



WHITNEY OAKS COMMUNITY ASSOCIATION
FINANCE COMMITTEE MEETING MINUTES
October 1, 2015 – 3:30 P.M.
The Oaks, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 3:30 P.M. by Finance Committee Chairman Bill Jarrett. This is the “September” meeting.
- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:** Don Biddle, Tyler Price and Bill Erickson, committee members, were present, as well as Rick Jordan and Bonnie Laderman, of the Board of Directors, and Vicky Langer with The Management Trust, Kocal Division.
 - I. **MINUTES**
The minutes of the August 27, 2015 Finance Committee Meeting were unanimously approved.
 - II. **FINANCIAL REPORTS**
 - A. **Operating Budgets:** Bill Jarrett reviewed proposed notes and a sample analysis from the 2014 Springfield budget mailing with the members present. Management will add a column with the budgeted amounts from 2015 and will incorporate the comments into the budgets for this coming year. This will be reviewed by the committee prior to mailing to all homeowners.
 - B. **Comparative Income Statements and Balance Sheets:** The committee reviewed these financial reports for the month ending August 31, 2015. It was noted that legal costs are over budget year to date.
 - C. **Cash & Investments:** Don Biddle reviewed his Cash and Investments report for the month ending 8/31/15. The year to date annualized return is 3.17%.
 - D. **Planned Expenditures:** Management’s Reserve Projects and Anticipated Expenditures spreadsheet was distributed.
- III. **ADJOURNMENT:** There being no further item of business to discuss, the meeting was adjourned at 5:25 P.M. The next Finance Committee Meeting will be on October 29, 2015 at 3:30 p.m. at the Gables in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer

VI. **ADJOURNMENT**: There being no further items of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 4:30 P.M. The next Finance Committee Meeting will be the on January 28, 2016 at 3:30 p.m. at the Oaks in Springfield: 2801 Springfield Blvd., Rocklin, CA.



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES

October 29, 2015 – 3:00 P.M.
The Oaks, Rocklin, CA

I. **CALL TO ORDER:** The meeting was called to order at 3:30 P.M. by Finance Committee Chair, Bill Jarrett.

II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:**
The following people were in attendance, unless noted absent:

Committee Chair	Bill Jarrett	
Committee Member	Don Biddle	
Committee Member	Bill Erickson	
Committee Member	Bill Twelker	
Committee Member	Tyler Price	Absent
Board Member	Rick Jordan	
Board Member	Bonnie Laderman	
UP Capital Mgmt	Anton Bayer	
The Management Trust	Vicky Langer	

III. **UP CAPITAL – QUARTERLY UPDATE**
Anton reviewed market conditions and influences as well as the UP Capital Management “Performance and Income” Reports.

IV. **MINUTES**
The minutes of the October 1, 2015 Finance Committee Meeting were unanimously approved.

V. **FINANCIAL REPORTS**
The committee reviewed the Comparative Income Statements and Balance Sheets for month ending September 30, 2015. The Association has spent \$29,682 over budget year to date but has brought in \$15,205 income more than expenses. Don reviewed his Bad Debt, Cash & Investments report. Management was requested to open up two new Money Market accounts at Wells Fargo and to transfer \$50,000 from each of the cost centers at Pacific Western Bank to the corresponding Wells Fargo accounts. Vicky’s Reserve Projects and Anticipated Expenditures sheet was reviewed.



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES August 27, 2015 – 3:30 P.M. The Oaks, Rocklin, CA

I. **CALL TO ORDER**: The meeting was called to order at 3:35 P.M. by Finance Committee Chairman Bill Jarrett.

II. **DIRECTORS & COMMITTEE MEMBERS PRESENT**: Don Biddle and Bill Erickson, committee members, were present, as well as Rick Jordan and Bonnie Laderman, of the Board of Directors, and Vicky Langer with The Management Trust, Kocal Division.

I. **MINUTES**

The minutes of the July 23, 2015 Finance Committee Meeting were unanimously approved. These were also approved by the Board of Directors as a quorum of the Board was present.

II. **FINANCIAL REPORTS**

A. **Comparative Income Statements and Balance Sheets**: The committee reviewed these financial reports for the month ending July 31, 2015.

B. **Cash & Investments**: Don reviewed his Cash and Investments report for the month ending 7/31/15. Recent huge drops in the market have impacted the Association's investment funds minimally.

C. **Planned Expenditures**: Vicky's Reserve Projects and Anticipated Expenditures spreadsheet was distributed.

D. **Operating Budgets**: The committee reviewed the proposed draft operating budgets for the four cost centers for the 2016 fiscal year. Changes were made and a second draft will be reviewed by the Board of Directors at its 9/2/15 meeting. Increases in assessments will be proposed as follows:

Cost Center #1	Streets/Gates	\$2.00 per month	\$53.00/month
Cost Center #2	Rec Center/Security	\$1.00 per month	\$19.00/month
Cost Center #3	Unit 39	\$5.00 per month	\$131.00/mo.
Cost Center #4	Unit 44	\$4.00 per month	\$77.00/month

III. ADJOURNMENT: There being no further item of business to discuss, the meeting was adjourned at 5:25 P.M. The next Finance Committee Meeting will be the on October 1, 2015 at 3:30 p.m. at the Gables in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION BOARD & FINANCE COMMITTEE MEETING MINUTES July 23, 2015 – 3:00 P.M. The Oaks, Rocklin, CA

I. **CALL TO ORDER:** The meeting was called to order at 3:30 P.M. by Finance Committee Chair, Bill Jarrett.

II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:**
The following people were in attendance, unless noted absent:

Committee Chair	Bill Jarrett	
Committee Member	Don Biddle	
Committee Member	Bill Erickson	
Committee Member	Bill Twelker	Absent
Committee Member	Vacancy	
Board Member	Rick Jordan	
Board Member	Bonnie Laderman	
Board Member	Sharon Theofelis*	
UP Capital Mgmt	Anton Bayer	
UP Capital Mgmt	Eric Savell	
Homeowner	Tyler Price	
Homeowner	Harry Cohen*	
The Management Trust	Vicky Langer	

* Left After UP Capital Presentation

III. **UP CAPITAL – QUARTERLY UPDATE**

Anton and Eric reviewed market conditions and influences as well as the UP Capital Management “Performance and Income” Reports. Year-to-date returns are -0.78% and since inception are 10.88% cumulative (net after all fees). Anton reviewed the strategy that will be used as/when interest rates rise. It was noted that at the suggestion of the committee \$100,000 was taken from the Goldman Sachs Strategic Income Fund and \$100,000 was taken from the money market accounts to fund reserve project expenses incurred by the Association.

IV. MINUTES

The minutes of the June 25, 2015 Finance Committee Meeting were unanimously approved.

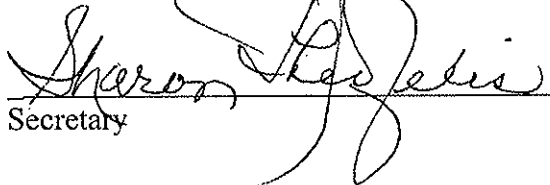
V. FINANCIAL REPORTS

The committee reviewed the Comparative Income Statements and Balance Sheets for month ending June 30, 2015. The Association is within budget for the first half of the year. Vicky's Reserve Projects and Anticipated Expenditures sheet was reviewed. It was noted that administrative expenses were over budget for June and a detailed GL for this category was requested.

Budgets: Management will arrange a meeting for the Finance Committee to review draft budgets in August before the regular Finance Committee Meeting. Board Members will be invited to attend the regular Finance Committee Meeting to go over the draft budgets with the committee.

VI. ADJOURNMENT: There being no further items of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 4:59 P.M. The next Finance Committee Meeting will be the on August 27, 2015 at 6:30 p.m. at the Oaks in Springfield: 2801 Springfield Blvd., Rocklin, CA.

I, Sharon Theofelis, 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 July 23, 2015 as approved by the Board Members in attendance of a duly noticed Board meeting.


Secretary

Oct. 7 2015
Date



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES June 25, 2015 – 3:00 P.M. The Oaks, Rocklin, CA

- I. **CALL TO ORDER**: The meeting was called to order at 3:40 P.M. by Finance Committee Chairman Bill Jarrett.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT**: Don Biddle and Bill Erickson, committee members, were present, as well as Rick Jordan, Bonnie Laderman, and Sharon Theofelis of the Board of Directors, and Vicky Langer with The Management Trust, Kocal Division.
 - I. **MINUTES**
The minutes of the May 28, 2015 Finance Committee Meeting were unanimously approved.

 - II. **FINANCIAL REPORTS**
 - A. **Comparative Income Statements and Balance Sheets**: The committee reviewed these reports for the month ending May 31, 2015.

 - B. **Cash & Investments**: Don reviewed his Cash and Investments report for the month ending 5/31/15.

 - C. **Planned Expenditures**: Vicky's Reserve Projects and Anticipated Expenditures spreadsheet was reviewed and upcoming/ongoing projects were discussed. Only one item was added since the previous month.

- III. **ADJOURNMENT**: There being no further item of business to discuss, the meeting was adjourned at 4:10 P.M. The next Finance Committee Meeting will be the on July 23, 2015 at 3:30 p.m. at the Gables in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES May 28, 2015 – 3:00 P.M. The Oaks, Rocklin, CA

- I. **CALL TO ORDER**: The meeting was called to order at 3:40 P.M. by Finance Committee member Don Biddle.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT**: Don Biddle and Bill Erickson, committee members, were present, as well as Rick Jordan of the Board of Directors, and Vicky Langer with The Management Trust, Kocal Division. A quorum was not reached.

- I. **MINUTES**
The minutes of the April 30, 2015 Finance Committee Meeting were unanimously approved.

- II. **FINANCIAL REPORTS**
 - A. **UP Capital Recommendations**: It will be left up to the investment advisors how to reduce the Association's funds when they are needed for reserve projects.

 - B. **Comparative Income Statements and Balance Sheets**: The committee reviewed these reports for the month ending April 30, 2015. It was noted by Don that the balance sheet has been better organized to show line item account activity in each cost center. Year-to-date the Association has brought in approximately \$19,000 more than budgeted and spent approximately \$57,000 less than budgeted.

 - C. **Cash & Investments**: Don reviewed his Cash and Investments report for the month ending 4/30/15.

 - D. **Planned Expenditures**: Vicky's Reserve Projects and Anticipated Expenditures spreadsheet was reviewed and upcoming/ongoing projects were discussed.

 - E. **Investment Fund Strategy**: The WOCA Finance The committee asked management to relay the following suggestion to UP Capital Management: To look at Goldman Sachs strategic income fund and take the loss there (when liquidation of funds is needed, rather than taking a reduction across the board).

F. Referred Item: The Board of Directors had asked the committee to make a recommendation regarding a request from a Homeowner for an additional explanation to be mailed to Owners with the annual CPA report outlining the manner in which investment purchases and sales are determined and the kind of oversight the Board performs. The Finance Committee members present did not think that any additional explanation should be mailed to all owners with the annual CPA report.

G. Reserve Study: The draft studies for the four cost centers were reviewed. The committee approved the draft which will now go to the Board.

H. Miscellaneous:

- **Dead Wood:** Management was asked to find out whether dead wood can be removed from the open spaces and to see if someone who wanted to remove the wood at no charge to the Association could be found. If permissible, it was suggested that the Landscape Committee be asked to look at the open spaces on an annual basis and make recommendations with regard to dead limbs and/or trees.
- **Committee Vacancy:** Something will be put in the newsletter regarding an opening on the Finance Committee.
- **Operating Budget:** Management will draft operating budgets for review at the June or July Finance Committee Meeting.

III. ADJOURNMENT: There being no further item of business to discuss, the meeting was adjourned at 4:10 P.M. The next Finance Committee Meeting will be the on June 25, 2015 at 3:30 p.m. at the Gables in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES

April 30, 2015 – 3:00 P.M.
The Oaks, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 3:30 P.M. by Finance Committee Chair, Bill Jarrett. The meeting Agenda was published as a Board Meeting but a quorum was not achieved.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:** Bill Jarrett (Chair), Don Biddle, Bill Erickson, and Bill Twelker, committee members, were present. Bonnie Laderman and Rick Jordan of the Board of Directors were present. Vicky Langer with The Management Trust, Kocal Division, and Anton Bayer, with UP Capital Management, were also present.

- I. **UP CAPITAL MANAGEMENT PRESENTATION**
Anton Bayer distributed a written report for the quarter ending 3/31/15. A correction will be made to the Performance and Income Report and it will be re-distributed. Current annualized dividend yield is $-.18\%$. The Goldman Sachs Strategic Income fund is being closely monitored and seems to be stabilizing. Anton and the members present reviewed a proposed revised investment program agreement and the changes. The company prospectus is being sent out soon which also has some changes including the removal of wrap fee, added two private equity funds,

- II. **MINUTES**
The minutes of the March 26, 2015 Finance Committee Meeting were unanimously approved.

- III. **FINANCIAL REPORTS**
 - A. **Financial Reports:** The committee reviewed the Comparative Income Statements and Balance Sheets for the month ending March 31, 2015.

 - B. **Review March 2015 Financial Reports:** Management was asked to have the \$210,000 spent on reserve items (drainage repairs) out of an operating money market account repaid by TD Ameritrade reserve funds.

 - C. **Planned Expenditures:** WOCA is planning to spend about \$635k from the TD Ameritrade Accounts (in addition to the recently spent \$200k) this year.

Recommendations regarding where should we get the money for this year's projects will be requested from UP Capital Management.

D. Questions/Follow Up: Management was asked to find out what the \$3,800.50 credit shown on the financial reports under line item 71999 (bad debt) was for and let the committee members know. Additionally, management was asked to find out when the approximately \$200k that was spent from operating on reserve drainage work will be paid back to the operating money market account. Thirdly, UP Capital will be asked from which funds the \$635k needed for upcoming projects should be taken.

E. Year-End Adjustments: Don reported on the year-end adjustments he worked with the CPA to make and reviewed his reports, including a general analysis and a spreadsheet on bad debt, cash and investments, with those present.

IV. ADJOURNMENT: There being no further item of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 4:50 P.M. The next Finance Committee Meeting will be the on May 28, 2015 at 3:30 p.m. at the Gables in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION BOARD & FINANCE COMMITTEE MEETING MINUTES

February 26, 2015 – 3:00 P.M.

The Oaks, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 3:00 P.M. by Finance Committee Chair, Bill Jarrett.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:** Bill Jarrett (Chair), Don Biddle, Bill Erickson, and Bill Twelker, committee members were present. Bonnie Laderman, Shron Theofelis, Eva McLain and Rick Jordan of the Board of Directors were present. Vicky Langer with The Management Trust, Kocal Division was also present.

- III. **UP CAPITAL – OPENHEIMER STEELPATH FUND**
Don Biddle reviewed a spreadsheet showing the losses that would have been mitigated had UP Capital sold the Openheimer SteelPath fund at the 6% loss point from the recent highest share price, which should trigger sale of the shares in that fund. The committee reviewed their concerns about this action with the Board. The reasons given and expectations were discussed. After private discussion, Anton Bayer, the Portfolio Manager, entered the meeting. He explained the volatility during that time and why he made the decisions he made. The 6% trigger is not automatic. He agreed that it should have been sold and explained the rationality in not selling it then and agreed to stick to the 6% rule in the future. Recent fee structure changes were also discussed. A notice was sent out in January regarding the changes but the notice did not go to management. TD Ameritrade closed the accounts, transferred the positions and created a new account number as part of implementing the change. Since the contract says the fees will be included, an amendment is appropriate and will be proposed to the Board of Directors. The impact is approximately \$200 per year. Anton was thanked for his openness and honesty. Expectations for returns in 2015 were discussed. It was requested that the \$200k that was moved to TD Ameritrade to lower the amounts at Pacific Western Bank be moved internally back into a CD.

- IV. **MINUTES**
The minutes of the January 22, 2015 Finance Committee Meeting were unanimously approved.

V. **FINANCIAL REPORTS**

The committee reviewed the Comparative Income Statements and Balance Sheets for the month ending January 31, 2015. The Association is within budget for the first month of the new fiscal year. Due to late receipt of financial reports from management, Don Biddle will present his investment report at the March meeting.

Wetlands Conservancy Reporting: The members present suggested the Board of Directors consider appointing a Liaison from the Association to attend Wetlands Conservancy meetings.

VI. **ADJOURNMENT:** There being no further item of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 4:45 P.M. The next Finance Committee Meeting will be the on March 26, 2015 at 6:30 p.m. at the Oaks in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES

October 30, 2014 – 3:00 P.M.

The Oaks, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 3:00 P.M. by Finance Committee Chair, Bill Jarrett.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:** Bill Jarrett (Chair), Don Biddle, Bill Erickson, committee members were present. Bonnie Laderman and Rick Jordan of the Board of Directors were present. Vicky Langer with The Management Trust, Kocal Division was also present.

- III. **UP CAPITAL MANAGEMENT PRESENTATION**
Anton Bayer and Eric Savell, of UP Capital Management, gave reports. Anton gave a report on recent market conditions. From the peak of Sept 19th there has been a 9% drop in the stock market in the last 40 days, highlighting the bond market. He highlighted the company's ability to protect the Association's funds and navigate through the bond market drop in spring and the stock market drop of the last 40 days. However the Association's fund value dropped less than 1%. Eric distributed performance and Income Reports and noted that through September 30th, the Association earned 3.9% after fees. He also distributed similar reports for 1/1/14 to 10/29/14 and noted that the Association earned 6.7% for 2014 to October 29th, and noted that the Association has, since UP Capital Management began handling the Association's funds in December of 2012, seen a return of 11.11%. Anton asked whether the community would be interested in hosting an investment and solar energy promotional and educational event or other types of events to add value. A detailed proposal will be sent.

- IV. **FINANCIAL REPORTS**
The committee reviewed the Comparative Income Statements and Balance Sheets for the month ending September 30, 2014.
 - A. **GL Report Detail:** Management was requested to provide GL reports for year to date on several line items 71080 "Governing Documents Re-Write", 71400 "Office/Admin. Expense", and 72585 " Misc. Repairs & Maint." and for account 73280 "Irrigation/Sprinkler" of Unit 44, and will email these to the committee members.

 - B. **Variance Column Consistency:** It was noted that some reports show the variance column numbers as a negative number and some show it as a positive number. Cost Centers 1-4 are set up so that it is a positive number when over

budget. However, the consolidated income statement report shows it as a negative number. The committee requested an explanation or that it be made consistent.

- C. Wetlands Conservancy Reporting:** The committee and board members present discussed their desire to see reporting from the Whitney Oaks Wetlands Conservancy (501c3) to which the Association pays an annual fee. The concern is whether Thunder Valley is paying their share of the wetlands maintenance costs and whether any work is being done. The Association is only responsible for 10% of the payments each year. It was decided that Bill Jarrett will talk to Garth Tanner regarding the matter.
- D. Balance Sheet Adjustments:** The goal is to move the wetlands and Unit 39 and 44 money out of TD Ameritrade accounts so that it is tracked accurately. Don will put together a written recommendation regarding moving funds around to clean up the balance sheet which will be given to the Board for review.
- V. ADJOURNMENT:** There being no further item of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 4:45 P.M. The next Finance Committee Meeting will be the on January 29, 2015 at 6:30 p.m. at the Oaks in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING MINUTES August 28, 2014 – 3:00 P.M. The Oaks, Rocklin, CA

- I. **CALL TO ORDER:** The meeting was called to order at 3:00 P.M. by Finance Committee Chair, Bill Jarrett.

- II. **DIRECTORS & COMMITTEE MEMBERS PRESENT:** Bill Jarrett (Chair), Don Biddle, Bill Twelker, and Bill Erickson, committee members were present. Vicky Langer with The Management Trust, Kocal Division was also present.

- III. **BUDGETS**
Bill Jarrett and the committee reviewed Draft #3 of the operating budgets with the other committee members. The committee approved the drafts for the four cost centers. The following increases were included, Cost Center 1 - \$2.00 increase per month, Cost Center 2 – No increase, Cost Center #3 (Unit 39) and Cost Center #4 (Unit 44).

Balance Sheet Adjustments: After discussing proposed balance sheet changes, it was the consensus of the committee was to put this on hold until the October meeting.

- IV. **FINANCIAL REPORTS**
The committee reviewed the Comparative Income Statements and Balance Sheets for the month ending July 31, 2014. Don reviewed his reports and highlighted that there was a major reserve expense last month for the bark replenishment project at approximately \$90,000. Interest earned year to date on investments is approximately 8.4%.

- V. **ADJOURNMENT:** There being no further item of business to discuss, upon a motion duly made and seconded, the meeting was adjourned at 3:31 P.M. The next Finance Committee Meeting will be the on September 25, 2014 at 6:30 p.m. at the Oaks in Springfield: 2801 Springfield Blvd., Rocklin, CA.

Prepared by Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

July 31, 2014

3:00 PM at the Gables

APPROVED

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:00 P.M. by committee chair Bill Jarrett. Other committee members present were Bill Twelker, Bill Erickson and Don Biddle. Also present were Eric Savell, UP Capital Management, Vicky Langer, TMT Kocal Management Division, and Bonnie Laderman and Rick Jordan, of the Whitney Oaks Community Association Board of Directors.
- II. **UP Capital Year-End Review:** Eric Savell reviewed the UP Capital Performance and Income Report for 1/1/14-6/30/14. He highlighted that the rate of return on the Association's investments for the year to date is 5.98%. The presentation was followed by a question and answer period. Eric recommended that two Finance Committee members be authorized access on an Inquiry level and two Board Members be given access on a higher level. A market "pull back" is expected in 2016. Eric left the meeting after this portion.
- III. **Previous Meeting Minutes:** The minutes of the June 26, 2013 Finance Committee Meeting were approved as corrected.
- IV. **Review of June 2014 Financials:** Bill Jarrett reviewed the financial reports provided by The Management Trust, Kocal Division, for the month ending 6/30/14 with the other members present, including budget comparison reports, and a consolidated comparative income statement. The association is under budget by approximately \$33,000 for the year to date.
- V. **Miscellaneous:** The following items were discussed:
 - A. **Signature Cards:** Eric Savell explained the different levels of access to the investment accounts, and suggested that some be granted "Inquiry Access" and some be granted a higher level of access (full signers). The Board will discuss this at the August 6th Board Meeting.
 - B. **Cash Flow – Latent Defect Project:** The members discussed the potential expenditure of approximately \$700,000 - \$900,000 for this project and agreed that there spending that all in one year or spreading it out over 2-3 years as noted in the reserve study would be fine.
 - C. **Reserve Fund Reporting Changes re: Cost Centers:** There are some dollar amounts in the TD Ameritrade accounts that belong to other cost centers. The committee agreed that the TD Ameritrade money should be 100% from the general account (cost center 1) and that money should be moved on the reports from line item 2000 on the balance

sheet to the respective cost center accounts. Specifically, the following amounts will be moved from line item 2000 (June reports):

- \$21,393.80 to line item 2010 – Unit 39
- \$22,830.43 to line item 2015 – Unit 44; and
- \$34,054.00 to a new MM account at Pacific Western Bank “Wetland Fund”

D. **CDs:** The committee requested that management ask Eric Savell to make sure the \$200k just sent to him is not part of Ameritrade and that no fees are earned by Up Capital for purchasing/managing the CDs.

E. **Wetlands Conservancy:** Whether the interest that accrues to the wetlands account belongs to that account was discussed. Don explained the “wetlands fund” (90% golf course and 10% WOCA wetlands). This is a non-profit charitable organization that submits reports to the Army Corps of Engineers. After a discussion it was decided that Don Biddle will look into this further.

F. **Meeting Adjourned:** The meeting was adjourned at 4:30 P.M. The next meeting will be held on Tuesday, August 19th at 2:00 p.m. at the Gables in Springfield to work on the draft budget. There will be no Finance Committee Meeting in November or December.

Prepared by: Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

June 26, 2014

3:00 PM at the Gables

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:00 P.M. by committee chair Bill Jarrett. Bill Twelker and Bill Erickson were also present, as well as Bonnie Laderman and Rick Jordan from the Board of Directors and Vicky Langer from The Management Trust, Kocal Division. Don Biddle was absent.
- II. **Previous Meeting Minutes:** The minutes of the May 29, 2014 Finance Committee Meeting were discussed and unanimously approved.
- III. **Review of May 2014 Financials:** The committee reviewed the financial reports provided by The Management Trust, Kocal Division, for the month ending 5/31/14, including budget variances as noted on the consolidated comparative income statement. The Association is approximately \$33,000 under budget year to date.
- IV. **Miscellaneous:** A special initial budget meeting will be set up and board members will be invited to attend. This will be in addition to the regular July and August finance committee meetings. It was requested that management include \$6,000 in the draft budget for street sweeping and double last year's amount for pool monitoring.
- V. **Reserve Study:** The Board reviewed a new draft reserve study for each of the four cost centers. Changes made at the last meeting were reviewed.
- VI. **Laddering CDs:** Bill Jarrett explained the committee's recommendation to move \$200,000 from Pacific Western Bank to CDs (laddered CDs) with Up Capital. Other changes to the balance sheet will be recommended as far as accounting categories.
- VII. **Meeting Adjourned:** The meeting was adjourned at 4:00 P.M. The next meeting will be held on Thursday, July 31, 2014 at 3:00 p.m. at the Gables in Springfield. There will be no Finance Committee Meeting in November or December.

Prepared by: Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

May 29, 2014

3:00 PM at the Gables

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:15 P.M. by committee chair Bill Jarrett. Bill Twelker was also present, as well as Vicky Langer from The Management Trust, Kocal Division.
- II. **Previous Meeting Minutes:** The minutes of the April 24, 2014 Finance Committee Meeting were discussed. A change was made and these minutes will be reviewed at the next meeting.
- III. **Review of April 2014 Financials:** The committee reviewed the financial reports provided by The Management Trust, Kocal Division, for the month ending 4/30/14, including budget variances as noted on the consolidated comparative income statement. The association came in under budget by approximately \$29,070 for the year to date. The timing of draft budget review was discussed. Vicky expects to have draft budgets to the committee at the July or August meeting. Board Members will be invited to attend the meeting at which the committee reviews the draft operating budgets for 2015. Don Biddle's Cash & Investments Schedule and Gains & Losses Schedule was reviewed by the members present. Bill Jarrett reported that things appeared to be in order.
- IV. **Review of Draft Reserve Studies**
The committee reviewed draft reserve studies for the four cost centers prepared by The Browning Reserve Group and made various changes. Management was requested to get and include costs for water efficiency upgrades (costs for both controllers and sprinkler heads) for Units 39, 44, pool areas, and common areas, and to get and include a break-down of the bark costs for each cost center. Management was also requested to include any proposed management fee increases in the first draft operating budgets. The committee will review the reserve studies once more before they Board is asked to approve them.
- V. **Meeting Adjourned:** The meeting was adjourned at 4:10 P.M. The next meeting will be held on Thursday, June 27, 2014 at 3:00 p.m. at the Gables in Springfield. There will be no Finance Committee Meeting in November or December.

Prepared by: Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

April 24, 2014

3:00 PM at the Gables

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:00 P.M. by committee chair Bill Jarrett. Other committee members present were Bill Twelker, Bill Erickson and Don Biddle. Also present were Eric Savell, UP Capital Management, Vicky Langer, TMT Kocal Management Division, and Bonnie Laderman and Rick Jordan, of the Whitney Oaks Community Association Board of Directors.
- II. **Previous Meeting Minutes:** The minutes of the February 27, 2014 Finance Committee Meeting were approved as drafted. A quorum was not achieved and no minutes were taken in March.
- III. **UP Capital Management Update**

Eric Savell gave a market update and explained market changes and influences for the first quarter update for 2014 and highlighted why being active in the market is important, including regular monitoring, adjusting when necessary, being informed, and navigating the market together. For the first quarter the Association saw a gain of 2.09%. The management costs are now reflected on the first page of the reports. He also made recommendations with regard to FDIC limits and CD offerings. Committee member had asked for input because more than the \$250,000 limit is in one institution (Western Pacific Bank). Don Biddle will put together recommendations regarding minimizing the amount of money at Western Pacific over the limits covered by FDIC. The S&P is up 1.46 % and the HOA is 2.65 % year to date. He reviewed treasury and money market rates which are .01% Eric explained that the main goal for the summer is to protect the Association's portfolio from possible/probable volatility. Eric commended the committee for its professionalism and working well together.
- IV. **Review of March 2014 Financials:** Don Biddle reviewed the financial reports provided by The Management Trust, Kocal Division, for the month ending 3/31/14 with the other members present. Don also provided a bad debt analysis, a report on cash & investments schedule, and a reserve fund analysis with the committee. It was noted that the Board of Directors reviewed and approved the draft financial review prepared by the Association's CPA and that it was being distributed. However, the Finance Committee was not given the draft to review prior to it being sent to the Board.
- V. **Meeting Adjourned:** The meeting was adjourned at 4:15 P.M. The next meeting will be held on Thursday, May 29, 2014 at 3:00 p.m. at the Gables in Springfield.

Prepared by: Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

February 27, 2014
3:00 PM at the Gables

APPROVED

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:00 P.M. by committee chair Bill Jarrett. Other committee members present were Bill Twelker, Bill Erickson and Don Biddle. Also present were Vicky Langer, TMT Kocal Management Division, and Bonnie Laderman and Rick Jordan, of the Whitney Oaks Community Association Board of Directors.
- II. **Previous Meeting Minutes:** The minutes of the January 24, 2014 Finance Committee Meeting were approved as drafted.
- III. **Review of January 2014 Financials:** The committee reviewed the financial reports provided by The Management Trust, Kocal Division, for the month ending 1/31/14 with the other members present. Don Biddle also provided a bad debt analysis, a report on cash & investments schedule, and a reserve fund analysis with the committee. Other items discussed were as follows:

FDIC Insurance: The fact that the Association maintains a balance in its accounts at Pacific Western Bank of approximately \$535,000 over and above the amount insured by the FDIC (\$250,000). Management was asked to look into the possibility of the bank providing some kind of insurance for these funds. This item has been noted by The Management Trust on its monthly financial cover memo for many months. Vicky will clarify whether management needs or requires the Association to keep more than \$250,000 at Pacific Western Bank. She will get some input and advise on this matter.
- IV. **Meeting Adjourned:** The meeting was adjourned at 4:00 P.M. The next meeting will be held on Thursday, March 27, 2014 at 3:00 p.m. at the Gables in Springfield.

Prepared by: Vicky Langer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION FINANCE COMMITTEE MEETING

January 24, 2014
3:00 PM at the Gables

APPROVED

MINUTES

- I. **Call to Order/Roll Call:** The meeting was called to order at 3:00 P.M. by committee chair Bill Jarrett. Other committee members present were Bill Twelker, Bill Erickson and Don Biddle. Also present were Vicky Langer, TMT Kocal Management Division, and Bonnie Laderman, of the Whitney Oaks Community Association Board of Directors.
- II. **UP Capital Year-End Review:** Anton Bayer reviewed the UP Capital Performance and Income Report for 1/1/31-12/31/13. He gave a presentation highlighting notable market events and influences of 2013 and expected changes in 2014. Interest rates and inflation cycles, US Economic growth (sub-par), Federal Reserve monetary policy, and the national debt were highlighted. Plans are to stay the course and to stick with the current investment policy throughout 2014, unless other factors come into play. The presentation was followed by an extensive question and answer period.
- III. **Previous Meeting Minutes:** The minutes of the October 31, 2013 Finance Committee Meeting were approved as drafted.
- IV. **Review of December, 2013 Financials:** The committee reviewed the financial reports provided by The Management Trust, Kocal Division, for the month and year ending 12/31/13 with the other members present, including reserve transfers, general comments, graphs, balance sheets, budget comparison reports, and a consolidated comparative income statement. The association came in under budget by approximately \$73,000 for the year. Don Biddle reviewed these items with the other members. 4.26% was the annual percentage rate of return for 2013. Don Biddle also reviewed his Cash & Investments Schedule and Gains & Losses Schedule with the members. Other items discussed were as follows:

Brokerage Fees: The committee discussed its intention not to pay any brokerage fees and to make sure that their fee is net and there are no trading costs. The committee discussed writing a letter to UP Capital regarding this but decided rather to have management ask the Association's CPA to verify this (inquire about the commission clause in the contract with Up Capital) during the preparation of the annual financial review.
- V. **Meeting Adjourned:** The meeting was adjourned at 4:30 P.M. The next meeting will be held on Thursday, February 27, 2014 at 3:00 p.m. at the Gables in Springfield. There will be no Finance Committee Meeting in November or December.

Prepared by: Vicky Langer



WOCA FINANCE COMMITTEE
MEETING MINUTES
October 31, 2013
3:00 PM at the Gables

APPROVED

- I. **Call to Order/Roll Call:** The meeting was called to 3:00 p.m. by committee chair Bill Jarrett. Committee members present were Bill Erickson, Bill Twelker, and Don Biddle. Also present were Bob Jones, CFO of the Whitney Oaks Community Association and Julia Plummer, TMT Kocal Management Division, General Manager of the Whitney Oaks Community.

- II. **Minutes Approved:** Upon a motion duly made and seconded and unanimously carried, the minutes of the September 20, 2013 meeting were approved.

- III. **Review of September, 2013 Financials:**
 - **General Analysis:** The Committee reviewed the September 2013 month-end financials including income and expenses.
 - **Bad Debt. Analysis:** Don Biddle will contact Kim Gomez in the Management Office to discuss adjustments to bad debt.
 - **Cash & Investments:** The Committee reviewed the cash investment statements and reports. It was noted that the investment accounts earned income over the past month and recovered some of the previously lost earnings. However, the portfolio has lost, year to date, approximately \$25,000.00. The Committee discussed the policy that the committee recommended to the Board (for the Board's approval at their up-coming meeting) to review the investment portfolio performance (annually in June) and adjust the next budget accordingly. It was discussed that the reserve analyst will do this automatically, so the policy was not needed.
 - **Reserve Fund Analysis:** The committee reviewed the reserve fund analysis and reported that the reserves were well funded, and discussed whether a recommendation should be made to the Board about maintaining funding in the reserve accounts so that they remain at or above at 100%. After discussion and consideration, no action was taken.

- IV. **2014 Reserve Expense Calendar:** The Committee reviewed the 2014 Reserve Expense Calendar prepared by Julia Plummer and approved adoption of the calendar as presented.

- V. **Meeting Adjourned:** The meeting was adjourned at 3:45 p.m. The next meeting will be held on Thursday, January 30, 2014 at 3:00 p.m. at the Gables in Springfield, and Up Capital Management should be at the meeting.

Prepared by: J. Plummer



WHITNEY OAKS

WHITNEY OAKS COMMUNITY ASSOCIATION
FINANCE COMMITTEE
RECOMMENDATION

April 26, 2013

At their April 25, 2013 meeting, the Finance Committee agreed to recommend to the Board of Directors that \$300,000 currently in the First Bank account be transferred to Up Capital Management for investment in an investment account with easy liquidity.

The Board of Directors approved the following:

Approved as Recommended by the Finance Committee (above)

Approved with the following changes _____

Bob Jones, Secretary

5-1-13

Date

Rick Jordan, President

5/1/13

Date