

Will the Town Hall Meeting Permit an Exchange of Ideas Between Residents and Directors?

Third Board President Connors announced April 15 that the Board will host a Town Hall Meeting to discuss the Management Agreement on April 29 from 1:00 to 3:00 pm in CH5.

Although this is a step in the right direction the purpose and format of this Town Hall Meeting is uncertain. A "Town Hall Meeting", as defined by Wikipedia, is an informal public meeting in which everybody in a community is invited to attend, voice their opinions, and hear responses from elected officials. Language in the Management Agreement that residents find most objectionable is not limited to Third Mutual, it is contained in United's Agreement as well, and United's residents and Directors should not be excluded on April 29. If this is a real Town Hall Meeting it will provide everybody in the community, i.e. residents from Third, United and Mutual 50 with an opportunity to discuss issues with the Management Agreement with Directors from each Mutual, and an opportunity for Directors from each Mutual to respond to residents in an open forum. If this is a genuine gathering in the true spirit and meaning of Town Hall Meetings, Directors will not restrict residents to the Board-mandated "three-minute no-questions asked" rule.

It is hardly surprising that residents harbor a certain amount of skepticism about the sincerity and intent of this Meeting. Repeated requests by residents for open meeting discussions of resident's issues of concern with the Management Agreement, and for a timetable for revising the Management Agreement, have been ignored. The obligatory "ground rules" for resident participation have not been announced, paving the way for the Third Board to impose last minute restrictions on resident participation. There is apparently no desire or intent to televise this event to inform the thousands of residents who cannot attend of the issues of concern with the Management Agreement.

Residents will believe the Third Board is sincere in its intent to revise the Management Agreement if Third Board Directors announce a timetable for its revision and completion at this Meeting. In the absence of such a commitment, it will be apparent that this Meeting is nothing more than a smokescreen to foster further delay.

Why the dispute over the Management Agreement?

A little more than a year ago our community was shocked and angered to learn that our managing agent, PCM, spent more than \$312,000 of residents' monthly assessments on employee-related reimbursements. Milt Johns, PCM General Manager, responding to heavy criticism, defended these

expenditures, arguing that language in the Management Agreement gave PCM the right to spend residents' monthly assessments on these reimbursements. Residents, responding angrily to Johns' contentions, said that if language in the Management Agreement gave PCM the right to spend residents' monthly assessments in this manner, then language in the Agreement should be changed.....sooner rather than later.

Thus began a contentious year-long struggle punctuated by letters from residents to Third Board Directors pleading for revision of the Agreement and a puzzling refusal by the Board until the threat of recall of three directors galvanized them into action.

What are some of the issues with the existing Management Agreement?

A new Management Agreement needs to be written, this time, by outside, independent contract attorneys. Certain language in our current Agreement, antithetical to the best interests of our community, was written by non-professionals influenced by a politically divided Board, and by our managing agent.

We should remove language that states "Any and all expenses incurred by PCM are for the benefit of LWV and are to be reimbursed by LWV corporations." This language provides a blank check to PCM. It is the language on which Johns based his defense when he said the Mutuals agreed to pay for PCM employee-related expenditures. Johns is correct. This one single sentence obligates residents of Third Mutual to pay for millions of dollars in employee incentives, and thousands of dollars for PCM's credit card charges and employee expense account reimbursements.

We should remove language that says "Members of the Mutual will not perform the work of Agent." Members of who are skilled in a wide variety of disciplines should be encouraged to volunteer their services to help save our community money. Additionally, we should eliminate, completely, language which requires Third Mutual to contribute to a PCM employee Incentive Plan.

A Real Town Hall Meeting?

Will this be a real Town Hall Meeting or simply an opportunity for further delay by the Board? Without an open and frank discussion between residents and Directors of ways to remedy the problems with the Management Agreement this Meeting will provide nothing more than an affirmation of what we already know, i.e. that residents are displeased with the Management Agreement and want it revised.

Go to the Meeting! Tell Directors what you think about the Management Agreement and then ask them for a timetable for completion of a new Agreement.