

M 70 Special Board of Directors Meeting (Budget)

9/28/2022

8 am via Zoom

Attendees:

- From MOD-Paul Donner, Rick West and Cynthia Jonas
- From M70-Directors-Herma, Janet, Wally, Dave and Jeff and Building Committee Chair Frank and Finance Committee member Michael Ying

Herma called the meeting to order and noted there were no owners who joined in so there was not a members' forum.

Treasurer, Jeff Cheung made a presentation on the latest Helsing Reserve Fund Study dated September 23, 2022. While some of the changes we requested were made, Helsing did not make several large item modifications as well as their model did not follow the Threshold Funding Model we requested. After much discussion, it was decided Cynthia Jonas, MOD Budget Analyst would contact Helsing after the meeting with the requested changes. It was MOD's expectation that M70 would receive another reserve study run within the next 5-10 days.

Jeff took the group through the 2023 Budget Planning worksheets. Paul Donner stated the MOD Management Fee and the GRF Fee have not been finalized but should be within the next few weeks

After discussion of the other budget items, President Herma L asked for a vote on the M70 2023 budget items, except for the MOD Management Fee, GRF Fee and the Reserve Fund coupon component (pending next Helsing update). All directors voted in the affirmative.

Jeff then lead the group in a discussion of the need for a Special Assessment necessitated primarily by the increase in the 2023 insurance costs, increasing unforeseen expenses due to dry rot and increasing water costs. The amount of the Special Assessment is currently estimated to range from \$700-\$823. Once the mutual has the final figures for MOD & GRF fees and the revised Helsing Study update, a final number for the Special Assessment can be made.

Paul Donner felt all of the required updates will be in hand for the Board to be able to approve the budget, coupon and special assessment at the October 20th Board Meeting. President Herma asked for a vote on the need for a special assessment in the dollar range Jeff mentioned and all directors except for Wally B voted in the affirmative

Pres Herma brought up the terms of the new Granite Contract to replace the ATT phone service we have in our elevators. The Granite contract represents a significant savings over the ATT contract. The Granite contract is \$3,700 per year for a 3 year contract. All directors voted to approve the Granite contract

Adjourned at 9:45 am.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Seventy