



Highlights from the Condo Board Meeting January 11, 2007

President's Report

Mr. Thiessen announced that on January 3rd the Superior Court of Arizona issued final judgment in the case of Joy Osburn and Beverley Pinney's challenge of Venture Out's 55+ age restriction. The judge granted a permanent injunction stating that Osburn was not permitted to occupy a lot in Venture Out without concurrent occupancy by a 55+ year old person. Also included in the judge's decision were orders that Osburn and Pinney cannot authorize any person to occupy their lot in violation of V.O.'s Declaration; that if Osburn wishes to occupy a lot together with a 55+ person, certain special registration procedures must be followed; that Osburn is entitled to access her lot, for maintenance and upkeep, for not more than three hours per month, and that Osburn is not entitled to occupy her lot overnight.

The judge also ordered Osburn and Pinney to pay [approximately] \$27,000 of V.O.'s legal costs plus interest at the maximum rate permitted by law. This award is less than half of our actual costs to date; unfortunately, the judge did not give any reason for this. Venture Out has placed liens on Osburn/Pinney's property to ensure the recovery of the award.

Although your Board made a provision for legal costs last March as part of the budget process, the costs of this very protracted lawsuit could not be accurately estimated. If Osburn and Pinney appeal the decision to a higher court, we will incur additional legal costs and the recovery of the \$27,000 may be delayed. Accordingly, the Board needs to consider how to ensure there will be sufficient funds over the coming months for the proper operation of the Park. Whether a special assessment will be required is uncertain at this time.

Mr. Thiessen also reminded those present to be sure to attend the Town Hall meeting on Wednesday, January 24th at 7:00 pm in the Ballroom. This will feature presentations and discussions regarding possible improvements such as a new pod, changes to the Park entrance, upgrading the RV pull-through area or other projects. Resident input, especially as to determining priorities, will be sought.

Mr. Thiessen announced that a series of information meetings will be held at various times in late January to allow owners to ask questions on proposed amendments to our Governing Documents which will be voted on in February. Details will appear in the Out-Lines.



General Manager's Report

Mrs. Schmit reported that a serious bike/car accident occurred this week in the Park. She reminded all present that due to the high volume of traffic, especially in the high season, we must be extra cautious, take our time and wear appropriate clothing at night.

We have told Qwest that their continual placement of telephone lines in dangerous locations, to try to get decent service for customers, is not acceptable. Although Qwest has done some design work to rewire part of the Park, their timing for action is uncertain. We are continuing to put on pressure for prompt resolution of this problem.

The Health Department wants us, as a safety measure re: child access, to remove the hand rails that lead up to the swimming pool gates. Residents, who feel that these rails are extremely necessary, are asked to advise Mrs. Schmit.

Mrs. Schmit outlined the various steps being taken by the Park to reduce the flood risk to units, especially along Aero. In some cases, lot owners will be advised to take some measures such as improvements in gutter and paver systems. The Architectural Committee will have to consider new rules for future land work on lots. Owners of ground-level AZ rooms, especially in known risk areas, are again urged to use materials impervious to water and store nothing of value on the floor.

Lot Owners' Comments

Eight owners offered remarks about some dozen matters. An owner suggested that there should be a difference between the monthly fees paid by full-time residents vs. winter residents, as winter residents are subsidizing the ever-increasing number of full-time residents. (A later speaker agreed with him.) He also suggested that at least some bath houses might be closed and better use made of the land, as the usage is low. Another speaker reported his concerns over some issues in the new Community Center construction. A speaker, representing another owner, read out a communication concerning information needed by everyone on the proposed park-wide TV system. An owner said the Communications Committee November survey was not representative. Another speaker pointed out that in a few years broadcasting will all be high definition and no long term contract should be considered without recognizing this; she also said that many people in the Park already have TV dish receivers. An owner reported information he had received by talking directly to the present cable supplier, and urged the Board to ensure that the question put to voters is absolutely clear. The final two questions concerned parking rules for guests and the so-called 30-day rule. The President and the General Manager replied to several of these questions.

Correspondence has been received from Tony Gobbett re: cable TV, Ray Rediske re: infrastructure issues, Pete Trepanier re: the Veranda, Ann Rogerson re: residence for a caregiver, Frank & Shirley Sells re: special consideration for the needs of their visiting grandchildren and Frank Taggart re: Park issues. Mr. Thiessen advised that for each letter a response has been given, has been referred to a committee or is otherwise being worked on.



Treasurer's Report

Mr. Formsma reported on the financial operations for the 5 months to November 30th. In addition to legal fees, V.O. is faced with an unbudgeted cost of approximately \$50,000 for Mesa back taxes, plus interest, on real estate rentals through our agency over a four year period. Together with Greenfield Village and Carriage Manor, we appealed this assessment, but lost in December.

We are awaiting the results of the independent reserve fund study which will guide us in determining the appropriate contributions to that account each year.

The funds currently in the Brick Fund were moved from the Condo Board's books to the Social Club. The fund will continue as before, but all future donations and purchases of furniture and fixtures for the Community Center will be handled by the Social Club.

Communications Technology Committee Report

Mr. Luciuk, Chairman, reported on recent progress towards having a new arrangement by April 10th. He highlighted the information recently sent to all residents concerning the negotiations and three surveys of residents. He reiterated that the two active bidders will not quote any price other than one based on participation by the whole Park. He advised that the Board will be proposing amendments to our Declaration which would effectively require 100% participation if passed. Further information will be disseminated in the voting material to be mailed next week and the benefits of the proposition will be discussed fully at the special resident meetings later in January.

Annual Meeting

Mr. Herring, Chairman of the Nominating Committee, submitted four nominees for election to the three Board positions. The Board accepted that report and finalized all propositions for Owners' decisions by ballot. Please refer to the ballot material for further details, and plan to attend the upcoming information sessions.

Palm tree Skinning

The Board declared that, effective immediately, the care of all existing tall "Mexican fan" palm trees is a Common Expense of the Association. This means that the skinning as well as trimming of all such trees will be organized and paid for by Park. Other trees on residential lots will remain the responsibility of the Owners. This move will increase safety, reduce clogging of drainage systems, save time and money on clean-ups and improve the Park's appearance.

Transmittal Proposal from the Stained Glass and Sunshine Carvers Clubs

The Board forwarded this proposal for an additional building directly to the Planning Committee for assessment of its full implications.

Submitted by Alan Wilkinson and Sue Warren, Communications Team

FUTURE TELEVISION SERVICES IN VENTURE OUT

The cable television contract with Satellite Television Services comes to end on April 10, 2007. As a result, the Communications Technology Committee established by the Condo Board has been discussing expanded technology issues and different alternatives with a number of different companies.

1. *Who owns the cable lines in our park?*

Satellite Television Services owns the cable lines.

2. *Can STS sell or lease those lines to another company?*

Yes, STS is currently holding discussions with Qwest and Cox.

3. *What commitment has either of the companies made to Venture Out?*

STS – is willing to provide continued service but with a 100% participation of residents would offer over 70+ channels for a rate of \$13.50 per month. Qwest – if Qwest purchased the lines from STS and if 100% of the residents participate, they would offer a bulk service contract of 155 channels of DirectTV at a rate of \$20.66 per month. Qwest would also install a new mini-head end, which would provide high definition television on these lines at an additional cost to each resident. This option would not provide Canadian channels. Neither company would honor these prices without 100% participation and residents in this bulk purchase plan would not have the option of putting their cable service on summer rest.

4. *Can residents continue to purchase their own satellite dishes?*

Yes.

5. *What will Qwest charge for satellite services through a receiver in my unit?*

Qwest has a package they are currently offering for \$39.95 a month and owners can put that service on summer rest if they so desire. This offer from Qwest would also not include any Canadian channels.

6. *What are the options for satellite services for Canadians in the park?*

Star Choice offers Canadians satellite services and facilitates this by offering a dish to erect at their residence in the United States. It is our understanding that this is not the case with Bell Express-vu and bringing a Bell Express-vu receiver to a residence in the United States violates the agreement with the company.

7. *What specifically is the proposition asking us to do?*

With a 60% or more YES vote of residents, a bulk rate reduced cost television service would be available to each unit and the costs would be equally divided among all owners. A NO vote from the owners would result in television services becoming an individual responsibility. (eg Qwest Direct to Home Service for \$39.95 would be a possibility or the Committee would strive to establish a contract with a limited enrolment price with one of the cable providers).

8. *What about internet, HBO, Pay per View services?*

Qwest is in the best position to provide this service but they would have to lease or purchase the lines from STS. Qwest could provide high definition TV on the cable lines but internet services would remain on their existing telephone lines. Qwest cannot be a provider of cable television without owning or leasing the existing lines from STS.

The Board believes that the question comes down to having a lower cost television service for residents as an amenity in the park OR a more expensive option that individuals would purchase.

Submitted by behalf of the Condo Board

Ron Luciuk

January 15, 2007