alert

Roving blackouts, Wildfires, Hot Dry Weather, Water Shortages, Smoky, Contaminated Air and more.

Do you have your Communications Plan? Have you prepared for a “quick exit” if necessary? What is the status of YOUR GO KIT? Is it up to date? Do you have a pet carrier for your pets? Do you have some cash money if needed? (No ATMS may be available or functional). Talk to your Disaster Zone leader for assistance? Check the resources on our Mutual 68’s website. Make improvements on your readiness every month. Remember that most any disaster is a no notice, **“come as YOU ARE event”**. There is no time to prepare when it strikes

Treasurer and Finance Committee Reports: Alan Lindquist, Treasurer; Robin Howard, Finance Committee Chair

President Howard gave the following report for Treasurer Alan Lindquist:

The Finance Committee met on July 20, 2022, and reviewed the Mutuals financial information and projections through May 31, 2022. It concluded that the operating fund and replacement reserves are adequately funded, with net fund balances of \$243,318, and \$1,509,733 respectively. The operating revenue was favorable to budget for the month by \$389, and expenses were favorable to budget by \$17,981, resulting in a total favorable budget variance of \$18,370. The major expense variance was water, which was \$56,488 under budget, while legal fees and insurance were unfavorable to budget by \$12,029 and \$11,242 respectively.

Bank account statements were reviewed by two board members, as required. All accounts are covered by FDIC insurance.

Request: A motion to certify compliance with California Civil Code, Section 5500.

The Chair reported that the MOD Accounting Department has not yet provided the financial statements for June due to multiple cases of COVID.

The Committee recommended that the refund of the 2021 surplus of \$94,631,37 from GRF remain in the Operating Fund to help build up working capital, and possibly avoid having to borrow from the Reserve Fund to cover the annual insurance premium due in January.

There was discussion regarding possible changes in late fee policies, and it was recommended that the Mutual retain its current policy, which allows for the forgiveness of one months late fee if the resident switches to automatic payment.

- Motion to certify compliance with Civil Code 5500, review of financial statements

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by two Board members:

Peter Yang made a motion, seconded by Rick Hague to certify compliance with California Civil Code, Section 5500.

Moved, Seconded, Carried 4-0

- Approve Robin Howard as chair

Peter Yang made a motion, seconded by Rick Hague to approve Robin Howard as committee chair.

Moved, Seconded, Carried 4-0

- Approve the Financial Committee charter without changes.

Rick Hague made a motion, seconded by Peter Yang to approve the Finance Committee charter without changes.

Moved, Seconded, Carried 4-0

Building Committee Report: Rick West, MOD Building Maintenance Manager; Martha Kohler, Board Liaison

Martha Kohler, Board Liaison, and Rick West gave the following reports:

A brief meeting was held July 11 on Zoom, due to late emerging news of covid concerns.

Cul de sac paving project -The 2022 paving project activities are completed. As planned, the Grey Eagle cul de sac requirements will be assessed after EBMUD construction is completed.

SB 326 - Balconies inspections, FWC contractor - The initial 2022 inspections have been completed. However, FWC has determined that additional testing is required. These inspections require access through residencies. Telephone calls are underway to schedule access with owners.

Storage closet inventory - The inventory is complete. Cleanout has been delayed due to staff availability.

Garage door maintenance program - Routine maintenance inspections are continuing. Two remedial projects have been identified and are being scheduled.

Rick West provided a building maintenance report which included information items.

ACTION ITEMS: Proposals for review or Approval

1. **Common area Metal Railing repainting. Includes sanding spot priming with rust inhibitor and Rustoleum oil-based finish coating.**

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Contractors: CVP estimate \$27,750.00 / Pacific Trim estimate \$27,250.00.

Presented to the board for approval.

The Board made a motion to approve the CVP contract for \$27,750.00

Martha Kohler made a motion, seconded by Peter Yang to approve the CVP contract.
Moved, Seconded, Carried 4-0

INFORMATION ITEMS: Work scheduled, In Progress or Complete

1. Safety Inspections and maintenance Service Agreement on 222 Garage Doors.

Contractor: A-Dependable Overhead Door Co. Estimate \$25,530.

MOD's cost to paint a Single Door \$345.00 / Double Door \$391.00.

Martha Kohler will be sent any change orders for approval as needed.

MOD to have an updated number or percentage completed for the meeting.

Work is in progress.

2. List of buildings that will need further investigation into possible Dry and Metal Flashing issues. Contractor: MOD.

576 High Eagle Ct. – Soffit Dry Rot. – Destructive testing.

537 High Eagle Ct - Flashing and Dry Rot - Destructive testing.

535 High Eagle Ct. – Flashing and Dry Rot - Destructive testing.

Scheduled for week of July 25th.

3. Resealing around all window and door trim with caulking to prevent dry rot.

Contractor:

MOD. Time and Material Project scheduled for winter 2022 weather permitting.

2021 Budget \$84,000.00.

Work is in progress.

4. 614 /616 Redwing Court - Soil erosion and Deck inspection update.

Contractors: FWC and Cal Engineering.

Waiting for Cal Engineering Report.

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5. The Mutual 68 SB326 Raised Component inspections will be completed over 2 years 2 phases By a Licensed Structural Engineer. Contractor: FWC

Phase I - 2022 - cost \$49,252.00 / Phase II - 2023 - cost \$50,289.00 / Total Cost\$99,541.00.

A report will be generated after completion of each phase.

Inspections are in progress.

6. Additional Dry rot and woodpecker damage discovered and repaired by MOD during scheduled recaulking trim project.

533 HE – 32ft of new belly band installed included prime and paint - cost \$1,265.00.

540 HE – dry rotted Railing 60 ft of new designed railing, posts and pickets installed. Cost \$3,967.50.

585 HE – dry rotted Railing 35 ft of new designed railing, posts and pickets installed. Cost \$2,750.50.

3005 GE – 2 new sheets siding, new trim and paper. Cost \$1,874.50.

- Approve the Building Committee charter without changes.

Rick Hague made a motion, seconded by Peter Yang to approve the Building Committee charter without changes

Moved, Seconded, Carried 4-0

Landscape Report/Landscape Committee Report: Barbara Blum, Committee Chair

John Tawaststjerna gave the following report:

Mutual 68 Landscape Report

Maintenance Report

- Deadheading of perennials
- Pruning of overgrown shrubs
- Crews are mowing the lawns every week
- Weed removal by hand and herbicide spray

Tree Maintenance

- Tree pruning completed at the rear 3007-3011 Grey Eagle

Mulching Proposals

- Walk on Bark Proposal
 - \$22,795.01
 - Better for erosion control
- C6 Mulch Proposal
 - \$21,420.00
 - Better for moisture retention and weed prevention
- Terra can provide a proposal to mulch these areas as well, if the board requires another bid

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- Approve Barbara Blum as chair

Peter Yang made a motion, seconded by Rick Hague to approve Barbara Blum as committee chair.

Moved, Seconded, Carried 4-0

- Approve the Landscape Committee charter without changes.

Rick Hague made a motion, seconded by Peter Yang to approve the Landscape Committee charter with one change, the Landscape committee will meet monthly.

Moved, Seconded, Carried 4-0

CIC Committee Report: Rick Hague, Board Liaison; Barbara Walker, Chair

No report was presented.

- Approve Barbara Walker as chair

Peter Yang made a motion, seconded by Rick Hague to approve Barbara Walker as committee chair.

Moved, Seconded, Carried 4-0

- Approve the Community Information Committee charter without changes.

Rick Hague made a motion, seconded by Peter Yang to approve the Community Information Committee charter without changes.

Moved, Seconded, Carried 4-0

Social Committee Report: Rick Hague, Board Liaison; Robin Minor & Deanne Gilbert, Co-Chairs

No report was presented.

- Approve Robin Minor and Deanne Gilbert as co-chairs

Peter Yang made a motion, seconded by Rick Hague to approve Robin Minor and Deanne Gilbert as committee co-chairs.

Moved, Seconded, Carried 4-0

- Approve the Social Committee charter without changes.

Rick Hague made a motion, seconded by Peter Yang to approve the Social Committee charter without changes.

Moved, Seconded, Carried 4-0

Trash Committee Report: Susan Fisher, Chair

Susan presented the following report:

The Trash Committee's first report to the board is: The first meeting of the current members of the Trash Committee is scheduled for Wednesday, August 3 at Susan Fisher's home, 2912 Saklan Indian Drive. Members of the Committee currently are Susan Fisher, Pina Royer, Lonna Wolf, Patricia Richardson, Joan Carter, Fran Matthews, Lonnie Shepp, Robin Howard and Brenda Hepler. We will choose a Chair at the August meeting

Nominating Committee

- Approve Andy Howard as Chair

Peter Yang made a motion, seconded by Rick Hague to approve Andy Howard as committee

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chair.

Moved, Seconded, Carried 4-0

- Approve Susan Fisher and Dwight Walker as members

Peter Yang made a motion, seconded by Rick Hague to approve Susan Fisher and Dwight Walker as committee members.

Moved, Seconded, Carried 4-0

New Business

- Presentation: "The Walls of Grey Eagle" – Bill Dorband

Former Board member, Bill Dorband, gave a review of the approach Mutual 68 took regarding the land movement in the area that is now Sunset Park.

Adjournment

With no further business to address President Howard adjourned the meeting at 2:39 pm.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.

Lucy Limon

Assistant Secretary