

**LAKE MISSION VIEJO ASSOCIATION  
BOARD OF DIRECTORS MEETING  
June 14, 2011**

**MEETING:** Upon notice duly given and received, this meeting of the Lake Mission Viejo Association Board of Directors was held at the Lake Administration Building. The meeting was called to order by Fred Mellenbruch at 7: 01 PM.

**Board Members Present:**

Fred Mellenbruch, President  
Alan Virdinis, Vice President  
Diane Lincoln, Vice President  
Dale Tarkington, Treasurer

**Staff Members Present:**

Kevin Frabotta, General Manager  
Dave Kerr, Administrative Manager  
Bryant Watilo, Operations Manager

**Others Present:** J. Sperber, N. Schmidt, M. Bender, G. Virdinis, G. Millikan, K. Abele, R. Simenz, , T. Hoadwonic, A. Kotnik, P. Krinitt, S. Krinitt, K.Abele, V. Savage, A. Cook, and S. Byron.

**Minutes:** Motion duly made by Diane Lincoln and seconded by Alan Virdinis to approve the minutes of the May 10, 2011 Board Meeting. Vote Carried (4-0-0). Sid Wittenberg was not in attendance.

**Special Meeting Minutes:** Motion duly made by Diane Lincoln and seconded by Alan Virdinis to approve the minutes of the June 01, 2011 Special Meeting of the Board. Diane Lincoln asked to strike the sentence "Ms. Lincoln stated that she thought we were comparing apples and oranges, in evaluating the bids." from these minutes. Vote Carried (4-0-0).

**Members Forum:**

Andy Kotnik stated that there is a lighting problem regarding the new sign at the North Beach entrance. Staff stated that they would address the problem/

Delegate Art Cook stated that he felt the address displayed on the new entrance sign at the front gate was incorrect. Mr. Cook stated that the true address is 22055 Olympiad Rd. He compared the address of the Youth Athletic Park which he claimed is 22056 Olympiad. Mr. Cook stated that he understood that changing the address could be problematic because all of our mailing information is 22555 Olympiad. General Manager Kevin Frabotta stated that Google Maps shows LMVA as 22555 Olympiad. Mr. Cook stated that he envisioned corrective action should be taken over a period of time as stationary runs out and changes can be made. Mr. Frabotta stated that staff would look into and verify the correct street address of LMVA's Olympiad property.

**Delegates Forum:**

Delegate Shelley Krinett (Cypress Point) thanked the Board for reviewing contracts regarding work performed at LMVA.

Delegate Nancy Schmidt (Mallorca) stated that she observed members feeding the geese from a rental party boat. Mr. Frabotta stated that there is a sign in the rental boats not to feed the wildlife.

Delegate Stu Byron (Palmia) stated that he has been approached by members in Palmia requesting a shuttle service to the upper parking lot before and after concerts. A general discussion took place regarding the need for and logistics of implementing a shuttle service after concerts. Diane Lincoln stated that we have a pickup area set up for each concert in the launch ramp area. The general discussion regarding a shuttle service continued. Mr. Frabotta stated that staff would look into the feasibility of a shuttle service during concerts. Mr. Byron also stated that he has received positive feedback regarding the new look of the newsletter.

**Special Presentations:** None

**Director's Report:** Diane Lincoln stated that she wanted to recognize Tyler Peyatte of the Junior Sailors who wanted to thank the Board for authorizing purchase of the new sails for the Junior Sailing program this year.

**Treasurer's Report:** Treasurer Dale Tarkington stated that the Lake Mission Viejo Association financial statement through May 31, 2011 shows:

Actual revenue of	\$ 2,725,733	2
Gross Income of	2,696,279	3
Actual Operating Expenses of	2,158,715	5
Capital Expenditures	0	5
Net Income	537,564	5
Budgeted Net Income	168,874	5
Total Investments	6,406,046	1
Total Operating Cash on Hand	255,881	1
Interest Income	22,157	2

- Accruals (not including payroll) equal \$21,570 for the month.
- In the last 12 months we have written off \$123,975 in bad debts.
- Concerts are over budget due to talent deposits made earlier than budgeted for. This line item will even out throughout the year. The Special Events line item has begun to even out.
- Payroll Expenses are over budget due to an increase in our EDD UI rate. We were not aware of the increase when preparing the budget.
- Rental Fleet Maintenance is over budget due to the purchase of batteries in May. The battery expense was budgeted for in June and will even out next month.

**Committee Reports:** None

**Manager's Reports:**

**GENERAL MANAGER'S REPORT**

**Financial / General:**

- May financials are included in your packets.
- Because I was on vacation, there are no comments in the GM report regarding the financials.
- We held several meetings with Steve Jackson of Advanced Reserve Solutions, Inc. in the preparation of our Reserve Study.

**HR / Labor:**

- The Payroll and Quit Reports are included in your packets. We have had excellent application flow and are staffed for Summer.
- Our 'new employee' orientation video is currently in development and should be ready by the end of this month.

**Lifeguards:**

- The Lifeguard statistics for May are included in your packets.

**Lake Biology:**

- Swimmer's itch fliers continued to be handed out during May and notices alerting swimmers of these conditions have been posted.
- After satisfactory testing at LMV with employees, *Swimmer's Itch Guard* sunscreen is now available for purchase through LMVA's Beach Bag.
- We received our first domestic lake fill water of the year in May, with 20 acre feet delivered.
- May rainfall was just over the May average at .43 inches.
- The California Division of Safety of Dams completed their inspection of the Dam and the exercising of our 48 inch gate valve on May 18<sup>th</sup>. There were no issues.

## ADMINISTRATIVE MANAGER'S REPORT

### BILLING/MEMBERSHIP DEPARTMENT

- As of 06/01/11 assessment bills for the 7/01-12/31/11 billing period have been mailed and processing of checks has begun.
- As of 06/01/11, 657 files are at the collections attorney's office vs. 06/01/10 when there were 760 files in collections. Each of these accounts is in arrears for previous assessment periods.
- Membership counselors processed 6 new voluntary memberships during 05/11.
- The new Membership/Billing office configuration is working very well. The addition of the receptionist desk has improved traffic flow in the office substantially.

### ACCOUNTING DEPARTMENT

- CD and money market yields remain low. As of 6/01 we currently have 37 CD investments totaling \$5,688,371.52 in our portfolio with an average interest rate of 1.155%. On 5/31 and 6/01 \$398,000 was invested in 3 different CD's for a 1 year term @ .35, .43 and .45% interest rates respectively. We have an additional \$717,674.77 in money market funds at Comerica and Citi Bank for total investments of \$6,406,046.29
- Enclosed in your packet is a copy of the current CD investment portfolio at Comerica Securities.

### COMPUTER NETWORKING

- A new firewall has been installed at East Beach and we are ready to begin our VPN service between North Beach servers and the remote terminals at East Beach.
- The switch of telephone service from AT&T to Cox Communications has been completed. With a few transfer issues behind us, we are up and running with excellent service from Cox.

### MEMBER / COMMUNITY RELATIONS

- Clubhouse is now booked for 58 events in 2011 vs. 35 events as of 6/01/10.
- Clubhouse events held through 05/30/11 at 28 events vs. 20 events held through 05/31/10.
- Mother's Day 5/08, and the Symphony event 5/15, both had cool weather which kept the crowds down.
- The Triathlon on 5/22 went off without problems. There were over 800 athletes competing and the facility was cleaned up and back in order by noon.
- Memorial Day Monday was very busy with all parking lots full and both parks filled to capacity.
- Pre-Production on 7/11 newsletter has been completed. With one issue behind us, the new format and editing program has been easy to adjust to and we have had many compliments from members regarding the new look and color format. This issue features the July concert schedule, summer movie information and Family Fun Day promotion.

### BIOLOGY / LAKE INFORMATION

Subject:	Current Lake Information
Lake Elevation	700.82 (ft, asl)
Surface Water Temp.	73 (F)
Secchi Visibility	31 (ft.)

### WEBSITE

- Website statistics for 05/11 were not available at press time.

## OPERATIONS MANAGER'S REPORT

### **Marina/ Lake Operations**

- We have taken possession of our two new Party Boats and have put them into service for our members enjoyment. Several new features on the new boats include Chaise Lounge seating on the front seats, the overall width has increased by 6" and we have added an extra seat at the bow of one of the boats for added comfort.
- LMVYC held its Spring Regatta II on May 22<sup>nd</sup> in almost no wind for the 1<sup>st</sup> two races resulting in a rare drifting match. The wind blew very hard for the final race, resulting in a few minor collisions at a mark.
- LMVYC held its annual Leukemia Cup & Poker Run on June 11<sup>th</sup> and it was a huge success. A huge number of volunteers worked extremely hard in support of this event. This year's event included a 5k awareness walk followed by a sail boat race, poker run, silent auction, BBQ Dinner and ceremonies.

### **Architectural Review Committee**

- The Architectural Review Committee received and approved two applications for dock replacements from lake front members. The minutes from those meetings are included in your packets.

### **Major Projects / Initiatives**

- The Association purchased a new 2011 Chevy Silverado and we are proud to report that we were able to save \$1,426.27 from the amount approved by the BOD at the March 2011 meeting.
- The LMVA Maintenance Staff has been busy the last several weeks preparing for our Summer Concert Series. This work includes preliminary setup, stocking supplies and we have had several meetings with our Special Events Coordinator to discuss any setup changes that may occur due to the new concert stage setup.

**Old Business:** None

### **New Business: Geotechnical Dam Monitoring Contract from URS**

Kevin Frabotta stated that we have a proposed contract for the Geotechnical Dam Monitoring from URS. The contract represents their scope of services for the annual monitoring of the dam, which they have provided to LMVA for the last 33 years. This expense is part of our Professional Fees budget in this year's Operating Budget. The contract includes the preparation of an engineering report and submission of same to the Division of Safety of Dams. Dale Tarkington made a motion to approve the contract as presented. Second, Diane Lincoln.

Vote Carried 4-0-0.

**Adjournment:** There being no further business, this meeting of the Lake Mission Viejo Association was adjourned at 7:50 PM.

**Attest:** \_\_\_\_\_, Secretary