

LAKE MONTICELLO OWNERS' ASSOCIATION

INVESTMENT COMMITTEE MINUTES

DATE: February 23, 2010
TIME: 3:00 PM
MEMBERS PRESENT: Chuck Johnson, Doug Frazier, Allen Anderson
BOARD MEMBERS PRESENT: Mike Harrison, Treasurer
STAFF PRESENT: Kym Sampsell, John Korhonen
GUESTS PRESENT: Mike Hyder, Morgan Stanley/Smith Barney
ABSENT: None

1. **Minutes** – Minutes of the January 26, 2010 meeting were approved as written.
2. **Member Comments** - None
3. **Investment Activity** – Transactions for the period 1/27/10 to 2/23/10 were reviewed:

On 2/15/10 \$250,000 GTE North debenture matured.

On 2/12/10 a transfer of \$24,031.17 was made from ERA – P to ERA – D&I.

a. ERA – P – The Emergency Reserve Account - Principal balance is \$7,191,739.95 including accrued interest as of February 2010 month-end.

b. ERA – D&I – The Emergency Reserve Account – Dividends and Interest was opened on January 13, 2010 with a transfer of \$196,751 from the Emergency Reserve Account – Principal. \$24,031.14 of ERA – P earnings has been added to this. The February 2010 month-end balance is \$220,799.72.

c. Road Reserve – Total original deposits of \$66,542 were made to the Road Reserve and invested in Vanguard Value ETF on June 11, 2009. The account has a market value of \$78,422.08 as of February 2010 month-end.

4. **Investment Actions** – Mike Hyder of Morgan Stanley/Smith Barney discussed current investment options with the committee, staff and LMOA Treasurer. Mike Hyder will further review LMOA's options to ladder \$300,000 to \$400,000 in Ginnie Mae's over a 3 to 5 year period.

No investment actions were taken.

5. **Adjournment** – 5:14 PM

Respectfully submitted

Kym S. Sampsell
Secretary, Investment Committee