

**Minutes of Mandalay at South Mountain (Quintessa), Phase II, HOA
Quintessa Annual Board Meeting—Saturday, May 14, 2016**

Members in Attendance:

Camilo Acosta, President and Treasurer
Kirsten Clary, Member at Large

Absent: Wendy Sandor, Secretary

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 9:05 a.m. with President Camilo Acosta presiding.

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

Approval of Previous Annual Meeting Minutes: A motion was made (Acosta) and seconded (Clary) to approve the minutes of the May 9, 2015 Annual Meeting.

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

- A neighborhood Block Watch was formed in response to vandalism that occurred in the neighborhood during late summer of 2015.
- Numerous repairs were made to the entrance and exit gates.
- Three homes have sold during the past year, and one leased property was purchased by the tenants. Another home is currently listed for sale, with a contract pending.
- Irrigation repairs, regular tree trimming, and fall replanting were noted as part of the ongoing improvements to the neighborhood.
- Required backflow inspections and repairs were made.
- All neighborhood street light fixtures were converted to LED bulbs, and a repair was made to one fixture.
- A "Reserves Study" was completed.

Financial Summary: Comparisons from prior year financial accounts and current financial accounts were made. The 2016 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: \$18,000 (compared to \$9,000 FY 15)

Reserve account balance: \$18,000 (compared to \$10,700 FY 15)

President Acosta shared the results of the recent Reserves Study, which takes a look at the projected expenses for the neighborhood and provides guidance as to what reserve totals should be to fund necessary ongoing maintenance and repairs to neighborhood infrastructure. Reserves expenses anticipated for 2016/2017 include asphalt re-sealing, dry-well inspections, and exterior wall painting.

Also discussed was the ongoing expense related to the maintenance of the neighborhood entrance and exit gates, on Winston and Samantha Way. An inspection of the gates has 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. Samantha Way exit gates have begun to sag and are currently inoperable. The HOA Board will undertake further review of this project and a recommendation for repairs and/or improvement will be presented to HOA members at a future Board meeting or via email communication. It is anticipated that the updates/alterations 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, Wendy Sandor, and Valerie Christopher were elected to serve as the Quintessa HOA Board of Directors for the 2016/2017 year.

Member Questions and Comments: 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. A new community survey will be shared with HOA members to evaluate interest in potential projects and improvements.

Adjournment: The Board of Director's annual session meeting of the Mandalay at South Mountain, Phase II, HOA adjourned at 9:32 a.m. at the satisfaction of all homeowner attendees.

Respectfully submitted,
Kirsten Clary, Member at Large

Notes: 20 paper ballots were counted and logged. Camilo and Wendy were unanimously elected. Write-ins were noted for Valerie Christopher (6) and Chasa O'Brien (2), with Valerie Christopher accepting the nomination.