

VENTURE OUT AT MESA, INC.
CONDOMINIUM BOARD OF DIRECTORS'
MEETING
Wednesday, March 22, 2006 - 9:00 a.m. - Oasis

PRESENT:

Norm THIESSEN, President	Dave CATHRO, Director
Ron LUCIUK, Vice President	Doug GALE, Director
Jerry FORMSMA, Treasurer	Alan WILKINSON, Director
Sue WARREN, Secretary	Kay HANKS, Social Board President
Russ MORFELD, Director	Mary SCHMIT, General Manager

EXCUSED: Pauline NIELSEN, Director

The Invocation was given by Bill WEISS.

The president welcomed newly elected Social Board President Kay HANKS to the meeting. He announced 890 bricks have been sold for the "Walk of Fame" and announced some additions to the agenda. His comments were distributed to the Board and are attached to the file minutes.

The Manager's report was distributed to the Board and is attached to the file minutes.

Moved by Director GALE and seconded by Director MORFELD acknowledging receipt of the Manager's report. Motion carried.

LOT OWNER'S COMMENTS: See attachment

Moved by Vice President LUCIUK and seconded by Secretary WARREN to adopt the minutes as amended of March 2, 2006. The amended minutes will be re-distributed to the Board.

TREASURER'S REPORT See attachment

Moved by Director WILKINSON and seconded by Director CATHRO to accept the Treasurer's report. Motion carried.

Moved by Treasurer FORMSMA and seconded by Director WILKINSON effective June 30, 2006 the receipts from the sale of bricks be deposited into, and related expenses from, the General Operating Fund of the Association. Motion amended by Director CATHRO and seconded by Treasurer FORMSMA to remove the date of June 30, 2006 effective the closing of the Capital Improvement Fund. Amended motion and original motion carried. The president had passed the gavel to the vice president to respond to questions and discussion on the brick fund.

The gavel was passed to the president following discussion.

Moved by Treasurer FORMSMA and seconded by Director MORFELD that the Capital Improvement Fund (used for the building of the Community Center) be closed when deemed appropriate by our Controller, but no later than June 30, 2006, and any balance be closed to the Operating Fund. Motion amended by Director WILKINSON and seconded by Treasurer FORMSMA the account be closed to the Operating Fund. Both motions carried.

The correspondence received by the Board has been referred to the appropriate committee.

SOCIAL BOARD REPORT See attachment

COMMITTEE REPORTS:

SRP - Moved by Treasurer FORMSMA and seconded by Secretary WARREN to adopt a resolution stating, "Resolve that Venture Out Condominium Board of Directors support efforts by Salt River Project which require electrical pedestals to be relocated if they are in any kind of enclosure or are touching a living or storage unit." Motion carried unanimously.

Audit - Moved by Director WILKINSON and seconded by Director CATHRO that commencing as of January 1, 2006, depreciation be booked on the new Community Center and related assets based on their final book values. Motion carried.

UNFINISHED BUSINESS:

Moved by Treasurer FORMSMA and seconded by Director WILKINSON to remove from the table the tabled motion respecting the return of \$1700 to the Social Board. Motion carried.

Moved by Treasurer FORMSMA and seconded by Vice President LUCIUK the motion be amended to read, "It is moved that the Condo Board pay \$1700 to the Social Board as a return of a Fiscal Year 2004 receipt." Motion carried.

Moved by Treasurer FORMSMA and seconded by Director MORFELD to approve the Meeting Schedule for 2006-2007. Motion carried unanimously.

Moved by Vice President LUCIUK and seconded by Director GALE to approve the Standing and Ad Hoc committees including the named members of the respective committees and the terms of reference for each committee be approved for the 2006-2007 Board year, subject to necessary changes. Motion carried.

Moved by Vice President LUCIUK and seconded by Secretary WARREN that each Standing Committee approved for the 2006-2007 year be requested to review its term of reference (as attached) with respect to the accuracy of its purpose; appropriateness of the stated guidelines; the dates of appointment for each member; the date of the last review of the terms of reference; and to submit any suggested changes to the Board for approval prior to April 15, 2006 as attached including amendments. Motion carried unanimously.

Moved by Vice President LUCIUK and seconded by Director CATHRO the following appointments be approved for the 2006-2007 Board year: Director Pauline NIELSEN and Director Doug GALE as Social Board Liaisons; Secretary Sue WARREN and Director Alan WILKINSON, Communications Team; Owner Harold SCOTT as Summer Treasurer; President Norm THIESSEN, "Walk of Fame" Brick Project. Motion carried.

Moved by Director WILKINSON and seconded by Director CATHRO that Zobel and Hall, P.C., Certified Public Accountants, 4820 South Mill Avenue, Suite 101 of Tempe, Arizona be appointed the Association's auditors for the fiscal year ending June 30, 2006. Motion carried.

UNFINISHED BUSINESS (continued)

Moved by Treasurer FORMSMA and seconded by Director GALE to approve legal counsel (DeConcini, McDonald, Yetwin & Lacy) review the current CC&Rs in relation to recent legislation which may supercede the governing documents and to recommend the necessary changes to the documents of the Association, prior to publication July 1, 2006, at a cost not to exceed \$2500. Motion carried.

Moved by Vice President LUCIUK and seconded by Secretary WARREN that pursuant to Article III, Section 7 of the Bylaws, the following owners be approved for appointment as members of the Election Committee for 2006-2007. Motion carried. Those serving on the committee are Barbara CANNING as Chair, committee members Allan LAURSEN, Mel SPOWART and Ila SYMINGTON.

The president named the Nominating Committee for 2006-2007 as follows: Earl HERRING, as Chair; Art BOWMAN, Bill WEISS, Kay HANKS, Del STURHAN and Ron CHATHAM.

Moved by Vice President LUCIUK and seconded by Director GALE to ask the General Manager to solicit proposals for consideration of the Board, including anticipated costs for possible mural designs to be painted in the lobby area of the Community Center. Motion amended by Director GALE and seconded by Treasurer FORMSMA to be completed by December 1, 2006. Amendment carried and original motion carried.

NEW BUSINESS

Moved by Secretary WARREN and seconded by Director GALE to approve the mission statement of the Condominium Board. Motion carried. The Mission Statement is as follows: "Venture Out is an active 55 + retirement community where friendship, cooperation and volunteerism are highly valued and where residents are involved in diverse activities, while keeping their park progressive, cost efficient, and responsive to changing needs."

Moved by Secretary WARREN and seconded by Director CATHRO to approve the 2006-2007 Condo Board Goals and Objectives for the 2006-2007 Board year and that the attached statement provides the basis for a suitable work plan for the 2006-2007 Condo Board. Motion carried.

The gavel was passed to the vice president.

Moved by President THIESSEN and seconded by Director GALE the Board approve the following components for inclusion in a rule that will govern the Board's position with respect to occupancy rights for persons under the age of 55 when their over the age of 55 spouse/co-habitant is no longer in residence at Venture Out. Moved by President THIESSEN and seconded by Treasurer FORMSMA to table the motion and review the contents of the 55+ Age Succession to the first meeting in November. Amended motion carried unanimously.

The gavel was passed to the president.

Moved by Treasurer FORMSMA and seconded by Director MORFELD to approve the Social Board budget for 2006-2007. Motion carried unanimously.

The gavel was passed to the vice president.

Moved by President THIESSEN and seconded by Director CATHRO that pursuant to Article XIII, Section I, of the Declaration, a resident who intends to use a portion of his/her lot in order to provide professional services for other residents during the 2006-2007 season shall be encouraged to complete the attached form and return it to the Corporate Secretary no later than October 15, 2006. Motion carried.

Moved by President THIESSEN and seconded by Secretary WARREN that upon receipt of the completed attached forms, the General Manager will prepare a list for the Board's approval at its October 19th regular meeting showing the residents who are seeking Board permission to use a portion of their Lots to provide professional services for other residents, and to include a disclaimer that while publishing the list, the Board takes no responsibility for the quality of service being provided. This listing will be made available upon request to residents of the park. Motion was amended by Director WILKINSON and seconded by Treasurer FORMSMA. Vote for amendment was four "FOR", three "AGAINST". Original motion as amended carried.

Moved by Director CATHRO and President THIESSEN the Governing Documents committee consider if changes to the Declaration should be developed and proposed to the voters and bring a recommendation to the Board in this regard by December 15, 2006. Motion carried.
The gavel was passed back to the president.

Moved by Secretary WARREN and seconded by Director WILKINSON that Paddle Tennis /Pickle Ball be considered a recognized active sport in Venture Out and in consideration of the noise factor, their hours of operation will be between 8:00 a.m. to 5:00 p.m. daily. Motion was amended by Director GALE and seconded by Director CATHRO that hours of use be consistent with other clubs or dusk. Amended vote was three "FOR", three AGAINST". President THIESSEN voted "AGAINST" the amendment. Amended motion failed. Original motion vote was Four, "FOR", three "AGAINST". Motion carried.

Moved by Secretary WARREN and seconded by Vice President LUCIUK that in February /March 2007 an independent inquiry team be formed to assess the implications of Pickle Ball /Paddle Tennis continuing to utilize the present space. Motion carried.

President THIESSEN reported on the handling of correspondence addressed to the Board and who would be responding to the correspondence.

Recommendations on election procedures have been referred to Director WILKINSON.

Moved by Director MORFELD and seconded by Treasurer FORMSMA that the Tennis Club practice wall project including drawings, engineer stamp, city permits, material and any other associated cost not to exceed \$3000, and the Board officers group make the final decision if the project is within the limits set. Motion carried.

Moved by Treasurer FORMSMA and seconded by Secretary WARREN to approve the attached 2006-2007 Condo Board budget. Motion amended by Director CATHRO and seconded by Director WILKINSON to move \$15,400 from the MRR fund into the General fund to resurface four tennis courts. Amended motion carried. Original motion carried unanimously.

Moved by Director WILKINSON and seconded by Treasurer FORMSMA to approve the General Manager's approval level of spending for 2006-2007 be set at \$10,000. Motion carried unanimously.

Moved by Director CATHRO and seconded by Vice President LUCIUK to place the trench drain as Item 6 on the priority list. Motion carried unanimously.

Moved by Director CATHRO and seconded by Director GALE that effective July 1, 2006, the following be added to Section II, 6 c of the Rules and Regulations; "Badges will only be issued when a valid rental agreement has been registered. A twenty-five dollar (\$25.00) fee is payable for registering all such agreements. If the rental agreement is processed by the Venture Out Rental Office, the fee is included in the commission." Motion carried.

Moved by Director CATHRO and seconded by Director GALE that effective July 1, 2006, Section II, 6 e be replaced with the following: Overnight guests and day guests who use recreational facilities of the Common Elements are required to wear a current Venture Out guest badge. The host Lot Owner or Renter is responsible to procure the guest badge(s) from the Administration Office and pay a fee of two dollars (\$2.00) per day for each guest over two (2) years of age. An individual may have a guest badge for a maximum of thirty (30) days per calendar year. The guest badge will indicate the following: (a) guest's name; (b) dates guest is eligible to use recreational facilities; (c) address of the Lot occupied by the guest. Notwithstanding, Article XIII, J. of the Declaration of the Land Use Restrictions requiring occupancy by at least one person fifty-five (55) years of age or older, guests may occupy a Lot other than that of their host even though no guest is at least fifty-five (55) years of age." Motion carried unanimously.

Moved by Director CATHRO and seconded by Vice President LUCIUK that the following be added to Section II, No. 10 of the Rules and Regulations: "g. Registration and Badge Violations pursuant to Section II, 6 of these Rules. (1) 1st Violation: warning plus payment of any fees due. (2) 2nd Violation: \$25 fine plus payment of any fees due. (3) 3rd Violation: \$50 fine plus payment of any fees due. (4) 4th Violation: minimum of \$50 fine plus payment of any fees due, plus the violator will be requested to appear before the Condo Board of Directors." Motion carried.

Moved by Director CATHRO and seconded by Director WILKINSON to change wording of various Rules as follows: Section 1, (4) replace the last sentence with, "an exception to this Rule is service on the Planning Committee which will be a maximum of four years with no reappointment." Section II (6) (a) add the word "current" in front of the word "Venture". Section II (8) (f) (1) change the word "Recreation" to "Community". Section II (9) (d) in the third to last line delete the following words: "and shall be a lien upon the violating Owner's property". Section II (10) (g) delete the following words at the end "and shall be a lien upon the violating Owner's property." Section II, (10) (b) (1) replace the word "cars" with motor

vehicles". Section V (7) from the third to last line, remove the words "by the garbage contractor". Section VI (9) change the word "Recreation" to Community. Motion carried.

Moved by Director CATHRO and seconded by Vice President LUCIUK to add new Rule Section VI, (6) be added to our Governing Documents as follows: "Any Lot Owner or Renter who is in violation of the Declaration, Bylaws or Rules and Regulations of the Association shall forfeit his/her right to use the Common Elements, including the recreational facilities and right to participate in special events during the period of time that the Board of Directors determines that such Lot Owner or Renter is in violation. Such violations applicable to forfeiture of the right to use the Common Elements shall include: persistent non payment of assessments or any other monetary obligations; failure to appear at a hearing arranged by the Board of Directors regarding that Lot Owner's or Renter's violation; non-monetary infractions of rules of the Association; and any other matter which the Board of Directors determines warrants such sanction. Notwithstanding the foregoing, no Lot Owner or Renter shall forfeit the use of the streets within the Condominium Property included in the Common Elements for access to their owned or renter Lot except during the time period that such Lot Owner or renter has no legal right to occupy such Lot due to that Lot Owner's or Renter's violation of the Declaration."

Motion carried.

Moved by Director CATHRO and seconded by Director WILKINSON to set a work session for November 9, 2006, with the subject to be "Permanent Residents" and distribute the prepared document. Motion failed.

The gavel was passed to the vice president.

Moved by President THIESSEN and seconded by Treasurer FORMSMA that the General Manager and Director MORFELD, chair of the Architectural Review committee, meet with available members of the Planning Committee to discuss means by which the two committees might work cooperatively to permit more time for long term planning by the Planning Committee and make a report back to the Board as soon as possible. Motion passed unanimously.

The gavel was passed back to the president.

Moved by Vice President LUCIUK and seconded by Director GALE that pending the recommendations that may be coming from the Architectural Review committee with respect to park models, patio enclosures, and/or alternative existing structures, effective this date Venture Out building permits will only be issued for the construction of new buildings or rebuilds, renovations or rebuilds that will comply with the Declaration of Land Use Restrictions, Article XIII, Item G., Page 19 of the Governing Documents. Motion carried unanimously.

“What’s on Your Mind” was deleted due to the length of the meeting.

The meeting adjourned at 1:00 p.m.

Corporate Secretary

APPROVED:

March 22, 2006

LOT OWNERS' COMMENTS:

Jack Brownson, 812 Boeing - He believes real estate signs should be removed immediately following a sale instead of leaving them there for several days or weeks.