

RIVERLAKE LAKE ASSOCIATION
MEETING OF THE BOARD OF DIRECTORS
Wednesday May 26, 2010

MINUTES

NOTICE Upon due notice given and received, the Board of Directors meeting of the Riverlake Lake Association was held on May 26, 2010 at the Riverlake Community Association office, 799 Lakefront Drive, Sacramento California, 95831.

BOARD MEMBERS PRESENT Dave Skeen – President
Jim Parker – VP
Calvin Gladden – Secretary
Bob Murphy – Director
Tamara Dawn - Director

BOARD MEMBERS ABSENT None

OTHERS PRESENT Kevin D. Hubred, CCAM, PCAM – General Manager

CALL TO ORDER The meeting was called to order at 6:08 PM.

EXECUTIVE SESSION DISCLOSURE None.

OPEN FORUM Homeowner, David Ashman, was present during the open forum portion of the meeting.

CONSENT CALENDAR The Board reviewed the minutes and April financial statements and made changes as necessary.
A motion was made, seconded and passed unanimously.
RESOLVED: To approve the consent calendar approving the regular board meeting minutes from April 26 as amended, the executive session meeting minutes from the April 26, 2010 meeting and the acceptance of the April financial statements as recommended by the Finance Committee.

UNFINISHED BUSINESS **A. INVESTMENTS**
The investment recommendations from Paul Cutter (UBS), was postponed from the March board meeting pending Finance Committee review. At the April Board meeting, management presented proposals from Paul Cutter who recommended that the Association invest in one \$90,000, 8 year TIPS investment at CPI + 1.05% and another \$90,000, 10-year TIPS investment at CPI + 1.30%. After much discussion, the Board chose to approve investment strategies as recommended. However, from the date of receipt of the proposal and the approval of investments, the market changed dramatically and the two recommendations for the TIPS investments in the amounts of \$90K each were not executed in April, pending the return of investment rates.

On May 17th, management and the Finance Committee met with Paul Cutter to discuss the investment strategies which are listed below, including the \$180K that was not invested as approved at the April board meeting.

RLA Investment recommendations from Paul Cutter at UBS

- 2011 \$ 21,000 1-year CD @ 0.60%
- 2012 \$ 25,000 2-year CD @ 1.45%
- 2013 \$ 25,000 3-year CD @ 1.95%
- 2015 \$ 50,000 5-year TIPS @ approx. CPI + 0.16% (*\$50,119 inflation adjusted value)

After much discussion with the board and members of the Finance Committee, the Board approved the recommendation presented for investments by Paul Cutter.

A motion was made, seconded and passed unanimously.

RESOLVED: To purchase the following investments as recommended by Paul Cutter:

\$ 21,000 1-year CD @ 0.60%

\$ 25,000 2-year CD @ 1.45%

\$ 25,000 3-year CD @ 1.95%

\$ 50,000 5-year TIPS @ approx. CPI + 0.16% (*\$50,119 inflation adjusted value)

**NEW
BUSINESS**

A. INVESTMENT POLICY REVISION

At the May 17, 2010 Finance Committee meeting, Paul Cutter with UBS Financial suggested minor recommended changes to the investment policy to provide for better investment strategies relating to the length of the investments and the prohibition of investing in Zero Coupon investments. The Finance Committee also made some additional changes to the policy, which was presented to the for Board review.

The Board discussed the suggested change in approval of the investments by the Finance Committee, CFO or other designated person, and opted to keep the decision making with the Board as status quo.

A motion was passed, seconded and approved unanimously.

RESOLVED: To approve the investment policy revision as amended maintaining the responsibility of making investment decisions with the Board of Directors.

B. BOAT REPLACEMENT (RLA)

The RLA boat is quite old and is in need of replacement as recommended by the Lake Survey and Assessment Committee (LSAC), who expressed some concerns because they spent a lot of time in 2009/2010 using the boat for assessing the bulkheads, top-rail and cobble in the lake. There appears to be some hairline cracks in the boat, which was purchased in 1989.

Cal Gladden, board member and member of the LSAC recommended getting a longer boat (17 feet) that would provide better stability and more room that would provide for safer boating and will allow more people to utilize the boat when the need arises.

The board discussed the need of replacing the boat in addition to purchasing a boat that would best fit the needs of the Association. The purchase of a replacement boat was postponed pending additional information about the recommended size and brand of boat to purchase. Cal Gladden will work with management to make recommendations to the Board.

ADJOURNMENT There being no further business to discuss, the meeting was adjourned at approximately 7:12 PM.

NEXT MEETING The next meeting is scheduled for:

- Regular Board Meeting on Wednesday June 23, 2010 at 6:00 PM at the Association office at 799 Lake Front Drive, Sacramento, CA 95831.

ATTEST: Respectfully submitted by Kevin D. Hubred, CCAM, PCAM – Riverlake General Manager

SECRETARY’S CERTIFICATE

I hereby certify that I am the duly appointed and acting Secretary of the Riverlake Community Association, and do hereby certify under penalty of perjury that the foregoing is a true and correct copy of the Minutes of the Regular Board Meeting of the Board of Directors held on May 26, 2010.

Dated: June 23, 2010

Calvin Gladden, Secretary