

BOARD OF DIRECTORS ORGANIZATIONAL MEETING**Tuesday, October 10, 2023 at 10:00 a.m.****Meeting was Conducted Virtually**

MINUTES**1. Call to Order**

President England called the meeting to order at 10:01 a.m.

2. Roll Call of Directors

Mary A. England – President – District 5
Pat Donahue – 1st Vice President – District 4 – *Absent*
Barry Hirsch – 2nd Vice President – District 3
Jen Moreau – Secretary – District 2
Jean Autrey – Treasurer – District 1

MOD Staff

Jeroen Wright – Director of Mutual Operations
Dave Peakes – Building Maintenance Manager
Bud Baxter – Budget Manager
Victoria Thomas – Board Services Coordinator

3. Residents' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included: it was requested that the Mutual not approve improvements causing more insurance liability exposure.

4. Filing Board Director Vacancy

Due to a Board Member resigning the District 3 Board Director position was vacant. A Call for Candidacy was completed. Four candidates submitted their nomination for the position. Thomas called for a vote on each candidate with a result of four votes for Young Chung.

5. Appointment of Director Positions

Moreau proposed to appoint the Director positions:

Mary A. England as President
Approved by unanimous vote. (4-0)

Pat Donahue as 1st Vice President
Approved by unanimous vote. (4-0)

Young Chung as 2nd Vice President
Approved by unanimous vote. (4-0)

Jean Autrey as Treasurer
Approved by unanimous vote. (4-0)

Jen Moreau as Secretary
Approved by unanimous vote. (4-0)

FIRST WALNUT CREEK MUTUAL

6. **Appointment of Tom Hand as Assistant Treasurer**

Motion made by Autrey, seconded by Moreau, to appoint Tom Hand as Assistant Treasurer. Approved by unanimous vote. (4-0)

7. **Appointment of Victoria Thomas as Assistant Secretary**

Motion made by Moreau, seconded by Chung, to appoint Victoria Thomas as Assistant Secretary. Approved by unanimous vote. (4-0)

8. **Appointment of Committee Chairs and Members**

Budget and Finance Committee – Appoint Ann Prichard as Chair

Landscape Committee – Appoint Don McGregor as Chair

Governance Committee – Appoint Paul Wright as Chair

Capital Projects Committee – Deferred

Social Engagement Committee – Deferred

Motion made by Moreau, seconded by Chung, to appoint Chairs for the next year. Approved by unanimous vote. (4-0)

9. **Approval of Minutes**

Regular Meeting Minutes – October 11, 2022

Motion made by Autrey, seconded by Moreau, to appoint Chairs for the next year. Approved by unanimous vote. (4-0)

10. **Adjournment of the Board of Directors Organizational Meeting**

There being no further business, the Board of Directors Organizational Meeting was adjourned at 10:20 a.m. The Board will go into the Annual Membership Meeting at 11:00 a.m.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes.

Victoria Thomas

ANNUAL MEMBERSHIP MEETING**Tuesday, October 10, 2023 at 11:00 a.m.****Meeting was Conducted Virtually**

MINUTES**1. Call to Order**

President England called the meeting to order at 11:01 a.m.

2. Roll Call of Directors

Mary A. England – President – District 5
Pat Donahue – 1st Vice President – District 4 – *Absent*
Young Chung – 2nd Vice President – District 3
Jen Moreau – Secretary – District 2
Jean Autrey – Treasurer – District 1

MOD Staff

Jeroen Wright – Director of Mutual Operations
Dave Peakes – Building Maintenance Manager
Bud Baxter – Budget Manager
Victoria Thomas – Board Services Coordinator

3. Certification of Notice of Meeting

I, Victoria Thomas Assistant Secretary to First Walnut Creek Mutual Board, certify that a Call for Candidates notice was mailed to residents on March 28th and published in the Rossmoor newspaper on April 5th and April 12th. Bellweather Election Solutions mailed a second Call for Candidates notice to residents on June 27th. No candidates from District 3 came forward.

According to the Mutual's Bylaws Article 8.1.a, if no nominations are received the Mutual can accept nominations from all Districts within the Mutual. A Call for Candidates notice was mailed to residents on July 31st and published in the Rossmoor newspaper on August 9th, 16th, and the 23rd. The Board received four nominations and interviewed the candidates. Appointment to the position was conducted at the Board of Directors' Organizational Meeting.

In accordance with Corporations Code § 7511(b), a notice of the Annual Membership Meeting was mailed to the membership on September 28, 2023.

4. Presentation of 2024 Draft Budget

Wright presented the draft budget.


ROSSMOOR
 Walnut Creek

**First Walnut Creek Mutual
 2023 Annual Disclosures**
2024 Budget

In compliance with California Civil Code §5300, the following is a summary of the First Walnut Creek Mutual budget for next year. The complete pro forma operating budget follows. Copies are available for your review at the Board office located at 1001 Golden Rain Road. To obtain a copy please submit your request in writing to the Board of Directors.

The Operations Budget covers the expenses for normal day-to-day operation of the Mutual and includes items such as: management and administration; routine landscape and building maintenance; insurance; and utilities (outdoor electricity, water, trash collection and recycling). The Reserves Budget is for the rehabilitation, replacement, or repair of major components that the Mutual is obligated to maintain during the life of the Mutual - "rehabilitation" generally refers to long-term maintenance and repairs. Rehab programs for individual buildings are generally on a 10-year cycle. Any new landscape installation or replacement of an old landscape is considered rehab. Major tree work is also considered a part of landscape rehabilitation.

In addition to Mutual Operations and Reserves budgets, the Mutual is obligated to collect from its membership amounts due to the Golden Rain Foundation (GRF) for maintenance of the Trust Assets and to support overall community services and recreational activities provided by GRF.

**Monthly Assessment Summary
 Comparison of 2023 Budget to 2024 Budget**

	<u>2023</u>	<u>2024</u>	<u>Change</u>
<u>Mutual Assessment</u>			
Maintenance & Operations	\$458.25	\$560.82	\$102.57
Repair and Replacement Reserves	264.01	275.00	10.99
Working Capital	42.81	90.73	47.92
Total Mutual Assessment	<u>\$765.07</u>	<u>\$926.55</u>	<u>\$161.48</u>
<u>Golden Rain Foundation Assessment</u>			
Trust Operations	270.38	277.44	7.06
Cable TV Service	59.54	57.25	(2.29)
Total GRF Assessment	<u>\$329.92</u>	<u>\$334.69</u>	<u>\$4.77</u>
<u>Total Basic Assessment</u>	<u>\$1,095</u>	<u>\$1,261</u>	<u>\$166</u>

In addition to the Total Basic Assessment, members are assessed Property Taxes based on the Contra Costa County valuations of their respective units and parcel taxes.

California Civil Code §5550 requires that a Reserve Study be conducted every three years to identify major components, their expected and remaining lives, and to estimate the cost to repair and replace these items. Included in the attached disclosures is the Assessment and Reserve Funding Disclosure Summary and other pertinent information from the Mutual's latest Reserve Study. A copy of the complete thirty (30) year study is available for your review at Member Records in the Gateway complex. If you would like to obtain a personal copy of the study, please submit your request in writing to Member Records Department, P.O. Box 2070, Walnut Creek, CA 94595 or MRD@rossmoor.com.

**First Walnut Creek Mutual
 2024 Budget
 Revenues and Expenses**

	<u>Operations Budget</u>	<u>Reserves Budget</u>	<u>Total Budget</u>
<u>Revenues</u>			
GRF Assessment	\$7,542,574	\$0	\$7,542,574
Mutual Assessments	14,683,331	6,197,400	20,880,731
Rental Income	25,000	0	25,000
Interest Income	200,000	0	200,000
Other Income	14,780	0	14,780
Total Revenues	<u>22,465,685</u>	<u>6,197,400</u>	<u>28,663,085</u>
Less Transfer to GRF	(7,542,574)	0	(7,542,574)
Less Allocation for Working Capital	(2,044,691)	0	(2,044,691)
Total Mutual Revenues-Net	<u>12,878,420</u>	<u>6,197,400</u>	<u>19,075,820</u>
<u>Expenses</u>			
MOD Management Fee	1,538,182	0	1,538,182
Building Maint. & Public Works			
Building Stabilization	0	0	0
Carpentry, Roofing and Painting	495,250	1,990,000	2,485,250
Mechanical & Electrical	800,000	2,034,000	2,834,000
Fire Safety	53,900	30,000	83,900
Public Works	0	645,000	645,000
Other	0	0	0
Total Bldg.Maint. & Public Works	<u>1,349,150</u>	<u>4,699,000</u>	<u>6,048,150</u>
Landscape Maintenance	1,410,688	572,000	1,982,688
Elevator Maintenance	0	0	0
Custodial Services	76,000	0	76,000
Insurance	6,130,081	0	6,130,081
Utilities			
Trash & Recycling	320,004	0	320,004
P.G.& E.	153,446	0	153,446
Water	1,586,939	0	1,586,939
Telephone	5,238	0	5,238
Recycling Center	106,217	0	106,217
Total Utilities	<u>2,171,844</u>	<u>0</u>	<u>2,171,844</u>
Professional Services	164,500	18,750	183,250
Other Gen. and Admin. Expenses	38,000	0	38,000
Income Taxes	0	0	0
Total Expenses	<u>12,878,445</u>	<u>5,289,750</u>	<u>18,168,195</u>
<u>Excess/(Deficiency) of Rev. over Exp.</u>	<u>(\$25)</u>	<u>\$907,650</u>	<u>\$907,625</u>
<u>Estimated Change in Fund Balances</u>			
Estimated Beginning Balance	\$5,164,860	\$9,009,439	\$14,174,299
Excess/(Deficiency) of Rev. over Exp.	(25)	907,650	907,625
Allocation for Working Capital	2,044,691	0	2,044,691
Estimated Ending Balance	<u>\$7,209,526</u>	<u>\$9,917,089</u>	<u>\$17,126,615</u>

Notes: There are no outstanding loans with an original term of more than one year.

Except for circumstances that may be described in the Reserve Study, the Board has not determined to defer or not undertake repairs or replacement of any major component with a remaining life of 30 years or less.

**First Walnut Creek Mutual
 Comparison of 2023 Budget to 2024 Budget
 Per Manor per Month**

	<u>2023</u> <u>\$/M/M</u>	<u>2024</u> <u>\$/M/M</u>	<u>Increase/ (Decrease)</u>	<u>% Change</u>
<u>Mutual Operations & Maintenance</u>				
Other Revenue				
Rental Income	\$1.11	\$1.11	\$0.00	0.0%
Interest Income	0.00	8.87	8.87	N/A
Other Income	0.66	0.66	0.00	0.0%
Total Other Revenue	<u>1.77</u>	<u>10.64</u>	<u>8.87</u>	<u>501.1%</u>
Expenses				
MOD Management Fee	65.00	68.25	3.25	5.0%
Building Maint. & Public Works				
Carpentry, Roofing and Painting	19.82	21.98	2.16	10.9%
Mechanical & Electrical	35.50	35.50	0.00	0.0%
Fire Safety	2.04	2.39	0.35	17.2%
Public Works	0.00	0.00	0.00	N/A
Other	0.00	0.00	0.00	N/A
Total Bldg. Maint. & Public Works	<u>57.36</u>	<u>59.87</u>	<u>2.51</u>	<u>4.4%</u>
Landscape Maintenance	61.24	62.60	1.36	2.2%
Custodial Services	2.84	3.37	0.53	18.7%
Pool or Pond Maintenance	0.00	0.00	0.00	N/A
Insurance	178.41	272.01	93.60	52.5%
Utilities				
Trash & Recycling	13.40	14.20	0.80	6.0%
P.G.& E.	6.00	6.81	0.81	13.5%
Water	64.88	70.42	5.54	8.5%
Telephone	0.23	0.23	0.00	0.0%
Recycling Center	4.00	4.71	0.71	17.8%
Total Utilities	<u>88.52</u>	<u>96.37</u>	<u>7.86</u>	<u>8.9%</u>
Professional Services	5.97	7.30	1.33	22.3%
Other Gen. and Admin. Expenses	0.68	1.69	1.01	148.5%
Income Taxes	0.00	0.00	0.00	N/A
Total Operating Expenses	<u>460.03</u>	<u>571.46</u>	<u>111.45</u>	<u>24.2%</u>
Net Mutual Operating Costs	<u>458.25</u>	<u>560.82</u>	<u>102.57</u>	<u>22.4%</u>
Increase/(Decrease) Working Capital	<u>42.81</u>	<u>90.73</u>	<u>47.92</u>	<u>111.9%</u>
Mutual Maint. & Operations Assessment	501.07	651.55	150.48	30.0%
Mutual Reserves Assessment	264.01	275.00	10.99	4.2%
<u>Total Mutual Assessment</u>	<u>\$765.08</u>	<u>\$926.55</u>	<u>\$161.47</u>	<u>21.1%</u>
<u>Golden Rain Foundation</u>				
Trust Operations	270.38	277.44	7.06	2.6%
Cable TV Service	59.54	57.25	(2.29)	-3.8%
<u>Total GRF Assessment</u>	<u>\$329.92</u>	<u>\$334.69</u>	<u>\$4.77</u>	<u>1.4%</u>
<u>Total Basic Assessment</u>	<u>\$1,095</u>	<u>\$1,261</u>	<u>\$166</u>	<u>15.2%</u>

Notes: Per Manor per month calculations, including the totals, are based on total budget dollars and rounded. Consequently, the summation of the rounded detail may not add to the rounded totals.



FIRST WALNUT CREEK MUTUAL

First Walnut Creek Mutual
2024 Budget
Comparison to 2022 Actuals, 2023 Budget, and 2023 Forecast

	Operating Fund				Business Fund				2024 Budget
	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	2022 Actual	2023 Budget	Jun-23 Actual	2023 Forecast	
71005 Management Fee	1,257,254	1,444,933	732,448	1,444,933	0	1,444,933	0	0	0
72000 Building Maintenance and Public Works	2,004	0	0	0	15,441	0	0	0	0
72000 Building Stabilization									
72005 Carberry, Roofing and Framing	89,102	109,000	53,304	109,000	0	112,000	389,347	775,000	825,000
72045 Carpentry - General Building Repairs	14,646	3,000	3,294	5,000	0	5,000	0	0	0
72010 Steel Work	0	0	0	0	0	0	0	0	0
72015 Deck Coatings	0	0	0	0	0	0	0	0	0
72020 Power Wash	145	250	45	250	0	250	0	0	0
72025 Doors, Windows, & Hardware	72,664	80,000	42,372	85,000	0	90,000	0	0	0
72030 Painting	6,009	4,000	3,081	6,000	0	2,000	0	0	0
72035 Roofing	0	300	1,115	2,000	0	1,700	214,865	415,000	400,000
72040 Sheet Metal/Gutter Repair	5,687	4,700	4,058	7,000	0	7,000	20,028	465,000	400,000
72045 Gutter Clearing	52,547	71,000	74,148	80,000	0	300	4,350	4,350	0
72050 Laundry Room Repairs	50,296	41,500	8,814	41,500	0	41,500	0	0	0
72060 Minor Inspection	67,564	73,000	35,329	72,000	0	13,000	921	1,843	0
72065 Roofs Leaks	52,313	40,000	82,647	124,000	0	85,000	0	0	0
72075 Resale Work	13,478	10,000	11,977	10,000	0	0	0	0	0
72075 Minor Damages Repairs	0	0	0	0	0	0	0	0	0
72075 Safety Inspections	0	0	0	0	0	0	0	0	0
72070 Total Concrete, Roofing & Painting	435,372	446,750	330,738	507,730	1,891,503	1,625,000	227,740	1,842,171	1,990,000
Mechanical & Electrical	172,221	150,000	68,195	135,000	163,000	163,000	117,246	294,493	200,000
72105 Furnace Reel	0	0	0	0	0	0	88,935	102,940	120,000
72080 Lighting	114,689	100,000	40,900	93,000	110,000	15,000	42,433	71,944	70,000
72085 HVAC	1,047	0	0	0	0	0	197,934	130,629	200,000
72090 Appliance Repair	337	0	0	0	0	0	47,874	95,748	75,000
72100 Electrical Reimbursements	0	0	0	0	0	0	2,820	5,639	0
72110 AC Reel	0	0	0	0	0	0	122,938	33,712	250,000
72115 AC Conversion	0	0	0	0	0	0	55,000	30,255	55,000
72120 Cooktop Reel	0	0	0	0	0	0	2,000	0	0
72125 Oven Reel	0	0	0	0	0	0	9,130	0	0
72130 Exhaust Fan Reel	871	0	0	0	0	0	12,000	19,314	12,000
72135 Furnace & Oven Reel	804	0	0	0	0	0	10,806	8,014	10,000
72140 Trailer Heater Reel	957	0	0	0	0	0	22,546	25,000	20,000
72145 Garbage Disposal Reel	0	0	201	0	0	0	309,234	160,549	321,098
72150 Washing Machine Reel	0	0	0	0	0	0	74,092	22,449	0
72155 Diver Reel	0	0	0	0	0	0	0	0	0
72160 Dishwasher Reel	0	0	0	0	0	0	0	0	0
72165 Other Appliance Replacement	330	0	0	0	0	0	10,218	1,453	0
72170 M&E, Other - Plumbing	873,633	500,000	170,783	350,000	55,973	160,000	23,992	47,082	25,000
72170 Total Mechanical & Electrical	817,000	650,000	280,138	630,000	1,207,109	1,397,000	377,344	1,188,398	2,254,000
Fire Safety	12,782	12,000	4,507	10,000	0	0	0	0	0
72185 Smoke Detection	31,426	30,000	22,171	45,000	0	0	0	0	0
72193 Alarms	1,590	1,600	670	1,350	0	0	0	0	0
72200 Sprinklers	230	400	50	100	0	0	0	0	0
72205 Fire, Other (CO sensors, fire walk)	7,670	400	498	0	0	0	13,288	5,871	10,000
72205 Total Fire Safety	33,608	46,000	20,235	56,450	13,347	30,000	7,932	11,143	30,000



FIRST WALNUT CREEK MUTUAL

First Walnut Creek Mutual
2024 Budget

Comparison to 2022 Actual, 2023 Budget, and 2023 Forecast

	Operating Fund				Revenue Fund			
	2022 Actual	2023 Budget	June 23 Actual	2023 Forecast	2023 Forecast Over/Budget	2023 Actual	2023 Budget	2024 Budget
Public Works								
72210 Concrete	998	0	0	0	(10,972)	37,014	104,028	115,000
72215 Asphalt Repair / Seacoat	99	0	0	0	(99,288)	376	792	250,000
72230 Bedrock	0	0	0	0	40,000	70,023	110,000	220,000
72225 Water Supply/PW Repair Fund	0	0	0	0	(68,531)	10,234	21,449	50,000
Total Public Works	997	0	0	0	(138,721)	118,358	236,269	645,000
Other								
72175 Cash Run	0	0	0	0	0	0	0	0
72180 After-Hour Contract	478	0	0	0	0	0	0	0
72230 BM, Consumables	0	0	0	0	0	0	0	0
72245 Unsubscribed Contractors	0	0	0	0	0	0	0	0
Total Other	478	0	0	0	0	0	0	0
Total Bids, Mater. & Public Works	1,475	0	0	0	(138,721)	118,358	236,269	645,000
Landscape Maintenance								
72000 MCO-Contracted Services	0	0	0	0	0	0	0	0
72015 Entry/Grounds Maintenance	1,052,452	1,022,184	526,515	1,073,232	21,048	(25)	150	0
72020 Tree Maintenance/Removal	95,388	115,000	38,321	76,442	(88,538)	102,745	265,530	300,000
72025 Irrigation	12,700	0	1,129	0	0	30,184	40,348	72,000
72030 IS, Miscellaneous	0	0	0	0	0	0	0	0
72035 IS, Rehabilitation	106,290	130,000	101,229	130,000	0	31,494	63,387	200,000
72040 IS, Retention	0	0	0	0	0	0	0	0
72045 IS, Pest Control	52,778	63,000	34,405	67,373	6,373	0	0	0
72050 IS, Other (Pine Acedemant)	0	0	0	0	0	0	0	0
Total Landscape Maintenance	1,319,628	1,330,184	711,880	1,347,047	11,137	164,618	329,235	572,000
Beverly Maintenance & Annual Permit								
72235 Maintenance Contract/Annual Permit	0	840	840	0	0	0	0	0
72240 Recall Calls	0	0	0	0	0	0	0	0
Total Beverly Maintenance	0	840	840	0	0	0	0	0
Custodial Services								
72230 Custodial Services/Materials	65,667	64,000	34,800	67,599	5,599	0	0	0
Total Custodial Services	65,667	64,000	34,800	67,599	4,599	0	0	0
Pest or Feral Maintenance								
72245 Feral/Pest Maintenance	0	0	0	0	0	0	0	0
Total Pest or Feral Maintenance	0	0	0	0	0	0	0	0
Insurance								
75015 Property Damage	2,431,206	4,100,275	2,008,079	4,016,158	(84,417)	0	0	0
75020 General Liability	37,800	43,528	21,862	43,745	257	0	0	0
75025 Umbrella Liability	36,945	40,898	10,634	37,208	(3,690)	0	0	0
75030 Directors & Officers	20,363	21,788	10,762	21,525	(263)	0	0	0
75040 Short-Term Claims	20,682	22,523	11,433	22,865	302	0	0	0
75045 Mutual Shared Deductible	0	72,000	0	0	(72,000)	0	0	0
75050 Insurance Recoveries	0	(250,832)	0	0	250,832	0	0	0
75060 Uninsured Loss Expense	0	239	239	478	478	0	0	0
75065 Insurance Fire Damage	0	10,000	0	0	(10,000)	0	0	0
75070 Insurance Fire Damage 2	0	0	0	0	0	0	0	0
Total Insurance	3,247,545	4,620,480	2,107,082	4,167,196	(121,422)	0	0	0



FIRST WALNUT CREEK MUTUAL

First Walnut Creek Mutual
2024 Budget
Comparison to 2022 Actual, 2023 Budget, and 2023 Forecast

	Operating Fund				Business Fund				2023 Forecast Over/Under Budget	2023 Forecast	2024 Budget	2024 Budget
	2022 Actual	2023 Budget	2023 Forecast	2023 Over/Under Budget	2022 Actual	2023 Budget	2023 Forecast	2023 Over/Under Budget				
Utilities												
74000 Trash and Bicycle	0	302,004	149,150	294,300	5,720	300,004	0	0	0	0	0	0
74020 Solid Waste Disposal - Recycling Center	287,022	90,171	51,561	103,123	12,952	104,917	0	0	0	0	0	0
74010 Water	(101,240)	1,443,136	573,809	1,462,417	459	1,584,939	0	0	0	0	0	0
74015 Telephone	0	5,226	0	5,226	10	5,236	0	0	0	0	0	0
74005 P.U.&L.	0	184,274	68,119	184,239	2,943	153,444	0	0	0	0	0	0
74025 Water Reimbursement	0	0	0	0	0	0	0	0	0	0	0	0
Total Utilities	104,682	1,994,641	842,638	2,036,517	10,447	2,171,644	0	0	0	0	0	0
Professional Services												
74020 Local Council	66,293	60,000	45,805	91,410	31,419	99,095	0	0	0	0	0	0
74025 Audit & Tax Preparation	5,626	19,305	0	19,302	0	19,300	0	0	0	0	0	0
74024 Reserve Study	0	0	0	0	0	0	6,730	0	0	0	0	0
72010 Software Licenses	0	0	0	0	0	0	3,373	0	0	0	0	0
74000 Other Professional Services	15,573	54,000	0	55,000	15,000	55,000	0	0	0	0	0	0
77005 Total Professional Services	87,492	134,305	45,805	175,712	23,399	164,500	6,730	0	0	0	0	0
Other General and Administrative Expenses												
74015 Public Relations & Entertainment	105	0	0	0	0	0	0	0	0	0	0	0
74035 Postage & Delivery	4,735	4,700	7,451	14,100	10,403	15,000	0	0	0	0	0	0
74040 Printing & Reproduction	14,776	10,593	10,384	20,772	10,179	22,000	0	0	0	0	0	0
74043 Office Expense	74	0	184	372	372	1,000	0	0	0	0	0	0
74030 Office Equipment	0	0	0	0	0	0	0	0	0	0	0	0
74075 Bank Charges	0	0	0	0	0	0	0	0	0	0	0	0
74100 Bad Debt Expense	0	0	2,703	5,466	5,466	0	0	0	0	0	0	0
77004 Amortization Expense	0	0	0	0	0	0	0	0	0	0	0	0
77240 Miscellaneous Expense/ Settlement Expense	0	0	0	0	0	0	0	0	0	0	0	0
Total Other General & Administrative	21,381	14,293	20,654	41,718	26,450	30,000	0	0	0	0	0	0
Income Taxes												
80000 Federal Income Tax	101,566	0	0	0	0	0	0	0	0	0	0	0
80005 State Income Tax	0	0	0	0	0	0	0	0	0	0	0	0
Total Income Taxes	101,566	0	0	0	0	0	0	0	0	0	0	0
Total Mutual Expenses	4,824,546	9,014,210	3,989,629	10,493,987	46,858	12,670,445	3,336,810	4,014,000	1,624,895	3,272,944	1,971,084	5,207,753

FIRST WALNUT CREEK MUTUAL**5. Annual Reports****a. Treasurer's Report – Jean Autrey**

From a financial standpoint, 2023 is projected to be a good year. The forecast is that the Mutual will end up about \$66,000 under budget which is pretty impressive on a budget of 10.3 million dollars.

As Treasurer, I've focused on 2 areas - manor inspections and collecting past due amounts owed to the Mutual I'm happy to report that:

1. We have greatly reduced the number of residents who haven't had their inspections done. The list has gone from 2 pages to one-half page and we continue to aim for 100% compliance. Manor inspections are done annually and are a safety issue for both the resident and their neighbors.
2. We have collected \$172,000 of past due amounts. This represents \$7.60 per manor per month of working capital that we didn't need to raise to cover these unpaid amounts. The process is ongoing and I expect to reduce the outstanding balances even further.

b. 1st Vice President's Report – Pat Donahue

No report.

c. Secretary's Report – Jen Moreau

Moreau reported that she has been the Board's Secretary since July 2023. She has posted articles in Rossmoor News after Board of Directors (BOD) meetings. Agendas and Meeting Minutes are posted by the Thomas, Board Services Coordinator, on the website at:

- a. Link: www.rossmoor.com - Hover over For Residents tab, for drop down menu, then click Mutuals. Click First Mutual to access contacts, agendas, minutes, policy, etc.
- b. Answers to many resident questions are found in First Mutual's Policy, posted on the website and found under First Mutual, Governing Documents tab.

d. Budget and Finance Committee Report – Ann Prichard

The First Walnut Creek Mutual's Budget & Finance Committee's formation is codified in Article 13 of the First Mutual By-Laws (Pg. 29), a copy of which can be found on rossmoor.com Mutual link.

The Committee's mission is:

To monitor fiscal operations and make recommendations to the FWCM Board concerning the annual budget by:

- Review expenditure trends and exceptions for operation within the constraint of the annual coupon
- Spot long-range trends that will influence future budgets
- Receive from the Board of Directors any new and/or changing major plans and programs
- Work to answer or resolve Board of Directors; questions or problems concerning spending priorities
- Providing the Board of Directors with recommendations on spending priorities.

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- Pursue avenues that can help finance current and future Mutual operations as technical, physical, and legislative changes impact the Mutual and its Members as a whole.

To date this year, the Committee, at the request of the Board did:

- Completed a study and recommendation to the Board to change the format and provider of the Mutual's required Reserve Study
- Developed and completed description and documentation of the Mutual's management / operations profile, including its contractual relations with its multiple property management contractors.
- Discussed multiple budgetary challenges the Mutual faces re member use of the Mutual's common area electric outlets
- Worked with the Mutual Board to develop a realistic proposed 2024 Mutual Budget, given the challenges posed by current Mutual-wide operation costs, economic climate and insurance premium markets.

The Budget & Finance Committees welcomes new members and currently meets virtually on the 3rd Tuesday of each month at 3:00 p.m. Anyone interested in joining the Committee, please contact Ann Prichard at aprichard42@gmail.com.

e. Landscape Committee Report – Don MacGregor

The M1 Landscape Committee is an advisory committee to the M1 Board. Each of the five M1 Directors approves a District Representative to serve on the Landscape Committee, with a Board Liaison and Chairperson approved by the Board President. A representative of the landscape contractor, Brightview, as well as the MOD Landscape Manager also attend meetings.

The purpose of the committee is to monitor health, safety and appearance of our landscaped M1 Common Areas exclusive of GRF property. District Reps respond to their district member calls and requests, prioritizing maintenance needs and recommending projects through their own observation, evaluation and report at our monthly meetings.

The committee recommends priorities for landscape projects and budget. In 2023 the landscape committee prioritized People and Property Safety and recommended increased budget for hazardous tree removals. Another Priority is Irrigation Water Conservation. 2023 projects have covered or reduced lawns in many Entries. District Reps also manage expectations by communicating the scope of work for Mutual 1. Example plant palette and seasonal pruning schedules, tree removal and turf reduction.

As the Chair of the Committee, it is my goal to create a dynamic partnership between the MOD Landscape Director, Brightview and the Landscape Committee through collaboration and cooperation, by increasing the frequency and quality of our communication between MOD Landscape/Brightview and Landscape Committee members.

Don't know who your Landscape Rep is? Ask your District Rep. The Landscape Committee Mission Statement and 'Governing Documents per Davis-Sterling requirements' are available upon request. dmacgregor3@gmail.com.

LANDSCAPE CONTACTS QUICK REFERENCE SHEET

ISSUE	CONTACT	TIMING	COST
IRRIGATION Geysers, leaks, dry or wet spots in landscape	Work order desk 925-988-7650 or workorder@rossmoor.com	Within one to two business days	\$0
MAINTENANCE Pruning, mowing, weeds, leaf cleanup	Work order desk 925-988-7650 or workorder@rossmoor.com	At next maintenance visit (up to 4 weeks for non-urgent requests)	\$0
LAWN CARE Overseeding, weeds, mowing	Work order desk 925-988-7650 or workorder@rossmoor.com	Spring and Fall	\$0
TREE CARE Arborist inspection, pruning (excluding view pruning), removal	Work order desk 925-988-7650 or workorder@rossmoor.com	Varies Requested work is not guaranteed!	Varies <u>DIRECTOR APPROVAL NEEDED</u>
LANDSCAPE CHANGES OR ADDITIONS Rehab requests, installation of materials like mulch, plants, cobble	Landscape Representative	Varies Requested work is not guaranteed!	Varies <u>DIRECTOR APPROVAL NEEDED</u>
PLANT REPLACEMENT (one or two plants that have died, NOT rehab requests)	Landscape Reps can gather request, but residents can also submit requests to plantreplacement@rossmoor.com	Fall to Winter Plants are replaced in the cool season (IF qualified)	Needs approval
PRUNING FOR VIEW OR PREFERENCE	Form on landscape website www.rossmoor.com/landscaping	Any time	Resident billable
GENERAL LANDSCAPE INFORMATION Plant information, trails maps, services, pesticide information	Landscape Website- www.rossmoor.com/landscaping	Any time	N/A
POLICY INFORMATION	Rossmoor website under 'Mutuals' tab www.rossmoor.com/residents/mutuals/	Any time	N/A

FIRST WALNUT CREEK MUTUAL**f. Governance Committee Report – Paul Wright**

The Mutual 1 Governance Committee was chartered by the M1 board of directors in December, 2022, and has met monthly since then.

The Committee is responsible for identifying and establishing resources to help improve our mutual's board's "function and performance." A basic principle guiding the Governance Committee is that having a healthy and well-functioning board of directors contributes to having a healthy and well-functioning Mutual.

Accordingly, the Governance Committee reviews and recommend revisions to Mutual governing documents such as:

- a. Policies
- b. Restated Bylaws
- c. Occupancy Agreement
- d. CC&R's
- e. GRF Management Agreement (as needed)
- f. GRF Trust Agreement (as needed)
- g. Develop Architectural Control Standards if needed

The Committee is also charged with conducting board candidate and new Director Orientation and Education, as well as with monitoring HOA Governance resources, such as Community Associations Institute (CAI) resources found on the CAI website, HOA-related webinars, bringing to the Board's attention potential items of relevance to the Mutual.

So far, the Committee has been tasked with analyzing the Mutual's agreement for services rendered by the GRF/MOD; in March 2023, we submitted to the board our recommendations for revisions to enhance MOD performance. We are also: developing a more user-friendly list of Rossmoor phone numbers for M1 members; rethinking the orientation to Rossmoor for new and existing members; and reviewing the Mutual's alterations policy, both to enhance the alterations process and better serve the interests of the Mutual and its members.

The Governance Committee usually meets on the 4th Tuesday of each month, except when needed to fit Committee members' calendars. Guests are welcome to observe our meetings, as a way to familiarize themselves with what we do on behalf of M1.

Anyone interested in serving the Governance Committee should contact Paul Wright at pwright001@aol.com.

g. Capital Projects Committee Report – Young Chung

The Mutual 1 Capital Projects Committee was chartered by the M1 board of directors in December 2022 as a standing advisory committee and has met monthly since then.

The purpose of the Mutual Capital Projects Committee is to assess the capital projects needs of the Mutual, recommend prioritization of projects to the Mutual Board, develop options for Board consideration and recommend Mutual planning process for capital

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projects. The committee will recommend capital projects which impact both the Mutual Operations and Reserve budgets.

Accordingly, the Capital Projects Committee conducts activities to support the Mutual Board's planning and implementation of projects. The activities include:

1. Assess need for capital projects.
2. Prioritize capital projects over the next 10 years.
3. Develop options for project scope and project alternatives.
4. Propose recommended capital projects.
5. Report status of Committee and Sub-Committee work to Mutual Board
6. Provide capital project recommendations to key stakeholders.
7. Coordinate above responsibilities with Mutual Operations Division

We are the oldest of the Rossmoor Mutuals -- the buildings and infrastructure are showing their age. There are issues in many areas that the Mutual spends a lot of money to maintain, including the water supply lines, in-wall plumbing, sewage lines. There are other areas that impact on the safety and welfare of our residents. The Committee's task is to evaluate our infrastructure and make recommendations on how best to address problems and prepare for the future needs of the Mutual.

So far, the Committee has been tasked with analyzing Mutual's electrical infrastructure needs and requirements for the future, including improvements required to meet fossil fuel reductions, aging electrical systems, and increasing EV charging needs. The Committee has developed plans to work with professional electrical consultants as well as MCE to help us reach our goals.

Based upon extensive problems that occurred over the past winter, the Committee has been focused on evaluating the storm drain and flooding control systems within Mutual. In coordination with MOD and the Landscape Department, the Committee is preparing recommendations for improvements in system maintenance and preparation procedures and upgrades to the storm drainage system.

The Capital Projects Committee usually meets on the 2nd Tuesday of each month, except when needed to fit Committee members' calendars. Guests are welcome to observe our meetings, to familiarize themselves with what we do on behalf of M1, and to provide input and concerns to the committee.

Anyone interested in serving on the Committee should contact Young Chung at yychung07039@gmail.com.

h. Social Engagement Committee Report – Jean Autrey

The purpose of the temporary Social Engagement Committee is to develop a long-term plan for the Board to use to encourage members to actively and constructively participate in the day-to-day issues of their entry, neighborhood and Mutual-wide matters.

To that end, we are researching some options to see if they are worth including as recommendations in our final report.

FIRST WALNUT CREEK MUTUAL**Option 1: Create Neighborhood Information Centers**

To obtain more viewpoints on this proposal, an article was placed in the Rossmoor news to elicit a response from members to the idea of creating Neighborhood Information Centers. The article ran in the 9/20/23 issue.

Option 2: Support More Neighborhood Informational Meetings:

The Committee is in the process of supporting a local “Meet Your Director” meeting for District One in late October. The purpose is to see if District Town Hall’s would be effective.

The Committee is discussing additional proposals and may choose to investigate them in detail in the coming weeks.

Note: The Committee now has 3 members and a board liaison. There is no Chairperson.

6. President’s Report**a. 2023 Challenges and Accomplishments****Challenges**

1. End of year Storm Holiday off hours -members volunteered to dig out drains, channels, build barriers with sandbags
2. Standardizing Board documentation – proposals, charters
3. Keeping up with operations challenges, MOD, GRF staff changes
4. Managing financials with late reporting
5. Board orientation for 3 new Directors
6. Communication remains a BIG Challenge – website solution?

Accomplishments

1. Chartered and recruited members for three new committees
2. Recruited chairs and fill two pre-existing standing committees
3. Drafted new Chartered for Architectural Control Committee ACC
4. Transitioned ten-year Planning committee workgroups
5. Including Workgroups into Capital Project Committee
6. Capital Projects Committee developed Project Priority criteria and ranked projects and proposed project ranking
7. Capital Projects Committee developed electrical infrastructure RFP
8. Governance Committee analyzed G R F Management Agreement presented to Board
9. Budget & Finance Committee analyzed Facilities Associate, Inc. (FAI) offering for Mutual Reserve Study and recommended transitioning to FAI
10. Budget & Finance Committee completed the Mutual’s Management documentation and digitized it
11. Standardized Board proposal format
12. Launched inspection phase of Clean Carport Inspection
13. Participated in GRF/Presidents’ Forum Insurance Task Force
14. Participated in Presidents’ Forum workgroup on GRF metrics
15. Prepared input for GRF Jenark Replacement Project requirements for operations and Financial improvement

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16. Joint Board & Budget & Finance meeting to prepare scenarios for budget planning and budget review with MOD
17. BOD has yet to set objectives for next year

7. Manager's Report

Wright reported Staff has been having budgets with Mutuals daily, preparing approximately 44 budgets on an annual basis. It is anticipated to be completed by October 31, 2023.

Firewise Program – The Committee has been formed with the first meeting on October 24, 2023. The goal for the meeting is to start working on the three-year action plan. Once developed, it will be submitted to the National Fire Protection Association to get recognition for 2024. Mulch will be replaced with non-flammable mulch and possible plant removal to decrease the continuity of shrubs.

Insurance is the hot topic at this time with an anticipated high premium increase. Gallaher Insurance, along with many underwriters, recently visited Rossmoor to get a better understanding of the site.

8. Members' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included: electrical subpanels in Entry 2 are being replaced, firewalls will be installed in the attics and on the patio of the rear veranda of the G11 buildings, which is a seasonal job done in the cooler weather, total coupon increase was approximately 19%, but the budget needs to be reviewed again, it was asked if the Board demands a level of excellence from Staff; GRF has not been able to provide a stable accounting department, having high turnover, suggested hiring a third party accounting firm with expertise in the area, and the CFO does not attend meetings, remodel reviews and standardizing remodels is needed, policies are continually not followed with construction work on manors, it was asked if the coupon could be less for a single person resident than a multifamily resident, Governance Committee meeting will be October 16, 2023 at 2:00pm in Multipurpose Room 3.

9. Announcement

The next scheduled meeting will be the Board of Directors Regular Meeting held on Friday, October 27, 2023 at 10:00 a.m. at the Event Center in the Donner Room.

10. Adjournment

There being no further business, the Annual Membership Meeting was adjourned at 12:34 p.m. The Board moved into Executive Session.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes.

Victoria Thomas