

**Cotton Manor Condominium Association and the
Cotton Manor P.U.D Owners Association
Annual Meeting
February 27, 2010**

SUMMARY

NOTICE OF \$5 MONTHLY INCREASE

After due notice was given, the Cotton Manor Condominium and the Cotton Manor P.U.D. Associations held their Annual Meeting on Saturday, February 27, 2010 at the Hampton Inn in St. George, Utah. John Page, Vice President of the Association, welcomed everyone and called the meeting to order. Members of the Board were introduced who included Bruce & Treva Barnson, Sara Goodman, Steve Bingham, Lynn Burbidge and Kirk Ehlers. Kathy Griffin, Shawn Warner and Kelly Hunt were excused from the meeting. Dave Paul was introduced as the Association's property manager. Homeowners present were also introduced.

Dave reviewed the 2009 Expense Report and presented a 2010 Proposed Budget. He indicated that the Association had a good year financially and came in under budget for 2009. There are no anticipated increases in Homeowners fees or special assessments for regular routine operating expenses for the upcoming year. Dave noted that expenses have been cut in property insurance. The Association is now ensured through Famers Insurance instead of Travelers which has resulted in a \$7,000 savings per year. Dave was also able to re-negotiate the cable contract with Baja Communications which saved the Association an additional \$2,000 per year for the phases that have cable. The new budget provides \$6,678 to be placed in the reserve account for future repairs and/or contingencies. Dave noted that a special assessment was issued a year ago at \$88 per unit to bring the pool up to federal requirements. That assessment has been collected and the pool modifications have now been completed. After further discussion, it was moved, seconded, and approved to accept the Financial Report and Proposed Budget as presented.

John Page reviewed accomplishments achieved during 2009 which included pool modifications and re-plastering of the pool area. He noted that other repair projects have been put on hold pending review of the reserve study, outlining the Association's common area components with projected life expectancies and expenses to repair or replace in the next thirty years.

Sara Goodman reviewed a handout summarizing the reserve study. The reserve study calls for a \$35 increase per homeowner per month to fully fund the reserve account to pay for all the anticipated repairs and replacements for the Association for the next thirty years. It was noted that in today's economy a \$35 increase is not feasible at this time. Various options for lower increases were reviewed. After a lengthy discussion it was moved, seconded and approved to increase homeowners fees \$5 per unit per month effective May 1, 2010, with an additional \$5 increase for the next two years, to start to build the reserves for future replacement and repair costs. It was noted that the reserve study will be followed as closely as financially possible and jobs will be scheduled as needed and when funds are available.

It was noted that the Board Members on the Condo Board whose terms continue included Kathy Griffin, Bruce & Treva Barnson, and Kelly Hunt. Kirk Ehlers term expires at this Annual Meeting. There are three vacancies to be filled on the Condo Board at this time. It was moved, seconded and approved to elect Kirk Ehlers, Becky Glasuer, and Dana Burdick as new members on the Condo Board for a new term.

It was noted that Board Members on the PUD Board whose terms continue included John Page, Steve Bingham, and Sara Goodman. Shawn Warner and Lynn Burbidge terms expire at this Annual Meeting. It was moved, seconded and approved to elect Shawn Warner and Lynn Burbidge for a new term on the PUD Board.

In closing, John thanked everyone for their attendance and cooperation with the Association. With no further business, the meeting was adjourned.