

**Minutes of Mandalay at South Mountain (Quintessa), Phase II, HOA
Quintessa Annual Board Meeting—Saturday, May 20, 2017**

Members in Attendance:

Camilo Acosta, President and Treasurer

Wendy Sandor, Secretary

Absent: Valerie Heninger, Member at Large

Call to Order: The Board of Director's annual meeting of the Mandalay at South Mountain, Phase II, HOA held at the community Ramada on 23rd Street, Phoenix, Arizona was called to order at 9:18 a.m. with President Camilo Acosta presiding.

Proof of Quorum: A quorum of HOA members via proxy representation and in person attendance was reached (16).

Approval of Previous Annual Meeting Minutes: A motion was made (Crawford) and seconded (Christner) to approve the minutes of the May 14, 2016 Annual Meeting.

President's Report: President Camilo Acosta provided an overview of the past year's challenges and accomplishments.

- The neighborhood Block Watch which was formed in response to vandalism that occurred in the neighborhood during late summer of 2015 continues. Homeowners are encouraged to sign up for a time to patrol the community through Sign Up Genius as these actions need to be accounted for to help obtain monies through a city grant. Monies from the grant will help support the protection of our community. Before we can apply, a Block Watch Grants Committee is needed to work on that grant application.
- Numerous repairs were made to the entrance and exit gates.
- Three homes have sold during the past year.
- Irrigation repairs, regular tree trimming, and spring and possible fall replanting were noted as part of the ongoing improvements to the neighborhood.
- Required backflow inspections and repairs were made.
- Drywells were inspected, cleaned out, and repairs for missing bolts on grates have a work order pending.
- Interior light has been replaced.
- Private streets in the community were repaired with crack sealing and resurfaced.
- Low wall bordering north exit gate and Lot 17 was raised, stuccoed, and painted.

Financial Summary: Comparisons from prior year financial accounts and current financial accounts were made. The 2017 Quintessa Operating Budget (copies distributed at meeting) shows—

Total Annual Income of \$71,280
Total Annual Expenses of \$71,290
Net variance of (\$10.00)

Operating account balance: \$16,453.21 (compared to \$18,000 FY 16)
Reserve account balance: \$20,581.11 (compared to \$18,000 FY 16)

President Acosta reminded homeowners that the initial turnover of funds from the homebuilder was \$0, and according to the reserve study conducted in 2016, there should be \$70,000 in the reserve account by now to fund necessary ongoing maintenance and repairs to neighborhood infrastructure. To help compensate for this, the reserve account will be increased by monthly deposits from the operating account. Reserves expenses anticipated for 2017/2018 include exterior wall painting and gate repairs/replacement. To summarize the condition of the neighborhood entrance and exit gates, on Winston and Samantha Way, past inspection of the gates have concluded that the original gate construction was comprised of heavy gauge metal work that, over time, will not be supported by the framework, pillars, hinges, and openers. The HOA Board continues to seek permanent resolution to this ongoing issue as repairs have continued to fail. It is anticipated that a permanent solution to the gates will be an expensive undertaking.

Election of the Board of Directors: Ballots were logged and counted with results as follows—Camilo Acosta (16), Wendy Sandor (16), and Valerie Christopher (9) were elected to serve as the Quintessa HOA Board of Directors for the 2017/2018 year.

Member Questions and Comments:

- Homeowner from Lot 18 requested tree removal from front curb as the main branch bows out over the street.
- HOA members present expressed their appreciation of their neighbors' willingness to serve as HOA Board members, and for the time and commitment involved in fulfilling those roles.

Adjournment: The Board of Director's annual session meeting of the Mandalay at South Mountain, Phase II, HOA adjourned at 9:47 a.m. at the satisfaction of all homeowner attendees.

Respectfully submitted,
Wendy Sandor, Secretary