



The Ocotillo Community Association

C/o Premier Community Management, Inc.
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ANNUAL MEETING MINUTES April 9, 2008

I. Call to Order

The Meeting was convened in the Crown Terrace Ballroom at the Ocotillo Golf Resort and called to order at 6:05PM by President Mike Palermo.

II. Verify Quorum

Pat Wontor, Ocotillo Community Manager from Premier Community Management, Inc. reminded the Board and other attendees that the Bylaws require a minimum of 10% of the total community membership for quorum which is 392 votes. Pat confirmed that a total of 649 mail-in ballots were received. Hence, not counting any additional ballots to be cast at the meeting, quorum was duly noted and recorded.

III. Pledge of Allegiance

IV. Approval of 2007 Annual Meeting Minutes

Wally motioned to approve the April 10, 2007 annual meeting minutes as written. Gina seconded the motion. Roger and Donna abstained as they had not yet been elected to the Board at the beginning of that meeting. Motion passed.

V. Introduction of the Board of Directors

President Mike Palermo introduced him self and the other Board members including Vice President Wally Brown, Treasurer Gina Phalen, Secretary Roger Stage and Director Donna DeVoe.

VI. Introduction of Nominating Committee

President Mike Palermo introduced Donna DeVoe who represented the Board on the Nominating Committee as required by the governing documents. Donna noted that Joan George and Molly Carol also served on the committee and thanked them for their participation in this important responsibility.

VII. Introduction of Candidates

Donna DeVoe introduced the names of the four candidates put forth by the Nominating Committee: Wally Brown, Julie Dameron, Mike Palermo and Gina Phalen.

VIII. Nominations from the Floor

President Mike Palermo asked for nominations from the floor. None were voiced and Mike formally closed the nominations.

IX. Balloting / Drawing of Door Prizes

Wally Brown and Roger Stage drew the raffle tickets and distributed the prizes to the winning Ocotillo homeowners in attendance.

X. President's Report

President Mike Palermo provided a brief summary of some of the highlights and key accomplishments for the Ocotillo community over the past year. First, Ocotillo was voted the "Best Community" in a survey by the Arizona Republic. Mike also noted that AAA Landscaping won the "Award of Distinction" for their maintenance of the landscaping in Ocotillo by the Arizona Excellence in Landscaping Awards Program.

Mike also noted the completion of the effort to update and expand the approved color palettes for most of the neighborhoods throughout the community and acknowledged the many hours of time expended by the Board and Premier Community to complete the update.

Mike also noted that the Board was in the process of reviewing plans, drawings and financial aspects of updating the Community's main monument at the southeast corner of Price Road and Queen Creek Road.

XI. Treasurer's Report

Treasurer Gina Phalen gave a summary of the Community's 2007 finances. Income in 2007 finished as 0.42% (\$9,059.75) under budget and total expenses were 5.06% (\$109,755.39) under budget; the net was a \$100,695.64 positive increase in the Community's balance sheet. Gina reviewed the Community's balance sheet which showed total cash assets of \$737,339.56, total non-cash assets of \$43,562.17 resulting in total assets of \$780,901.73.

Gina also reviewed reserve fund activity for 2007 which included total reserve income of \$389,669.40 and reserve expenses of \$328,433.35. Gina provided a list of the major reserve income and expense entries for the year. The Community's reserve balance at the end of 2007 was \$646,313.05 which, Gina noted, shows the Community to be sound financially.

Gina then provided a synopsis of the Community's 2008 budget including income, major expense categories, reserve contributions and expected operating contingency expenses. Gina noted that the Master association assessment was increased by 4.7% for 2008 which was the first increase in 3 years. Assessments for the special use areas of Cottonwood Springs, the Estates, Greenbriar and the Peninsula were also increased for 2008. There was no change in the effluent assessment.

XII. Staff Introductions

President Mike Palermo introduced the many in attendance from Premier Community Management, AAA Landscaping, the Facilities and Maintenance Department and Carpenter-Hazelwood who all work in direct support to make Ocotillo a great place to live.

XIII. Election Results

Josh Bolen from Carpenter, Hazelwood, Delgado, & Wood, PLC completed and verified the counting of ballots which were then read. Election winners were Wally Brown, Mike Palermo and Julie Dameron.

XIV. President's Closing Comments

President Mike Palermo thanked Gina Phalen for her two years of service on the Board of Directors.

XV. Adjournment

Roger motioned for adjournment at 6:35PM. Donna seconded the motion. Motion passed.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Roger Stage", is written over a vertical line.

Roger Stage
Secretary, The Ocotillo Community Association