

The Voice



Interpreting a Press Release

With the dropping of the first shoe, the United Mutual has shown us that they have elected to tell their legal attorney to NOT pursue any action similar to that initiated by the Third Mutual. It appears that their reason for the Press Release was to **protect their *&%’s** by attempting to place the decision on their attorney.

A link to the press release can be found at the following web address;

<http://www.rvoice.org/RVoice/Documents/Third%20Law%20Suit/Third%20Law%20Suit.htm>

In response to this press release a Residents Voice ad was placed in the Globe and can be found at the same web address. A sample of a critique of the original press release follows:

The last paragraph on page 1 states: *“...the Plan was discontinued by PCM after 2007, and therefore litigation is not required to end a Plan that over its lifetime had grown to lack transparency.”*

Interpretation: The implementation of the PCM Incentive Plan became known to a few board members in 2006 and since it was never authorized, it was time to terminate the plan.

Note 1 on page 2 states: *“The United Board of Directors “knew” of the Incentive Plan when the relevant management contracts between United and PCM were executed.”*

Interpretation: “Relevant” management contracts would be those prior to the public exposure of the PCM Incentive Plan of 2006; (i.e., United Management Agreement dated 9/11/2001). Any monies

paid to PCM employees over and above their salaries and negotiated benefits, should be approved and made aware of **“to all Board Members.”** This was **“NEVER”** done and the majority of past United Board Members would concur.

The highlighted comment on the top paragraph of page 4 states: ***“In addition, in these initial responses PCM misstated the degree to which the Plan results were reviewed by independent auditors. The Plan and Plan results were an internal PCM matter that was not reviewed or audited by the independent auditors who prepare our year-end audits.”***

Interpretation: PCM can spend our assessments as they see fit if the expenses are internal to PCM. There is no need for a review of the “PLAN” either internally within LWV or externally within PCM nor does the Board feel that there is justification for an audit of these monies by an independent auditor.

With all of the potential concerns on the Bonus Incentive Plan, Board Oversight is critical BUT non-existent.

Find us on the Web

WWW.RVOICE.ORG

Residents Voice

Meetings

Thursday, June 16

Thursday, July 21

CH #5 6:30 pm

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