

water we see bubbling up from the clogged drain. **Why was the issue of potentially increased assessments to cover GRF taxes hidden? Are we, the residents, not entitled to know that we face a raise in what we contribute to GRF to cover their tax burden?** Perhaps this will serve as a reminder to all residents to plan on attending GRF Finance Committee meetings where spending has been a way of life and equating every increase to only pennies per manor per month. **Somebody needs to start adding up the pennies!**

ISSUE 2.

We can't help but question the current spin regarding the "voluntary" abandonment of GRF's tax exempt status. For years we have been reading the 990 Tax returns describing GRF's status as a social welfare organization and all signed by Janet Price. From the very first correspondence we saw dated Nov 20, 2001 applying for status as a 501(c)4 tax exempt organization signed by John M. Panetta of KPMG we wondered why Janet Price was entitled to an award of \$100,000 (**twice** that we know of) for coming up with that strategy.

ISSUE 3.

Any organization under 501(c)4 **must open its gates and provide services to the broader community.** Our community was portrayed as far broader than it actually was because Ms. Price claimed we had 8 churches, What we actually had were 8 groups of varying religious persuasions holding services within the community because there was nothing meeting their needs outside the gates. These "churches" are actually designated GRF Clubs and rent rooms for their weekly meetings at the club rate. The original 8 have probably expanded and as far as we know the only officially designated Church meeting in our clubhouses is Saddleback, despite their large campus in Lake Forest. Are they too granted club status? We don't know.

ISSUE 4.

From the original **Determination Letter Request** on behalf of the GRF Foundation, dated 9/10/01 signed by Janet. W. Price, Asst. Treasurer regarding Access to Common Areas and Facilities. Ms. Price writes: "Additionally, the Foundation welcomes non-residents and non-members to its common areas such as Swimming Pools and Golf Courses," with no mention that the welcome also includes guest fees payable to the GRF Foundation for the use of both those amenities.

ISSUE 5.

Regarding the section addressing Private Gatherings Ms Price engages in another creative stretch by counting all the non-resident guests at member hosted weddings, birthday parties, anniversaries and other family gatherings as numbers of the outside public using our community facilities.

The revocation of the 501(c)4 and switch to a 528 IRS filing can only be credited to the IRS investigative team as an IRS determination based on improper filings over the years. Fortunately there was no penalty that we know of. Another issue on the bright side is that the overuse we are experiencing and the open gate policy supported by CAC and agreed to by GRF may change to our benefit since it will minimize the strain on our amenities. We can only hope for a change of thought process among the GRF Board members. Will they take responsible action to close the gates, thereby reducing the overuse of our amenities by non residents and outside groups? Even more importantly will they begin to place budgetary emphasis on our NEEDS not WANTS?

Hopefully this will be accompanied with greater oversight on the part of all Board Members so that we never again fall victims to abuses such

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