

CONDO BOARD REPORT

March 6, 2003

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Beautify Our Park

President Merv Houghton commented, "As this is our first regular Condo Board meeting, I welcome all of you to a new year of Governance. The welcome to our new board members, Sue, Dave and John, seems particularly late since you have already attended an orientation session, a special meeting for the election of officers and two lengthy budget sessions. At the first Condo meeting in the fall I will ask the board to initiate A PROGRAM TO IMPROVE OUR PARK'S APPEARANCE AND MAKE IT MORE RESORT-LIKE. I envision a low-cost project that has the potential to draw our community together."

A Uniform Venture Out Look

With Vice President Lyle Read in the chair, Merv Houghton's Sign Committee report, (he served as Chairman), was approved. The report reads in part, "We were determined to improve the appearance of the park, reduce the number of signs, and present a resort-like atmosphere. We kept safety issues uppermost in our minds. Our report covers seven sign groups with related costs for each group... Therefore, the Board could approve and fund one, two or any number of areas. Our Sign Committee recommends that the Board approve and fund all seven areas. The bottom line for the seven areas is \$21,000. We further recommend that this amount be taken from the MRR Fund."

Architects, Kitchen, Water, Age, and Real Estate Sales and Rentals

General Manager's Report, (excerpts)

"The past two weeks have largely concentrated on mailing out a Request For Proposal (RFP) to prospective architectural firms. We received interest from five firms and then cut off any further solicitations. Each architect told us much the same in regard to our life/safety issues. We would not meet code by today's standards. All were of the opinion that several more additional exits would be required on the lower level. All levels would require sprinklers, in particular the attic space, which is all wood construction.

"Regarding the county, we have been granted a reprieve. After Teresa contacted them for some guidelines and was told we would not meet requirements to be licensed, we were at first told we would be forced to 'Cease and Desist' from serving food. However, after we explained that we had already begun the process of the RFP and had been planning to do some work in the Rec. Hall, they agreed to give us a temporary permit which will carry us through to next summer, by which time we must do the work required. We are fortunate as four other parks that we are aware of were actually shut down until they met county requirements.

'With the much welcomed rain these past few weeks, we have not been watering on the normal schedule. When we do get a good rainfall, we will attempt to go for a time without watering. The monthly bills for the past couple of years will be published in the Out-Lines next week. You will notice that while we managed to cut consumption and cost considerably during the summer last year, we lost ground in the fall and winter when residents came back. I can attribute part of this to the fact that we had, for a time, 80 more units occupied. I will be looking closely at the March bill because occupancy for this period is about the same. You will also notice that even though some months our consumption was less than the prior year, due to the increased cost of water, the bill was higher. We also established an approximate baseline of three million gallons of average consumption per month during the summer months. This would be slightly less in the winter. That base is what we should NOT be paying sewer fees on as it represents our irrigation and pool waters. The small number of residents

in the summer would account for maybe 350,000 - 400,000 gallons of water according to the city. With a \$3.20 sewer charge per 1,000 gallons of water, my estimates are now that we are paying somewhere between \$80,000 - \$100,000 in excess sewer fees each year. This puts a great deal of importance on next year's discussion regarding re-piping the property to identify the water on which we do not pay sewer fees.

"Due to everyone being very diligent and turning in the required age verifications for HUD we can now establish firmly that the average age of the residents in the park is 75.... This is an important figure as it readily explains the steadily increasing sales listings the park is experiencing, which is mirrored by surrounding communities such as Leisure World. It underlines the need for marketing as well as the continual improvement of the park and the importance of bringing new residents to this community. The rental tenants continue to be the number one source of new buyers for the park.

"Sales have increased over last year, but rentals have been very strong, with every unit that was in the portfolio rented. This past season Phyllis rented 121 units for an average rental of three months. In contrast, your rental department used to handle around 40 homes. The sales force is hoping to sell 50 units this season by June 30th. They are currently at 36 contracts sold or in escrow, only three less than all of last year's total. The next two months as people begin to leave is actually their busiest time, so we should see many more contracts. Approximately 20 homes have been sold privately since July 1st.

"On a final note, I would like to remind anyone who might be leaving early to come to the office and get your brochures. This has proven to be a very effective sales tool and is most effective in the hands of the residents."

Election Committee Thanked and Ballots Destroyed

"The annual election to elect three members to the Venture Out Condominium Board was held on February 19, 2003. The three successful candidates were Sue Warren (717 votes), David Green (687 votes) and John Owen Jones (637 votes). The number of ballots counted was 1,211 which represented 69.2% of the lot owners voting. Last year there were 1,274 votes cast. I was assisted by a group of 21 residents whom I wish to thank for their help. I now suggest that the ballots be destroyed following this meeting as required, and that my report be accepted. Barbara Canning, Chairperson."

Rules are Meant to be Kept

President Houghton announced a Board Rules and Regulation Committee composed of Sue Warren and Lyle Read who would review matters relating to residents being out-of-conformity with the rules and report to the board.

Budget 2002-2003 and 2003-2004

Treasurer Bill Weiss reported, "Revenue and Expense categories are all on budget with no unexpected expenses as we close out the period ending February 28,2003. As you are aware, this week is budget week. The board is actively reviewing all Revenue and Expense Categories in order to finalize and adopt a budget for fiscal year 2003-2004. The deadline for completing this project is April 30th."

Meeting Not to be Missed

Dr. Wendy Hultsman will present the final Long Range Planning Report at 2:00 p.m. on Monday, March 24th, in the Ballroom.

Florence Brownridge

Dave Green