

**MINUTES OF THE  
TWENTYNINE PALMS WATER DISTRICT FINANCING CORPORATION  
ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE CORPORATION  
AUGUST 23, 2006**

Call to Order and Roll Call

The meeting was called to order by Vice President Moore at 5:30 p.m. at 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Edith Carter, Philip Cisneros, Sam Moore and Milford Yockey. Director Alan Anthony was absent. Also present were General Manager Mike Wright, Operations Superintendent Ray Kolisz, Financial Consultant Wayne Jones, and District Secretary Annie Alexander.

Public Comments

None

A. Approval of Minutes

Director Carter moved the minutes be approved as submitted, seconded by Director Cisneros and unanimously approved by the Board.

B. Election of Officers

Nominations were opened at 5:31 p.m.

1. President

Director Carter nominated Alan Anthony, seconded by Director Yockey and approved by the following vote:

Ayes: Directors Carter, Cisneros, Moore and Yockey

Absent: Director Anthony

2. Vice President

Director Carter nominated Sam Moore, seconded by Director Yockey and approved by the following vote:

Ayes: Directors Carter, Cisneros, Moore and Yockey

Absent: Director Anthony

3. Chief Financial Officer

Director Carter nominated Mike Wright, seconded by Director Cisneros and approved by the following vote:

Ayes: Directors Carter, Cisneros, Moore and Yockey

Absent: Director Anthony

Nominations were closed at 5:32 p.m.

- C. Statement of Investments and Activities  
Mr. Jones presented an account recap of investments and activities focusing on debt pay down.
- D. Status of Projects  
Mr. Wright reported that there were currently no ongoing projects.
- E. Adjournment  
Director Carter moved to adjourn the meeting at 5:34 p.m., seconded by Director Cisneros and unanimously approved by the Board.

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Kerron E. Moore, Jr., Vice President  
Board of Directors

Attest:

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Mike Wright, Corporate Secretary  
Twentynine Palms Water District  
Financing Corporation