

**LAKE MISSION VIEJO ASSOCIATION
BOARD OF DIRECTORS MEETING
December 8, 2009**

MEETING: Upon notice duly given and received, this meeting of the Lake Mission Viejo Association Board of Directors was held at the lake offices. The meeting was called to order by Diane Lincoln at 7:08 PM.

Board Members Present:

Diane Lincoln	President
Fred Mellenbruch	Vice-President
Sid Wittenberg	Vice-President
Alan Virdinis	Treasurer
Jane Chadburn	Secretary

Staff Members Present:

Kevin Frabotta, General Manager
Dave Kerr, Administrative Manager
Bryant, Watilo, Operations Manager
Norma Risher, Billing Clerk

Others Present: M. Ziegler, K. Kriz, A. Kotnik, J. Sperber, M. Terusa, W. Halagarda, R. Simenz, T. Hoadwonic, A. Cook, A. Waugh, K. Abele, W Broadhag, M. Bender, R. Simenz, T. Musolino, G. Millikan, R. Heimann, N. Schmidt, D. Gingold, G. Virdinis, A. Waugh and S. Byron.

Minutes: Motion duly made by Alan Virdinis and seconded by Fred Mellenbruch to approve the minutes of the November 2009 Board Meeting. Vote carried: 4-0-0. Jane Chadburn was not in attendance.

Members Forum: Rod Simenz of LMVYC stated that the Annual Holiday Boat Parade was very successful and with help from LMVA staff the Yacht Club experienced a wonderful 2009 sailing season. Mr. Simenz asked about covering the 2 X 12 planks on the launch ramp dock with PVC material to avoid splinter issues that present a danger to members launching their boats. Diane Lincoln asked staff to look into the problem and report back to the board.

Delegates Forum: Nancy Schmidt (delegate from Mallorca) asked about members selling boats stored on the lake and having a problem obtaining a trailer to remove the boats from LMV waters. Dave Kerr mentioned that LMVA allows a boat repair contractor to store a pontoon trailer on LMVA property for use in LMVA waters only.

Stu Byron (delegate from Palmia) asked about a shade structure for the playground equipment at Playa del Norte that he had inquired about at the October meeting. Kevin Frabotta stated that staff is looking into bids for a shade cover and will report back at the January meeting.

Special Presentations: Karel Kriz gave a brief overview of the pending Breezeway/ Concourse remodel project as well as the realignment of the Access Ramp at the back of the Concert Bowl area. Mr. Kriz stated that we are still in the approval process with the City regarding the projects. Mr. Kriz stated that he hoped to have approval before the end of the year and start the projects in January 2010.

Director's Report: Alan Viridinis complimented the members and staff regarding the Boat Parade decorations.

Treasurer's Report: The financial statements for month ending November, 30, 2009 were distributed. The financial information discussed was contained in the statements. Alan Viridinis reported:

The Lake Mission Viejo Association financial statement through November 30, 2009 shows:

Actual revenue of	\$ 5,908,401	2
Gross Income of	5,840,476	3
Actual Operating Expenses of	5,259,583	5
Capital Expenditures	449	5
Net Income	580,444	5
Budgeted Net Income	(37,400)	5
Total Investments	6,903,030	1
Total Operating Cash on Hand	196,484	1
Interest Income	155,235	2

Eleven months into the year, our budget is working as designed. There are no expense trends indicating any problems.

Committee Report: None

Manager's Reports

GENERAL MANAGER'S REPORT

Financial / General

- November financials showed a net income of \$580,444 year to date. A few highlights for the month:
- Part time payroll and overtime were just under budget reflecting our continued efforts to eliminate duplicate staffing and control payroll.
- Water / Lake Refill under budget by \$6,400 due to less than budgeted water purchases for the month. We are under budget \$51,949 for the year in this category, and with the predicted rains should not need to purchase water before year end.
- Our Facility Usage fees for the Clubhouse are 34% up over last year through November.

HR / Labor

- I am pleased to introduce and welcome Bryant Watilo as our new Operations Manager.
- Our annual Employee Holiday Party is scheduled for tomorrow night, Wednesday, December 9 at Dave and Busters in the Irvine Spectrum.

Special Events / Community Relations:

- Our Holiday Event was held on Saturday December 5th with two stage shows by Magical Events, Santa's Workshop, a bonfire and the Parade of Lights. We had excellent feedback from members and guests attending. Attendance exceeded 500 people.

Operations / Maintenance

Member Issues

- Our trout season continues to run very smoothly. Members and guests have been very complimentary regarding the stocking, quality of fish and our staff/service.

Lake Biology

Lifeguards / Safety:

ADMINISTRATIVE MANAGER'S REPORT

BILLING/MEMBERSHIP DEPARTMENT

- As of 12/01/09 staff has deposited \$2,598,596 in membership assessments since 6/01/09. Most payments represent the current period 07/01-12/31/09 assessment.
- Our outstanding balance for the membership accounts receivable is running about 30% higher than the same period of 2008.
- As of 12/01/09, 264 files are at the collections attorney's office. These accounts are all in arrears for multiple assessment periods. In addition to these accounts we have 625 accounts past due for the current period. Legal charges along with interest charges are being applied to these now delinquent accounts. These files will be forwarded to our collections attorney for further collection efforts.
- 2010 Boat Registration stickers are available in the membership office. Staff has made a concerted effort to encourage lakefront homeowners to update insurance and registration for all boats stored on the lake.
- Membership counselors processed 1 new voluntary membership during the month of November.
- Online bill payment electronic delivery program is working well. We have deposited our first batches successfully without receiving the paper checks.

ACCOUNTING DEPARTMENT

- CD and money market rates have remained stable during the last month. We purchased 1 CD for five (5) years, @ 3.65%.
- Enclosed in your packet is a copy of the current investment portfolio at Comerica Securities.

FINANCIAL (Revenue • Cost • Reserve • Audit)

- Financial reports for 11/30 will be available prior to the meeting as we have an early meeting in December.

MEMBER / COMMUNITY RELATIONS

- 12/01 issue of the Noticia has been mailed to the members on or about Thanksgiving holiday period to make sure members know about our 12/05 LMV holiday celebration.
- Clubhouse bookings for 2009 up to at 45 events with 20 being weddings and or receptions.
- Facility Usage fees (mainly Clubhouse rentals) are at 57,600 year to date vs. 45,300 for 2008 or 27% increase year over year.

- Used motor and kayak sale set for Saturday 12/12. Members will have the opportunity to purchase trolling motors and kayaks in time for the holiday season.
- Fishing Club first meeting and tournament set for the first week of December. Meeting, Wednesday 12/02 and Trout Tournament Saturday 12/05.
- Trout fishing has been outstanding since Opening Day 11/21. LMV is expecting the next stock of trout during the first week of December for the upcoming trout tournament.

BIOLOGY / LAKE INFORMATION

Subject: Current Lake Information

Lake Elevation 700.01 (ft, asl)
 Surface Water Temp. 62 (F)
 Secchi Visibility 33 (ft.)

WEBSITE

- Website statistics for 11/09 show 27,512 visits to the website; up 27% from 11/08.

OLD BUSINESS:

None

NEW BUSINESS

Purchase of Office Printers.

Dave Kerr stated that in order to replace old equipment and consolidate printing supplies we need to purchase new office desk top printers. Mr. Kerr recommended purchase of 8 HP Office Jet 6000 printers from PC Connection for a cost not to exceed \$750.00 with expense to come from Capital Expenditure account 6000. Fred Mellenbruch made a motion to approve purchase of the printers Second, Alan Virdinis. Vote carried 5-0-0.

Purchase of New Servers

Dave Kerr stated that in order to update our network servers and Operating System software he proposed purchase of two (2) Dell Power Edge servers to accommodate both the Appgen server and File server. This upgrade will provide 500 gigabytes of storage space along with 8 gigabytes of RAM for each server which will significantly upgrade our network performance and storage capacity. Network usage has essentially doubled since our last upgrade. The current Appgen server will be redeployed as our new backup server. This migration will allow us to retire our aged backup server currently in use (at least 10 years old) and will provide an upgraded network backup solution for all our network computing needs. Dell provides the backbone of our hardware for our network servers and we have been very satisfied with their server line. Along with the hardware we will be able to upgrade our Operating System to the latest SuSE Linux release (Novell/SuSE Enterprise 11.0) from our current version. Hardware for this project will come from Dell with a cost not to exceed \$5,500. The expense is to come from Reserve Account 2045. There is \$7000.00 reserved for network computer upgrades for 2009. Fred Mellenbruch made a motion to approve purchase of the new servers, Second, Sid Wittenberg. Vote Carried 5-0-0

Purchase of Blue Beach Tubs:

Kevin Frabotta provided a bid summary for the purchase of 100 blue beach tubs for a cost not to exceed \$4552.06 including shipping and tax. The tubs are manufactured separately from the frames. Purchase of the tubs at this time will allow us the off season to retrofit and clean up our current fleet of carts and be ready for the summer season. We are also able to salvage and repair older frames and reuse them with the new tubs. Expense to come from Capital Expenditure account 6000. Jane Chadburn made a motion for approval of the purchase of the beach carts, Second, Fred Mellenbruch. Vote Carried 5-0-0.

Adjournment: There being no further business, this meeting of the Lake Mission Viejo Association was adjourned at 7:48 PM.

Attest: _____, Secretary