

**SUNLAND VILLAGE EAST ASSOCIATION
MINUTES OF
ANNUAL BOARD OF DIRECTORS MEETING
IN THE AUDITORIUM
January 19, 2011**

MEETING WAS CALLED to Order at 7:27 p.m. by President Pat Chumbley with Vice President Jim Mayberry, Secretary Gene Trust, Treasurer Rich Hicks, and Directors Judy Abraham, Ed Malone and Marlene Morgan and Manager Jim Harrison in attendance.

MINUTES from the 2010 Annual Board Meeting were approved as submitted.

TREASURER'S REPORT - Rich Hicks.

1. The past year has been a rather busy and successful year and I am pleased that the financial performance again turned out well. With the net income we earned we were able to update and refurbish several needed projects in the Village as well as improve our required reserves.
2. For the first time since Rich became Treasurer, Bingo revenues and expenses were included in the SVE Financial Statements. Of the total increase in revenues of \$114,079, \$93,416 was from Bingo. Annual assessment revenue increased by \$36,881 and was offset by a decrease of \$20,700 in Capital Contribution revenues.
3. Expenses increased in the amount of \$130,653 or 13.23 percent from \$987,675 to \$1,118,328 in 2010. Bingo Expenses of \$71,068 was a significant portion of this increase. The remaining expense increases were \$34,628 from salaries, wages, and benefits, and Administrative costs or \$32,712 due to increases of \$15,000 for several lines of insurance coverage; \$5,000 for a lease on an upgraded copy machine; and a one time catch up on our Annual Audit Fee in the amount of \$5,000. As a result, after a significant increase of \$53,508 in non cash depreciation expense, net income from operations decreased by \$90,082 to a net income of \$119,877 for 2010.
4. A couple of schedules of the above and a balance sheet for 2007, 2008, 2009 and 2010 for comparisons have been prepared and will be available in the office. It reflects increases in Annual Assessments caused in good part by losses in investment earnings. In the last couple of years we have taken a big hit in our investment earnings. In 2007 we realized almost \$100,000 in investment revenues. In 2008 it dropped to \$28,000. In 2009 it dropped to about \$8,000. In 2010 it dropped to about \$4,000.

ARCHITECTURAL CONTROL COMMITTEE (ACC) REPORT - Judy Abraham.

1. One hundred thirty-five (135) transfers of titles occurred in 2010 - fifty-four (54) condos and eighty-one (81) houses. That is about a 34 percent increase over last year's total of 101.
2. In 2010 the ACC received 242 requests for changes. All but six (6) of them were approved. That was an increase over 2009's number of 220 change requests. The majority of the requests were for landscaping and painting projects.
3. One hundred seventeen (117) covenant violations were investigated and verified during the year. Landscaping issues accounted for 68 percent of the violations.
4. The ACC submitted to the Board a revised Covenant Violation Policy, new ACC Operating Procedures and Policies, and revisions to the Architectural Guideline No. 3, Air Conditioners, and No. 27, Signs. All were approved by the Board.
5. The ACC continues to meet weekly on Tuesdays at 8:30 a.m., except in three (3) summer months when it meets every two weeks.

SECURITY REPORT – Ed Malone.

1. Mesa Police were involved in the Village 275 times, ranging from six (6) missing persons to thirty-three (33) Traffic Stops, six (6) burglaries and nine (9) thefts. In many cases, garage doors were left open and cars were unlocked.
2. Neighborhood Watch worked well. Fifteen (15) suspicious activities, two suspicious persons and seven (7) suspicious vehicles were reported. We don't get information on fire truck and ambulance visits, but they appear to come into the Village from two to four times a week mostly to respond to medical emergencies.
3. There were four (4) auto accidents with one (1) injury. There were three (3) of them in December by residents pulling out onto Farnsworth Drive without checking for traffic.
4. We are improving in keeping unattended keeping garage doors closed.
5. Some doors to activity rooms continue to be left unlocked by the last person leaving.
6. Residents have continued and are continuing looking out for each other.

PRESIDENT'S REPORT - Pat Chumbley.

This year has been another very productive year. The Board has held many meetings and spends hours on various issues involving community into and discussion. Pat read the following highlights:

1. We hired our manager, Jim Harrison, in February 2010.
2. There was a new sound system installed in the Oakwood Room.
3. Both North pools were resurfaced, new safety drains installed, new steps and additional handrails were put in.
4. New patio furniture was purchased for both pools.
5. The exterior walls of the North complex were painted.
6. New cabinets in Bocce storage room and a new drainage system were installed outside the room.
7. The Palo Verde parking lot was sealed and the Mesa Verde parking lot was resurfaced.
8. Purchased new computers and a ticketing machine for the office.
9. Purchased an analog conference phone system for conference calls at Board meetings.
10. Purchase new Bingo machine and monitors.
11. Installed a new auditorium staircase to the attic.
12. Installed new auditorium stage flooring.
13. Installed a new handicap ramp at the Palo Verde building.
14. Purchased a new kiln in the ceramic room.
15. Adopted revised Bylaws after months of study, amending by a Board Committee, review by the Revised Bylaws Committee and re-review by the Board of every detail. The Revised Bylaws were recorded.
16. Adopted new Architectural Control Committee operating policies and procedures.
17. Adopted new revised Room Usage policies and a new Employee Manual.
18. Upgraded our insurance policy.
19. With credit to Betty Elm, all the bricks for the donor wall at the Palo Verde Building have been sold.
20. Approved the installation of a new electronic sign along Farnsworth Drive.
21. Repaired seams on Auditorium kitchen flooring.
22. Presently installing four new light fixtures at the Palo Verde parking lot for safety and security.

Pat took the opportunity to thank the Board and community for their support, cooperation and goodwill during her four years as the President. The Palo Verde Building was constructed and we wonder how we ever got along without it. The rearrangement of the room functions in the North complex with work done by our maintenance staff and volunteers in the summer of 2008. She looks back with pride and looks forward to continued progress, teamwork and positive attitude in keeping SVE among the most desirable communities in which to live. We have proven we can accomplish anything when we work together. This community thrives on teamwork and all the generous volunteers to help daily in the many functions of SVE. She thanked them all for their dedication, time and talent. Her only request is that the new Board and the community will not allow the very few naysayers, chronic complainers and disgruntled residents to divide this community nor allow their negative attitude to spoil the beautiful spirit of our SVE family. She extends her best wishes and support for the new Board and wishes them success in serving our community. May God bless you all and God bless Sunland Village East.

NEW BUSINESS

1. Pat thanked the very qualified candidates for running and assuming the hours and devotion required, and the Election Committee.
2. Election Statistics: 1,281 Official Ballot Envelopes was received amounting to 52.6 percent of the 2,435 Official Ballot Envelopes mailed to Owners of each residential unit.
3. The following persons were elected to the Board:
 - a. Charlotte C. "Charlie" Walker.
 - b. Jim Mayberry.
 - c. Linda Peterson.
 - d. Dave Abel.
 - e. Glenda Gearhart, who will serve for one year. The others will serve for two years.
4. The elected persons took their seats on the podium pledged the following:


I promise to follow the principles of the Sunland Village East Code of Ethics for the Board of Directors, to uphold the Governing Documents and to fulfill my responsibilities as a Board Member to the best of my ability in the service of the entire community of Sunland Village East.

ANNOUNCEMENTS

Ed Malone thanked the members who are leaving the Board for all the wonderful work they have done and how much he enjoyed working with them.

The Meeting was adjourned at 7:58 p.m.

Respectfully submitted



Gene Trust, Secretary