

SUNLAND VILLAGE EAST ASSOCIATION  
BOARD OF DIRECTORS MEETING

June 11, 2015

Auditorium

The meeting of the SVE Board of Directors was called to order at 10:40 AM by President John Hewitt. Members present were Linda Cerf, Mary Lynn Warren, Bill Randall, Jack Grove, Roy Braunberger and Manager Lisa Titmas. Arden Freeman was absent.

**SECRETARY'S REPORT** – Mary Lynn Warren

**Motion** made by Mary Lynn Warren to accept the minutes of the February 5, 2015 Study Session as written. Seconded by Roy Braunberger. Vote was taken. Unanimous. passed.

**Motion** made by Mary Lynn Warren to accept the minutes of the May 14, 2015 Board of Directors meeting as posted. Seconded by Linda Cerf. Vote was taken. Unanimous. Passed.

**TREASURER'S REPORT** - Linda Cerf

For the month of **May, 2015**, on the Statement of Operations, the Operating Revenue was **\$123,174.16**, Retail sales was **\$124.00**, Facilities was **\$1610.00**, Bingo revenue was **\$20,241.00** and Activities revenue was **\$3,059.40**. **Operating and Bingo** revenue categories **were above budget** for the month. Retail Sales and Activities revenue categories were below budget for the month. The total for May revenue for all areas of Operations was **\$148,327.61 which was above budget by \$14,317.91**.

As for May expenses, some expenses such as Activities expense is above budget for the month. Utilities expense and Landscape maintenance is below budget and Building & Common area repairs are above budget for the month. As a reminder, Bingo expenses include their winning payouts, supplies and donations as an expense.

Currently, we have a surplus or a **positive net income for Operations of \$14,758.42**, this figure also includes the Bingo revenue and Bingo expenses and the monthly reserve and capital allocation.

On the Reserve & Capital Fund statement, there was the monthly budgeted reserve allocation of **\$10,435.58** and a Capital Contribution of **\$12,000.00**. The total year to date expenditure for Reserve/Capital statement in the amount of **\$118,189.40** of which **\$99,655.27** was for the North Courtyard buildings tile roof and **\$11,974.49** was security equipment.

The bank accounts and investments are reconciled. As of May 31, 2015 for the operations, there is a balance in the bank accounts and investment of approximately **\$1,075,596.44**. In addition, the reserve/capital balance in the bank accounts is **\$869,254.94**.

Yearly audit is in process waiting for final draft. This audit will be complete shortly.

**SECURITY REPORT** – Bill Randall

There were a total of 96 open garage doors and we are still receiving a few reports of bad or inoperative phone numbers while trying to contact residents about their open garage door. Escorts provided to Bingo, singles and activity escorts. There was a total of 80 RV's, trailers and motor homes parked overnight on streets with several reported more than 48 hours. On May 20<sup>th</sup> security received a report from a paper delivery driver of resident laying in the street 2:05 A.M. Resident was transported to hospital by ambulance. On May 23<sup>rd</sup> at 20:45 PM security reported Golf Cart Repair shop gate was left open and also at 21:20PM security reported a car parked in the driveway on Monterey with trunk open and no lights on in the home.

**ARCHITECTURAL REPORT** – Roy Braunberger

There was a total of eight (8) residences changed hands during the month of May. There were 14 approvals for architectural changes, 16 violations, no second notices during the month.

**MANAGER'S REPORT** – Lisa Titmas

The South complex resealing project is complete. Thanks to all who changed or altered their schedule or parking to assist in the completion of this project in a timely manner.

The next project on the schedule is palm tree trimming which will begin in July. Please watch for falling prawns, vendor vehicles and workers on Farnsworth during this process. The next project on the association's list – we will address common area wall projects. One item that comes up on occasion is the appearance of the landscaping on Baseline and Hawes. The City of Mesa maintains the landscaping outside our perimeter wall Baseline and Hawes up to Medina. On some occasions, when the City of Mesa is not responding in a timely manner our landscaper has been asked to do some clean-up in those areas at no additional costs to the Association.

Club Group and Activities Coordinators, please provide updated contact information to the association office when officers and/or coordinators change. Bank statements should be turned in on a monthly basis.

Our grilled cheese and tomato soup in July will feature some of Johnny Carson's funniest moments. I look forward to seeing many more of you at the next one.

During the summer the Outlook newspaper will not be delivered on a regular basis.

**PRESIDENT'S REPORT** – John Hewitt

Today, the study session and board meeting was held on the same date for two main reasons: to ensure a quorum of Board members; and to provide more residents the opportunity to review power point presentations by the Softball and Fitness clubs. We encourage all members of the association to attend meetings held by your Board of Directors.

Note: During the month of May, both clubs provided the Board with a hard copy of their respective proposals. While Vice President Arden Freeman is out of town today, he is available by phone and will be voting.

The Board may choose to have additional discussions prior to each motion, then once the motion is made and seconded, you (the members of the association) will have an opportunity to speak. There is a three (3) minute limit. When there is no further input from the audience, the Board will vote on each proposal. While it is not traditional for the Board President to vote unless it is to break a tie, there is nothing that prohibits me from voting either. Going forward, I will vote on major items that come before this Board.

As always, this Board is working toward what they believe is in the best interest of the majority of the residents.

### **SOFTBALL PRESENTATION**

**Motion** made by Bill Randle for Option #1 to place the scoreboard in left center field... Seconded by Linda Cerf. After comments from the floor vote was taken with yeas by Bill Randle, Linda Cerf and Jack Grove. Nays by Arden Freeman, Mary Lynn Warren, Roy Braunberger and John Hewitt. Motion failed.

**Motion** made to replace the old scoreboard with a new one in the same location, with a slight modification of not more than 10 feet was made by Roy Braunberger. Seconded by Mary Lynn Warren. After comments from the floor, vote was taken with Mary Lynn Warren, Arden Freeman, John Hewitt, Roy Braunberger, Jack Grove, Linda Cerf and Bill Randall. Motion passed with seven (7) yeas.

### **FITNESS CLUB PRESENTATION**

**Motion** to acquire the equipment in the presentation was made by Roy Braunberger. There was no second. Motion failed.

### **VETS CLUB BYLAWS**

**Motion** to accept the new Bylaws of the Veterans Club as written was made by Jack Grove and once signed by both the Board and Veterans Club, a copy to be filed in the Association office. Seconded by Mary Lynn Warren. Vote taken with all yeas, no nays. Unanimous. Passed.

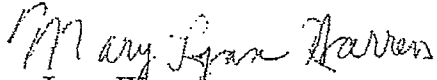
### **BY LAW CHANGES WITHOUT A VOTE**

Today we are presenting the Bylaw changes that need to be done to comply with Arizona Revised Statute, Rule of Law. These have been discussed with our Legal Council and they have agreed that these changes can be done without a requisite vote of the Membership because Statute supersedes our Governing Documents. We want all Members of the Association to know of these changes and recorded in these meeting minutes. A copy of these changes is available in the Association office. I will now read these Bylaw changes that need to be done in order to comply with the Arizona Revised Statutes, Rule, or Law that supersedes our governing documents. With that in mind, and with the changes finalized, Mr. President, I, Bill Randall, would like to make a **motion** that the Board now accept the changes to the Bylaws as written and discussed, and make

them available to the Residents in accordance with the guidelines specified in our Governing Documents. Seconded by Linda Cerf. Vote taken all yeas, no nays. Passed.

Meeting adjourned.

Respectfully submitted,

  
Mary Lynn Warren  
Secretary, SVE Board of Directors

By Law changes, as of 6-11-2015, attached below.

**BY LAW CHANGES TO COMPLY WITH ARIZONA REVISED STATUTE WHICH DO NOT REQUIRE A VOTE OF THE MEMBERSHIP**

1. Bylaw 2.2.1 – Currently reads: The Board of Directors shall be composed of seven (7) Resident Owners in Good Standing and elected by the Membership or appointed by the Board in accordance with the provisions of these Bylaws. The purpose, duties, functions, responsibilities and limitations of the Board shall be as provided in Article 8 of these Bylaws.

Change to read: The Board of Directors shall be composed of seven (7) Members in Good Standing and elected by the Membership or appointed by the Board in accordance with the provisions of these Bylaws. The purpose, duties, functions, responsibilities and limitations of the Board shall be as provided in Article 8 of these Bylaws.

Reason for change:

By striking the term Resident Owners in Good Standing and replacing it with Members in Good Standing, this paragraph will now comply with ARS 33-1806.01 (E), which allows Non-Resident Owners to serve on the Board of Directors.

2. Bylaw 3.1.1.4 – Currently reads in part:

Renters, whose use has been delegated by Owners through written notice filed with the Association office. Each notice shall contain name(s), age(s), duration of lease and Owner's current address.

Change second sentence to read:

Each notice shall contain name(s), age(s), contact information, description and license number(s) of tenant vehicle(s), duration of lease and Owner's current address.

Reason for change:

Under ARS 33-1806.01 (C), this additional information is required to be disclosed.

3. Bylaw 7.1.1 – Currently reads in part: The Board shall be composed of seven (7) Resident Owners in Good Standing who have staggered terms of office.

Change sentence to read: The Board shall be composed of seven (7) Members in Good Standing who have staggered terms of office.

Reason for change:

By striking the term Resident Owners in Good Standing and replacing it with Members in Good Standing, this paragraph will now comply with ARS 33-1806.01 (E), which allows Non-Resident Owners to serve on the Board of Directors.

**BY LAW CHANGES TO COMPLY WITH ARIZONA REVISED STATUTE WHICH DO NOT REQUIRE A VOTE OF THE MEMBERSHIP**

4. Bylaw 7.2.1 – Currently reads: To qualify as a candidate for election as a Director, the person shall be a Class A Owner of Record in Good Standing and a Resident for a period of one (1) year.

Change to read: To qualify as a candidate for election as a Director, the person shall be a Class A or Class O Member in Good Standing and a Homeowner for a period of one (1) year.

Reason for change:

By striking the term Resident and replacing it with Homeowner, this paragraph will now comply with ARS 33-1806.01 (E), which allows Non-Resident Owners to serve on the Board of Directors.

5. 8.2.1.2 – Currently reads: Be physically present, as a Resident in SVE, for eight (8) months in the same calendar year of service. Directors appointed to office for terms of less than nine (9) months are exempt. Directors appointed to office for terms of more than nine (9) months are to be physically present, as a Resident of SVE, for three-quarters (3/4) of their term.

Change to read: Be available physically or by electronic communication, for at least eight (8) months in the same calendar year of service. Directors appointed to office for terms of less than nine (9) months are exempt. Directors appointed to office for terms of nine (9) months or more are to be available physically or by electronic communication, for at least three-quarters (3/4) of their term.

Reason for change:

This change aligns the paragraph with the requirements in ARS 33-1806.01(E) to allow Non-Resident Owners who may be serving on the Board to fulfill their duties.

## Bylaw Correction Without a Vote

The following Bylaw is being corrected to conform to the Articles of Incorporation. The actual name of the Association at its inception, which was registered with the State of Arizona is different than our definition and must be corrected.

1. Bylaw Definition 1.3.2 – Currently reads: **Association:** Sunland Village East Homeowners Association, an Arizona Nonprofit Corporation.

Change to read: **Association:** Sunland Village East Association, an Arizona Nonprofit Corporation.

Reason for change:

The Articles of Incorporation for the Association, which were registered with the State of Arizona, give the name of our Village as **Sunland Village East Association**. In order to be consistent, the Bylaw definition should reflect our correct name. (Historical note: The term Homeowners was added to the definition in 2010.)