

C.C.H.O.A.
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HOMEOWNERS ASSOCIATION

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FINANCE COMMITTEE MEETING MINUTES

Robert Shugert, Chairman called the meeting to order at 9:00am on Thursday, November 12, 2009 in the conference room.

Committee Members present were:

Robert E. Shugert	Blue Anchor, Chairman
John Mc Lawhorn	Kingston Village
Fred Brown	Mardi Gras

Absents	John Pipenger	Antigua Village
	Jim Besikof	Blue Anchor

Staff Present	Larry Peterson, General Manager
	Pam Norwood, Office Manager

New Business:

Chairman Bob Shugert welcomed and thanked the new committee members Fred Brown and John McLawhorn. Bob introduced the invited Directors, Stu Landersman Antigua Village and Richard Eddy Montego Village. There was a lengthy and detailed discussion on the new 60% Reserve Funding Requirement by Federal Housing Authority and its potential impact on the CCHOA Condominium Village's Reserve Funds. The Finance Committee will continue to monitor this requirement and will make appropriate recommendations if necessary.

Bob Shugert called the meeting into Executive Session to discuss the Waterways litigation with the City of Coronado and the legal Bill that is still outstanding with our attorney's office. This past due invoice has been turned over to the CCHOA Legal committee for settlement

The Chairman reconvened the Finance Committee regular session

A motion was made by Fred Brown and seconded by John McLawhorn to approve the July 16, 2009, Finance Committee Meeting Minutes. The Motion carried unanimously.

Bob Shugert reviewed the CCHOA Financial Statements for October 2009 and Fiscal year to date with the Finance Committee members.

The Finance Committee reviewed the Wachovia Securities (Wells Fargo) October 2009 Reserve Account Statement and the current investment strategy. The committee approved the current investment strategy of

investing only in FDIC insured CDs and securities of the United States Government. The portfolio will continue to be laddered over an eighteen month or two-year maturity structure with emphasis on the 12 month to 18 month maturities. It was pointed out by Chairman Shugert that the CDs are now paying only .5% to 1.8% (depending on maturity) and as a result of the lower yields our interest income will start to decline further reducing our overall income.

The committee also discussed the need to survey our Seawalls in order to ascertain the life of the seawalls, repair costs and replacement costs so that a realistic Reserve Requirement can be established. This survey will be a budget item for the 2010/2011 budget. CCHOA management staff will contact other HOA's with seawalls to see what Reserve Requirements they are using

The next meeting will be on January 21, 2010.

The meeting was adjourned at 11:15.

Robert E. Shugert, Chairman