

11. Saved \$160K through “negotiating reduction in workers comp premium renewal.” Wouldn’t it be expected of our General Manager, as part of his job, to obtain savings in his employees’ Workman’s Compensation premiums?
12. Saved money by “rebuilding” mowers in lieu of purchasing new ones in 2004, and 2005, and 2006, and 2007!
13. Increased net revenue from staff initiated recreation events. In 2006, and 2007. Wouldn’t we be better off if we created a job description and hired someone to fill the position.

In reviewing the various savings items on these 8 years of Incentive Plan Results, one wonders how a General Manager could have believed that his actions in justifying these savings could possibly go un-challenged by all four corporate boards. It appears that the longevity of PCM as our Managing Agent has reached the point where PCM feels immune to any oversight and will resist any form of auditing.

Naturally, this onus falls upon the Directors and since the Incentive Plan has been potentially mis-used over an extended period of time, there are many Directors on whose shoulders this responsibility falls. Are they all at fault? No, only the ones who resist any direct OVERSIGHT of PCM. There have been many Directors who have argued forcibly against this lack of oversight and they have been voted down by the Board majorities.

It is now time for all of the Directors to again review this increasing pile of evidence of inappropriate action by PCM and correct our lack of oversight, TODAY. The resistance that has continued on the part of many Directors in conjunction with PCM, can be resolved if Directors would review all aspects of the Managing Agents activities.

## *New General Manager*

**W**hen an employer loses TRUST in an employee, it is time for a change. Our Boards can no longer TRUST the General Manager. He has made false and devious statements for too many years now and like any efficient corporation, it is time to bring in “fresh” management that has no buried bones to hide.

“Credit Cards were for Emergency Use Only!”

“A 10 year period on Incentive Bonuses without the concurrence of any Board.”

“Questionable effort and time spent on ‘Development’ when our primary need is for ‘Maintenance’.”

“Ever increasing Assessments even while we are paying Bonuses for supposed ‘Cost Savings’.”

“Lack of transparency in Financial matters. Especially in areas like Broadband, and Incentive Plans. The ledgers have been maintained in such a way that you cannot track such activities without the “little black book” that identifies the detail. There is NO Account Number for any Incentive Savings and we rely entirely on the Financial Officer to provide OVERSIGHT on HER books.”

The mantra that, “There is no one other than PCM that can manage a Home Owners Association as large as Laguna Woods Village,” is propagated by PCM and has no basis in fact. There are a number of companies that are capable of running our village.

One of the defining occurrences is the periodic creation of the Management Contract.. When this is being influenced to the extent that it is by the General Manager, “Something is wrong” and we need it FIXED.