

WHITNEY OAKS COMMUNITY ASSOCIATION
MINUTES OF THE GENERAL SESSION BOARD OF DIRECTORS MEETING
HELD April 21, 2010 AT 6:00 P.M.
Whitney Oaks Golf Club, Rocklin, CA

CALL TO ORDER: The meeting was called to order at 6:00 p.m.

DIRECTORS PRESENT: Chris Eatough, Ken Morrow, Stan Laderman, Eva McLain and Leon Schoenfeld – Quorum Met

DIRECTORS ABSENT: None

ALSO PRESENT: Monique Gardner of Kocal Management Group and a number of Association Members.

The Board met in executive session on March 30 and April 21, 2010 to discuss legal matters, contracts, and disciplinary action.

APPROVAL OF THE MINUTES: *A motion was made by Director McLain, seconded by Director Morrow to approve the minutes of the general session Board Meeting of March 17, 2010 All in Favor. Motion Passed.*

MANAGERS REPORT: Monique Gardner gave her manager's report in writing to the Board, which included a site review summary.

COMMITTEE REPORTS:

Architectural Review Committee: Bonnie Laderman – Gave a report on how many applications were approved or denied for the month of April.

Landscape Committee: The committee reported to the Board that they have been working on the Vivien Way landscape plan and the Orchard area, in which they plan to remove two thirds of the grass and add water tolerant plants. They are contacting vendors to see if they can get drought tolerant plants for free. They have a few other areas that they would like to look into such a Pheasant Lane and Vivien Way and they are looking at coming up with a signature WOCA plant that will be planted throughout the community.

Finance Committee: No Report

Financial Reports: The CFO passed out his accounting of the financial report (attached) Also, given to the Board is a copy of the managements accounting, that is available for review by all homeowners.

A. **Resolution for delinquent accounts:** *On a motion made by Director Laderman and seconded by Director Schoenfeld, the Board agreed by unanimous consent the following:*

In accordance to Civil Code 1367.1 the Board of Directors hereby authorized and instructs the Association's collection service to record a lien in the full amount of unpaid assessments, late charges, interest, and collection fees and costs against that property owned by the member(s) listed on the association's delinquency report dated March 30, 2010 and who are, or become, delinquent beyond 60 days. This authorization shall only apply to those members who have been properly noticed of their delinquent assessment and of their rights as delinquent members in accordance to Civil Code 1367.1. The Board further authorizes any director to sign and date any and all lien authorization forms as may be required for those delinquent members so noted in these minutes as identified by their association account number (report attached)

ACTION ITEMS:

- a. **Year end review:** The Board reviewed the year end review that was prepared for them by their CPA. *A motion was made by Director McLain, seconded by Director Laderman to approve the year end review as prepared by the Association's CPA and mail it out to all homeowners.*

At this time the Board discussed the motion. Ken Morrow read from a statement that he had prepared as to why he would not approve the financial statements, he has asked for this statement to be entered into the minutes in its entirety. That statement reads: Basis for Refusal to Approve the WOCA 2009 Financial Statement

I withhold my approval of the 2009 reviewed financial statements on the basis that my advisor on accounting matters has notified me that they do not conform to generally accepted accounting principles (GAAP). In addition to the erroneous accounting for litigation-related expenses, there are a number of other errors and inadequate disclosures in the financial statements. The accountants that performed the review apparently rely exclusively on input from Kocal Management Group, Inc. and its employees (Kocal). Kocal is contractually obligated to keep the Association's accounting records in conformity with GAAP.

Because of the nature of the errors in the financial statements, I have concluded that Kocal, as well as the legal and accounting consultants engaged by the Association to advise the Board on accounting matters, lack the required knowledge of GAAP. Furthermore, they have previously indicated their lack of intent to correct certain errors. I therefore refuse to approve the 2009 financial statements as presented.

I request that this statement be entered in its entirety into the minutes of this meeting. Leon Schoenfeld commented that he gave the CPA input regarding the financials but did not hear back from them.

All in favor: Yes- S. Laderman, E. McLain and C. Eatough.

No: K. Morrow

Abstain: L. Schoenfeld

Motion passed

- b. **Landscape Bids:**

- **Water audit-repairs:** The Board discussed the water audit bid as provided by the landscape company. The Board would like management to go back to the landscape company and get a detailed bid
- **Bark Mariella and Clubview:** *A motion was made by Director Schoenfeld, seconded by Director Laderman to approve the bids to add bark to the two areas on Mariella and Clubview Court's. All in favor, motion passed.*
- **Vivien Way – Trail Side Bids:** *The Board reviewed the bids for the trail side of Vivien Way. A motion was made by Director Eatough, seconded by Director Schoenfeld to approve the bid from Old Village Landscaping and ask for a credit for the plants, included in the bid, so that the landscape committee can use that credit to buy special watered plants. All in favor: Yes – C. Eatough, S. Laderman, K. Morrow and L. Schoenfeld. No – E. McLain. Motion passed.*

- c. **Doggy Pots on the trails:** The Board reviewed the bids to install 13 Doggie Pots on the trails as per the landscape committee's request. *A motion was made by Director McLain, seconded by Director Laderman to buy the doggie pots for \$3500.00.* Discussion: The Landscape Committee reported that they wanted to re-look at where the doggie pots should go and that 13 seemed like too many. *Motion withdrawn.*

LIEN LANGUAGE FOR BOARD MINUTES

In accordance to Civil Code 1367.1 the Board of Directors hereby authorizes and instructs the Association's collection service to record a lien in the full amount of unpaid assessments, late charges, interest, and collection fees and costs against that property owned by the member(s) listed on the association's delinquency report dated March 31, 2010 and who are, or become, delinquent beyond 60 days. This authorization shall only apply to those members who have been properly noticed of their delinquent assessment and of their rights as delinquent members in accordance to Civil Code 1367.1.

The Board further authorizes any director to sign and date any and all lien authorization forms as may be required for those delinquent members so noted in these minutes as identified by their association account number:

See Attached

Aging Delinquency

Posted Date 03/31/2010

Whitney Oaks Community Association

<u>Acct #</u>	<u>Acct #</u>	<u>Acct #</u>	<u>Acct #</u>
467650	573033	467015	468730
593470	467639	467844	468066
467708	467687	467839	468706
616775	468644	507986	467628
588525	468681	468041	468720
467630	626327	467679	468005
468215	468592	585508	468528
468502	468111	467932	588467
592760	467447	468685	468254
466830	595172	468410	635846
468168	466546	468232	468412
468600	468762	467755	467677
467712	592344	468082	603487
628108	468451	468056	466938
467629	468192	468121	468205
468448	588958	468004	468288
468416	634824	468263	468575
468230	467847	468287	468639
468377	586454	468297	468599
468194	617961	468348	467917
467859	629501	468583	467681
468181	467877	468619	467829
468453	617349	640760	467689
468275	589916	468768	468002
468601	467924	468321	468050
636810	468129	588022	468417
595987	467909	605748	625502
468450	642822	468662	613482
467897	468063	468421	468723
624775	623515	468051	468366
468339	468775	467871	467905
593529	589918	467210	467646
503500	468698	466539	466703
503513	467033	466528	468210
467946	468755	468292	466930
468250	595169	593479	
466945	585501	637257	
505065	611698	637253	
468145	468483	611791	
637255	468073	621928	
468440	467685	592384	
467723	467694	467348	
467719	467770	467518	

WOCA CFO's Financial Report for March, 2010

This month	Cost Centers				Cost Centers Total	Cost Centers Total Budget	Variance favorable (unfav.)	Status
	1. General	2. Rec. Center	3. Unit 39	4. Unit 44				
Total Income	\$ 91,306	\$ 17,158	\$ 3,522	\$ 4,992	\$ 116,978	\$ 116,126	\$ 852	
Expenses:								
Administrative	\$ 23,357	\$ 1,269	\$ 56	\$ 123	\$ 24,805	\$ 26,845	\$ 2,040	
Contingency & Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Landscaping	\$ 13,197	\$ 445	\$ 1,184	\$ 1,747	\$ 16,573	\$ 22,753	\$ 6,180	
Pools	\$ -	\$ 1,106	\$ -	\$ -	\$ 1,106	\$ 2,621	\$ 1,515	
Repairs, Maintenance, Gate E	\$ 7,299	\$ 10,259	\$ -	\$ -	\$ 17,558	\$ 11,535	\$ (6,023)	Over
Utilities	\$ 5,301	\$ 1,516	\$ 131	\$ 538	\$ 7,485	\$ 10,568	\$ 3,083	
Reserve Provision & Int. Earn	\$ 35,643	\$ 1,678	\$ 1,105	\$ 1,465	\$ 39,892	\$ 41,803	\$ 1,911	
Total Expenses	\$ 84,797	\$ 16,273	\$ 2,477	\$ 3,873	\$ 107,419	\$ 116,125	\$ 8,706	
Net Income	\$ 6,509	\$ 885	\$ 1,045	\$ 1,119	\$ 9,559	\$ 1	\$ 9,558	

Year-to-date	Cost Centers				Cost Centers Total	Cost Centers Total Budget	Variance favorable (unfav.)	Status
	1. General	2. Rec. Center	3. Unit 39	4. Unit 44				
Total Income	\$ 289,719	\$ 51,478	\$ 10,569	\$ 14,978	\$ 366,744	\$ 348,377	\$ 18,367	
Expenses:								
Administrative	\$ 63,411	\$ 4,189	\$ 169	\$ 1,355	\$ 69,124	\$ 80,535	\$ 11,411	
Contingency & Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Landscaping	\$ 39,665	\$ 1,335	\$ 3,553	\$ 5,241	\$ 49,794	\$ 68,259	\$ 18,465	
Pools	\$ -	\$ 3,135	\$ -	\$ -	\$ 3,135	\$ 7,863	\$ 4,728	
Repairs, Maintenance, Gate E	\$ 18,817	\$ 23,131	\$ -	\$ -	\$ 41,948	\$ 34,606	\$ (7,342)	Over
Utilities	\$ 16,896	\$ 4,658	\$ 380	\$ 807	\$ 22,741	\$ 31,705	\$ 8,964	
Reserve Provision & Int. Earn	\$ 122,726	\$ 5,040	\$ 3,318	\$ 4,396	\$ 135,480	\$ 125,410	\$ (10,070)	
Total Expenses	\$ 261,514	\$ 41,489	\$ 7,420	\$ 11,799	\$ 322,222	\$ 348,378	\$ 26,156	
Net Income	\$ 28,205	\$ 9,989	\$ 3,149	\$ 3,179	\$ 44,522	\$ (1)	\$ 44,523	

Notes:

- Repairs, Maintenance and Gate Expense:
For March, expenses exceed the budgeted amount by 52.2%
For Year to date, expenses exceed the budgeted amount by 21.2%
- Budgeted amount is calculated per month and is not weighted for seasonal expense increases such as landscape, pools and utilities.