



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION

BUSINESS MEETING MINUTES

February 1, 2011 - 5:00 p.m.

The Gables, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 5:02 p.m.
- II. **ROLL CALL:**
 - a. **DIRECTORS PRESENT:**

Chris Eatough	President
Stan Laderman	Vice President
Eva McLain	Secretary
Leon Schoenfeld	Treasurer
Julie Stadel	Director
 - b. **ALSO PRESENT:** Julia Plummer, Association Manager, Kocal Management Group and Bill Twelker of the Finance Committee.
- III. **APPROVAL OF MINUTES:** *Upon a motion duly made and seconded (Eva McLain/ Stan Laderman) and unanimously carried, the minutes of the January 19, 2011 meetings were approved as submitted.*
- IV. **MANAGER'S REPORT:** Julia Plummer, the Association Manager gave an update to all in attendance of the current activities of the association including:
 - a. The status of all outstanding proposals (insurance, pool resurfacing, street repairs, pool maintenance, grazing, and brass sign replacement).
 - b. A reminder of the Kocal Management Group sponsored Board of Directors Training.
- V. **OLD BUSINESS:**

Investments: Having received information and advice from several sources, the Board discussed the association investment portfolio and revisited the concerns with association reserve funds being held in municipal bonds.

Treasurer Leon Schoenfeld read the written Whitney Oaks Community Association Investment Policy Statement at the meeting regarding the designated Goals & Objectives: First--which stated "Promote and assure the preservation of the reserve fund's principal"... and fourth:--"Achieve long-term investment performance that exceeds inflation by 1-3% on a net after-tax basis." Leon Schoenfeld also stated that nowhere in the Policy Statement does it provide for making money with the reserve funds; "the policy states that the preservation of the funds is the first priority and that is what was done by the Board".

- a. A motion was made and seconded (Chris Eatough/Stan Laderman), that the association continues with their current investments with USB as recommended by the Association's Investment Advisor Paul Cutter, and to ask Paul his opinion on the bonds that mature beyond 15-years (whether they should be sold per the letter prepared by Stan Laderman's financial advisor) and whether Paul's opinion on the security of bonds with schools in California changed after having heard the Governor's State of the State speech. On a vote of 2/3, Chris Eatough & Stan Laderman (aye), Eva McLain, Leon Schoenfeld & Julie Stadel (nay), the motion failed.
- b. A motion was made and seconded (Julie Stadel/Leon Schoenfeld) that the association sell all municipal bonds and invest in something safe until the Board feels comfortable investing in bonds again. The Board had a lengthy discussion about selling the bonds, and Bill Erikson from the Finance Committee was present to read a report he had received about the stability of bonds (that some had failed with no notice to the investors). Chris Eatough stated that he felt selling the bonds was irresponsible as it goes against the association's financial advisor's recommendation and Stan Laderman stated that the Board should find out how much the association will lose if the bonds are sold prior to maturity. On a vote of 3/2 Eva McLain, Leon Schoenfeld & Julie Stadel (aye), Chris Eatough & Stan Laderman (nay) the motion passed to sell all of the municipal bonds.

VII. NEW BUSINESS: None


VIII. OPEN FORUM: No homeowners were present to address the Board during the open forum.

IX. ADJOURNMENT: There being no further item of business to discuss and upon a motion duly made and seconded (Stan Laderman/ Eva McLain) and unanimously approved, the meeting was adjourned at 7:12 p.m.
The next Board of Directors meeting will be February 16, 2011 at 6:00 p.m. at the Whitney Oaks Golf Club.

During the Executive Session of the February 1, 2011 Board of Directors meeting the following was discussed:

- a. Lawsuit Update
- b. Authorization to Foreclose
- c. Homeowner Fines for Non-Completion of Construction
- d. General Discussion/Personnel Matters

ATTEST:


Chris Eatough, President

2/23/2011
Date

I, Eva McLain, the Secretary of the Whitney Oaks Homeowners Association, do hereby certify that the foregoing is a true and correct copy of the Minutes of the Whitney Oaks Board of Directors Meeting held on February 1, 2011 as approved by the Board Members in attendance of a duly noticed Board meeting.


Eva McLain, Secretary

2/23/2011
Date