

LWV January 22, 2009 Residents Voice

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Residents Voice

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Questions for our Mutual Directors for the Year 2009

Conrad Grundke

If program doesn't start automatically –
press f5 function key

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What are these ?

- “Leisure World”
- “Laguna Woods Village”

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Leisure World

- A Corporation;
 - Dissolved in 1968
 - William V March - Agent
 - Active 1982
 - Heidi Cortese - Agent

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Laguna Woods Village

- A Bank Account Name in Bank of America
 - It is **NOT** a corporation!

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- Corporations

- Trust

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Corporations

- Golden Rain Foundation of Laguna Woods
 - Active - 1962 – Agent Cris Trapp
- Laguna Woods Mutual No. Fifty
 - Active – 1969 – Agent Cris Trapp
- United Laguna Hills Mutual
 - Active – 1975 – Agent Cris Trapp
- Third Laguna Hills Mutual
 - Active – 1970 – Agent Cris Trapp

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Trusts

- Golden Rain Foundation Trust
 - **The Trustee for all of our amenities.**

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Original Purpose of the Trust

- Ensure that Trust Monies are handled properly
 - Money can only be removed according to the Trust Agreements
 - Regulatory Agreement (HUD) is one of the controls
 - Why does United want to pay off HUD?

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Pertinent Questions ?

- Were Trust Monies that were in the Trust in a BofA corporate account that was registered with the state as “Leisure World?”
- Did our name change require us to move our Trust money from that account to a BofA account named “Laguna Woods Village?”

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LWV Bank Account

- Is it a corporate account?
- Who “owns” or “controls” this account?
 - GRF?
 - PCM?
 - Housing Mutual?
 - Other?

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Director Questions

- “Leisure World” did business as a Corporation.
 - Is it necessary to create a corporation for “Laguna Woods Village?”
 - When was the “Laguna Woods Village” name change registered with The Secretary of State?

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Director Questions

- Where are the registered voting ballots showing who voted for the name change?
 - **According to the CC&R's, Articles of Corporation, and IRS, we are required to have 2/3 of the shareholders vote to make this change and there were less than 3000 shareholders who voted.**
 - **Did we update all of our corporate records to reflect this name change?**

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Director Questions

- There was an article in our community paper (Globe) describing how Ms Price saved the residents 31 million in federal & state taxes by changing our corporation from a 501 (C)3 to a 501 (C) 4.
 - **Was KPMG involved in this change?**
 - **How much did PCM staff get via their incentive bonus program?**

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Sional Community Management

- Professional Community Management, Inc
- (profes)Sional Community Management, Inc
- The internet has several references to this name.

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Sional Community Management

- Address: 23055 Paseo De Valencia, Laguna Hills
- Contact Phone: (949) 597-4200
- Contact Name: Russ Disbro
- Alt Business Name: Professional Community Mgmt

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Sional Community Management

- Address: 24351 El Toro Rd, Laguna Hills
- Contact Phone: (949) 268-2271
- Contact Name: Milton Johns
- Parent Company: Professional Community Mgmt of CA, Inc

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Sional Community Management

- Address: 23081 Campo Verde, Aliso Viejo
- Contact Phone: (949) 597-4206
- Contact Name:
- Alt Business Name: Professional Community Mgmt of CA, Inc.

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Conclusions

- The document records defining our Mutuals are out of date and could lead to opportunities for unscrupulous individuals to take advantage of our unsupervised finances.
- PCM is entrenched in numerous areas. Not all of which are a function of our community.

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Friday, Jan 23

- **United Mutual Special Board Meeting**

–2:00 pm

–Board Room

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The End

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