



2010 annual conference encourages planning for the future

The theme of the 10th Annual Senior Cooperative Housing Conference, held May 12-13 in Bloomington, was *Planning for the Future – We May Just Live to be 100 or More*. The idea of living more than 100 years quickly came up in the keynote address by Dennis Johnson of the Senior Cooperative Foundation. He spoke about blue zones, places where people commonly live active, healthy lives beyond the age of 100. Studies of this phenomenon have found that these people share a particular set of healthy traits and lifestyles that clearly result in higher-than-normal longevity.

Johnson compared the results of a recent senior housing cooperative member survey to these blue zone characteristics. He found that senior housing cooperatives may be mini-blue zones in their own right. He said that future surveys will continue to study this possible connection.

A panel comprising Johnson, John Sweeney of Applewood Pointe Cooperative of Roseville, and Bill Buending of Gramercy Park Cooperative Northwest of Plymouth spoke about the need for senior cooperatives to get serious about determining the adequacy of their replacement reserves. The only way to know if the cooperative has sufficient funds to cover future replacements is to inventory all replaceable items, calculate the costs, and forecast the future expenses against the calculated available funds over a horizon of at least 20 years.

Kevin Edberg of Cooperative Development Services updated attendees about how non-profit organizations support senior cooperative housing.

Another session from the conference was "Marketing Today for Future



The Senior Cooperative Foundation presented leadership awards at the 10th Annual Senior Cooperative Housing Conference to Brian Carey, United Properties/Applewood Pointe Cooperative Communities; Ed Delk, The Plaza at Highlands Crossing Cooperative; and Diane Gilbertson, Ebenezer Management Services. Founders Awards were presented to Joe Nemo, an attorney at Martin & Squires in St. Paul, and to the Multifamily HUD office in Minneapolis. Pictured (l to r): Dennis Johnson, Senior Cooperative Foundation; Carey; Delk; Gilbertson; Nemo; Paul Woxland on behalf of the Minneapolis HUD office; and Terry McKinley, Senior Cooperative Foundation.

Success." A panel consisting of Larry Silber of Blue Cross/Blue Shield of Minnesota; Barb Perrin of Gramercy Park Cooperative at Lake Shore Drive; Joe Nemo, attorney with Martin & Squires; and Lee Poppe of Applewood Pointe Cooperative of Roseville covered such topics as the effective use of

advertising, how to set a good advertising budget, the new share payment deferral program that is currently being tested, and why a cooperative's own members are the best method of advertising. Johnson also gave an update report on the Cooperative Living Committee.

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Mark your calendar

Aug. 4—SCH Council Meeting, Location TBD

Aug. 30—Senior Cooperative Housing Golf Tournament, Greenhaven Golf Course, Anoka

Nov. 3—SCH Council Meeting, Location TBD

May 11-12, 2011—SCH Conference, Ramada Mall of America, Bloomington

Conference looks to the future

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Another panel consisting of Jill Weber of Ebenezer management Services, Barbara Bowling (by letter with comments) of Realife Cooperative of Hibbing, Brian Duncan of Gramercy Park Cooperative of Eagan, Lary Haupt of Applewood Pointe Cooperative of Roseville, and Barbara Schroeder of Realife Cooperative of West St. Paul addressed “Security Issues Facing Your Cooperative.” There are a number of threats to the safety of senior housing cooperatives and in many cases the members are their own worst enemies. Attendees learned they’re too trusting, too helpful, too easy-going, and often too unthinking. They can also be the solution, but must work at it.

The managers-only meeting got off to an early start on Thursday morning with a presentation on the responsibilities of the vulnerable adult statute and the safety and well-being policy given by Mary McGurran of Volunteers of America Minnesota Protective Services.

Managers finished in time to join the rest of the attendees for a session about the SCH Purchasing Cooperative. This was a panel presentation by John Sweeney, SCH Purchasing Cooperative Interim Board Chair; Don Collyard of BizUnite; Bryan Michael of Healthcare Purchasing Connection (HPC); and Dennis Johnson. Conference attendees received an update on recent activities of the purchasing cooperative and heard from the BizUnite and HPC representatives about how their programs will work for the member cooperatives and their residents.

Jacob Kraus of the Minnesota State Attorney General’s office spoke about senior scams. Attendees received three extensive publications: *Senior’s Legal Rights* (60 pages), *Real Deal on Reverse Mortgages* (3 pages), and *Annuities: Beware of Unsuitable Investments for Seniors* (4 pages). Cooperatives are encouraged to distribute copies of these publications.

John Shier, a registered nurse from Green Bay, Wis., energetically spoke about how to “Live Long and

Die Healthy.” He said that human beings are designed to live to 90 or 95, that the goal of the medical community is to keep patients alive, and that we have to be in charge of our health care, since we individually are the only ones responsible for living long and dying healthy. He presented the five best ways to stay healthy, points that many of us have heard and ignored for years.

Joe Nemo and Barb Perrin presented “Preventing and Processing Member Defaults.” Nemo said that there is little a cooperative can do to prevent defaults, but that the cooperative needs to be prepared to deal ef-

ficiently and effectively with them, should they occur. Perrin discussed letter formats and forms that explain the cooperative’s position, while Nemo covered the legal aspects that can be encountered.

Always a favorite session at the conference, “Co-op Counsel’s Corner,” this year consisted of panelists Kris Maser of Maser & Amundson PA, Joe Nemo, and Chuck Sorenson, Legal Counsel at HUD. The trio answered questions from the audience, while Dennis Johnson and Terry McKinley of the Senior Cooperative Foundation moderated the session. The questions, as always, were wide-ranging.

SCF silent auction raised more than \$1,200

The Senior Cooperative Foundation (SCF) held its 3rd Annual Silent Auction Fundraiser during the 10th Annual Senior Cooperative Housing Conference in May.

Thirty items were donated and displayed around the vendor conference room. The bidding began on Wednesday morning and went throughout the conference. Winners were announced at the end of the conference on Thursday. Donated items included: a Rapala fishing package, dinner certificates, wine and cheese baskets, and a Minnesota Twins autographed baseball, just to name a few.

The Senior Cooperative Foundation raised more than \$1,200 at this year’s auction, with a three-year total of almost \$3,400. The proceeds of the auction will help support the various projects SCF does for senior housing cooperatives and their members.

The board members of SCF wish to extend their thanks and appreciation to those who contributed to this year’s Annual Senior Cooperative Foundation Silent Auction and to those who submitted bids on the auction items.

For more information about the Senior Cooperative Foundation, please contact Dennis Johnson at dennisj@seniorcoops.com or 651-310-0235.

Senior Cooperative Housing
Golf Tournament
Monday August 30, 2010
Greenhaven Golf Course
Anoka, Minn.

The 4th annual tournament will be hosted by the Senior Cooperative Foundation. Watch for registration materials in the coming weeks.

If you have questions or would like to be a sponsor, please contact Dennis Johnson at 651-310-0235.

2009 Operating Expense Analysis

Thirty senior housing cooperatives representing almost 2,000 living units participated in the 2009 Operating Expense Analysis conducted by the Senior Cooperative Foundation. The number of cooperatives and number of living units participating in this year's analysis decreased by almost 25 percent from those participating in 2009. Now in its sixth year, this is the first time that the number of participating cooperatives has not increased from the previous year.

The analysis results were compared in three different exhibits: Exhibit I presented the data submitted from the expense worksheet of each cooperative. The analysis identifies the size range and whether it is a metro or a non-metro cooperative. Exhibit II presented the data in an overall average per-unit format and identifies the average expenses per unit per size range. Exhibit III presented three charts: (A) is a summary of the average expense data for each of the broad categories each year. (B) is a summary of the average expense data for each of the size ranges. It also identifies the averages per units for all units participating in the given year. The third chart presents the number of cooperatives and living units participating each year.

The chart below shows the average costs per unit per year over the past six years. The decrease in the 2009 numbers is due to fewer and smaller cooperatives participating.

	2004	2005	2006	2007	2008	2009
Administrative	\$950	\$956	\$1,029	\$1,075	\$1,056	\$1,029
Utilities	\$931	\$1,070	\$1,163	\$1,101	\$1,172	\$1,045
Maintenance	\$1,109	\$1,370	\$1,189	\$1,341	\$1,365	\$1,342
Taxes & Ins.	\$1,337	\$1,467	\$1,576	\$1,428	\$1,479	\$1,488
Reserves		\$696	\$786	\$1,072	\$989	\$762
Total	\$4,326	\$5,560	\$5,744	\$6,017	\$6,061	\$5,666

Cooperatives classify some expenses differently, so there may be some inconsistency in individual category totals. The expense worksheet used to provide the data to SCF is useful for collecting comparative data and improving the usefulness and consistency of the results.

Names of participating cooperatives were not disclosed in the analysis results. Results were mailed to those cooperatives that participated in the analysis and are available to new housing cooperatives to compare their expenses and budgets to those of existing cooperatives.

SCF wishes to thank all the cooperatives that participated. SCF will be conducting the analysis again in 2010. More information on this study is available by contacting Dennis Johnson at 651-310-0235.

SCH Purchasing Cooperative elects board of directors

On April 27, 2010, the members of SCH Purchasing Cooperative elected six directors to succeed the interim board of directors. SCHPC has been operational since January 1, 2010. Class A members – senior housing cooperatives – elected five members to the new board of directors and Senior Cooperative Foundation (Class D member) elected one member. The six directors are: Harlan Gjerde, president; Narvel Søndahl, vice president; Vern Moore, secretary; Curt Norenburg, treasurer; David Blincow; and Terry McKinley.

The members and new board of directors express their thanks and sincere appreciation to the interim board of directors for its guidance and actions to bring SCHPC to this point. Interim board members were John Sweeney, Maureen McDonald, and Terry McKinley. Questions regarding SCHPC should be directed to Dennis Johnson at 651-310-0235.

Cooperative Network resolutions under review

Cooperative Network's resolutions are currently being reviewed.

Jill Weber, regional manager, Ebenezer, has been selected by the SCH Council to represent the housing sector on the Cooperative Network Resolutions Committee.

The current housing resolutions were distributed to the SCH Council at its meeting on June 2. No changes were recommended at that time, but it was asked that the changes made to Statute 515B be reviewed and if anything was recommended by legal counsel to proceed as necessary.

A current set of resolutions for the housing sector can be viewed at www.cooperativenetwork.coop. Please contact Jill Weber at jweber7@fairview.org or Vicky Chaput at vicky.chaput@cooperativenetwork.coop with any recommended changes, concerns, etc.

SCH Council guideline changes

The SCH Council Guidelines/Procedures were reviewed at the June 2 meeting and changes were recommended and approved.

The group decided to decrease its meetings to three per year instead of four. These meetings will take place in February, August and November.

The other key change was meeting location. In odd years, fall meetings will be held in the Twin Cities. The council will travel to a northern or southern cooperative in even years.

The newsletters will still be distributed quarterly. To view all the Guidelines/Procedures, please go to www.cooperativenetwork.coop and click on the senior housing council tab.

Make your airline travel dollars go further this summer



Readers continue to contact me about their airline travel frustrations, particularly the great variability in ticket pricing. Fortunately, there are ways to track airline ticket prices. Yapta.com (Yapta) is a site that tracks airline fares on specific routes. You tag the flights

on that flight. Yapta.com's services are free but are limited to Delta, United, Continental, U.S. Airways, and Alaska Airlines. Also, Yapta is not a booking site. You will still have to book the flight directly through the airline web site or through a third party.

Yapta will also help you apply for refunds for flights that become less expensive. For example, the site will help you apply for a refund for any price drop on Alaska Airlines or Jet Blue; Air Tran Airways for a drop of \$75 or more; Hawaiian or Midwest Airlines for a drop of \$100 or more; and American Airlines, Delta (Northwest), United, U.S. Airways, or Continental for a drop of \$150 or more. However, you must have booked the flight directly through the airline and not through a third-party site like Orbitz or Expedia.

ExpertFlyer.com is also helpful. Unlike Yapta, this site charges for the services it provides. \$4.95 per month will allow you to check flight times, fare ranges, and available connections

Bill Oemichen is President & CEO of Cooperative Network. He previously served as Wisconsin's top consumer protection official from 1996–2001 and his work fighting consumer scams has been featured on the front pages of the *Wall Street Journal* and other newspapers, as well as on the *CBS Evening News*, *Dateline NBC*, and *ABC*.



on more than 400 airlines; allow you to search for only non-stop or direct flights; search for airline mileage award benefits, upgrades; and check seats. The site also provides you with information about on-time reliability as well as historic TSA security wait times. If you frequently fly, this site is a rich source of information. For \$9.95 per month, the site also provides you with the available fares for all airlines for flights you select.

Minn. A.G. takes on deceptive health plans

Minnesota Attorney General Lori Swanson is fast developing a reputation as a strong consumer advocate. She and her staff filed lawsuits in state district court against two Texas-based companies, Direct Medical Network Solutions, Inc, and Association Healthcare Management, Inc., for defrauding several thousand Minnesota consumers by deceptively selling them health discount plans that the firms claimed were equivalent to comprehensive health insurance policies. Swanson noted that at a time of rising health insurance premiums “and [with] health care reform stalled, health discount plans are filling the void. The problem is that they don't provide the financial protection people needed if they get sick.” At Cooperative Network's annual meeting last November, Swanson noted that her office was investigating a number of discount plans that charged substantial monthly fees “without providing any benefit.”

Cooperative Network Co-op Living

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