

PCM Credit Card Update

C Grundke
4/19/7

4/19/7 V5.0

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Review of the Problem

- Credit Card charges came as a surprise to residents and most Board Members and create two possible problems:
 1. Issuance of Credit Cards for the purposes they were used was illegal and/or
 2. Usage of the Credit Cards was potentially illegal and/or unethical.

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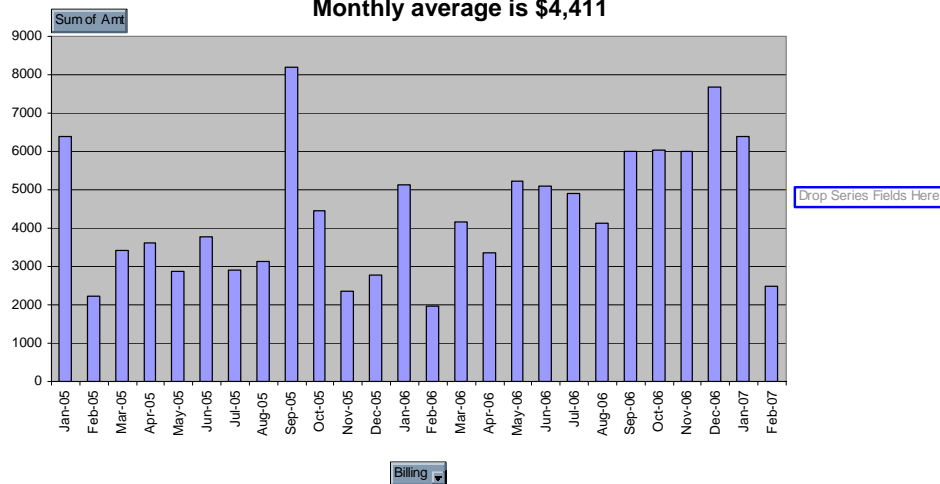
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A Quick Review

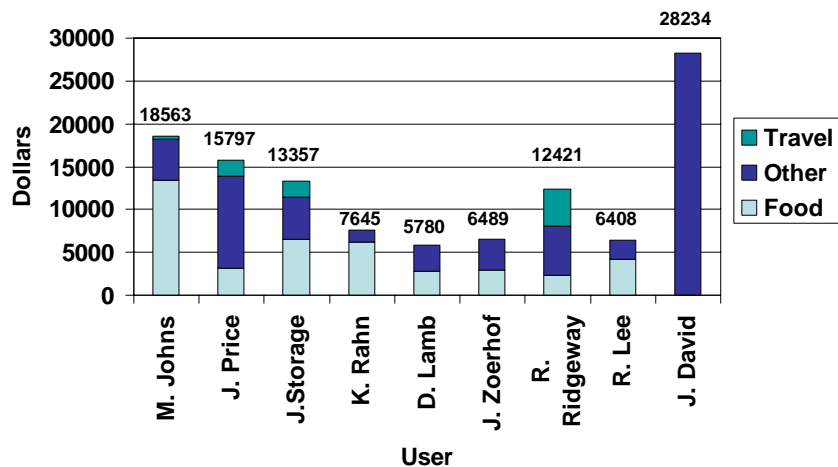
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Total Monthly Billing for the 9 Cards

Monthly average is \$4,411



Who Spent The Money?



Where Are We Today?

1. 3/31/7 – Received Billing Records from PCM.
2. 4/04/7 – Portlock & Johns speak on TV 6.
3. 4/05/7 – Billing Records analysis to RVoice.
4. 4/11/7 – Mailed Registered Letter to all Boards.
5. 4/13/7 – Published Press Release to Media.
6. 4/13/7 – Mailed Letter to G Portlock.
7. 4/17/7 – Third Mutual Board Meeting
8. 4/17/7 – Published Press Release to Media.

1). 3/31/7 – Received Billing Records from PCM.

- Sample of Original Billing Records available for viewing – see team leaders.
- Billing records manually entered into worksheet for analysis.
- Various sorting of the data and the PowerPoint presentation are available on the “RVOICE” website.

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2). 4/04/7 – Portlock & Johns speak on TV 6

- At the GRF Board Meeting Mr Portlock effectively stated that, “The Credit Cards in question, were issued by the GRF Board and the charges were authorized and reviewed by the GRF Board.”
- On 4/5/7 he and Mr. Johns reiterated on TV 6 that the cards and charges were legal.

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3). 4/05/7 – Billing Records analysis to RVoice

- Presentation and handouts were made to residents and a few Board Members who attended.
- Additional handout packages were printed and handed out to concerned residents. Approximately 900 packages were distributed by Team Leaders and Volunteers.

4). 4/11/7 – Mailed Registered Letter to all Boards

- Letter mailed on behalf of Residents Voice asking for:
 - Open Meeting by all Boards.
 - Selection of independent legal counsel.
 - Investigation into the legality of the Credit Card expenses.
 - Written reply to this letter.
- Copy of Letter:
 - [Certified Letter to All Board Requesting Audit.pdf](#)

5). 4/13/7 – Published Press Release to Media

- Contacted Media with Press Release reflecting concerns of the LWV Residents.
- [..\..\Press Releases\Press Release 4-16-7.pdf](#)

6). 4/13/7 – Mailed Letter to G Portlock

- Requested that Mr Portlock makes available the detail of the Billing Statement charges.
 - Details for any possibly yet undisclosed Credit Cards issued by GRF.
 - Expense account details for expenditures by PCM on behalf of GRF (gifts, gratuities, etc.).
 - [..\..\Letters\Letter to G Portlock 4-11-7 for Credit Card data.pdf](#)

7). 4/17/7 – Third Mutual Board Meeting

- Directors interpret the letter written to the boards was “threatening a law suit.”
- Explanation of charges was explained by the Director of Finance to the satisfaction of the Board members.
- They feel no need for an independent audit.

8). 4/17/7 – Published Press Release to Media

- Updated release sent to Media.
- [..\..\Press Releases\Press Release 4-17-7.pdf](#)

Illegal?

- Residents need a written opinion by our corporate attorney on:
 - The status of our [CC&R's](#).
 - His interpretation on the GRF issuance of Credit Cards based on our CC&R's.
 - His interpretation on the charges that were made with the Credit Cards.

Effect of LW Seal Beach Judgement

“Golden Rain is,
in fact, a
**Home Owners
Association.**”

[United Laguna](#) Hills Mutual

Effect of LW Seal Beach Judgement

ply.

With the judge's declaration that Golden Rain is, in fact, a homeowners association, the residents say the law is on their side.

"This ruling shows that homeowners everywhere can fight the system and win," said attorney Steve Rice, who represented the Leisure World residents.

Golden Rain attorneys declined to comment after the ruling.

Although the case is viewed by some as a David vs. Goliath

The End

For Questions?

Email to rvoice@rvoice.org

Or

BLOG at <http://blog.rvoice.org/>

Or

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