

**FOREST HILL ASSOCIATION
BOARD OF DIRECTORS MEETING
November 14, 2011**

Board Members present: Diane Wara, Kathe Farrell, Sally Kipper, Katie Balestreri, Dan McHugh, Paul Cooper, Warren Krauss.

Others in Attendance: Harold Wright, Steve Halpern, Jack Buckley, Eric Buonassisi, Bob Novelli, Margot Novelli, Jackie and Ray Apple, Sondra Law, Jim and Mrs. Feeney, Dan Phipps (their architect), Lisa Mann.

Diane Wara called the meeting to order. The meeting began at 7:10 pm.

Minutes: The draft notes of the previous meeting, October 3, 2011, and the draft minutes of the September Board Meeting were approved.

The next Board Meeting is planned for Monday, January 9, 2012.

Treasurer's Report:

Sally Kipper explained that this Treasurer's Report covers both the months of September and October 2011. Due to her vacation absence, no Treasurer's Report could be prepared for the month of September in time for the scheduled October Board Meeting.

Regarding the revenues, Sally reported that only six households still have outstanding Association fees. Three of these are paying in installments with FHA consent. One of these three installment payers has meanwhile completely paid off the 2011 dues. Among the three remaining households, two had been warned of an impending lien. One of these homeowners has also paid off the outstanding dues, and in one case the property was sold, but the Title Company failed to pay FHA outstanding dues of the seller, a situation which will be resolved. This leaves FHA with only 2 installment payers and one possible new lien.

Rental revenues from Clubhouse rentals are currently in proportion to budget projections but might fall behind as soon as Clubhouse renovations begin.

On the expenditure side, the following items are noteworthy. Personnel costs are low in September – only one pay period – and high in October – three pay periods, due to delayed September payments caused by vacation absence of Office Manager and Treasurer. Further, property tax payments for the whole year were made in the amount projected in the budget. AT&T bill was ca. \$ 300 higher than in average months due to repair costs (service call and replacement of malfunctioning modem). Landscape Maintenance cost was double the usual monthly amount of \$ 3718 as two additional service periods were performed in September and October (as happens in every year), bringing the monthly cost up to \$ 7436. For Clubhouse Maintenance, \$ 350 were spent on the regular gutter cleaning service, and the higher-than-average Clubhouse cleaning cost reflects the above-average frequency of rental events in September and October. For Community and Communication, an extra \$ 900 had been budgeted and was now spent to cover work on three FHA Calendars by Insight Consulting/Yen Bachmeier. A budgeted \$ 800 advance was paid to cover the cost of the FHA Halloween Party.

For the payment of Carey & Co., the architectural firm working on Clubhouse Remodeling, in the amount of \$ 29,650, a formal budget amendment is required. The Board approved this budget amendment. Board Member Paul Cooper will ask Carey & Co. for itemized bills before payment is submitted.

Sally Kipper then proposed an additional item beyond the original 2011/2012 budget, a one-time payment of \$ 3,600 to Insight Consulting/Yen Bachmeier for work on the New Tree Database. This project had not been anticipated and therefore not been budgeted at the beginning of the 2011/2012 Fiscal Year.

Insight Consulting is paid 16 hours at \$75 or a total of \$ 1,200 monthly for Computer services, \$ 900 as a one-time annual payment for work on three FHA Calendars, and 30 hours at \$75 as a one-time annual payment for work on the FHA assessment invoices. These payments are included in the regular budget.

Work on the New Tree Database proved far more extensive and time-consuming than expected. Insight Consulting/Yen Bachmeier asked for an increase of the budgeted 16 work hours monthly by 4 work hours monthly to 20 hours or \$ 1,500 monthly.

There is general agreement that the total work hours of Insight Consulting/Yen Bachmeier by far exceed the budgeted hours, as Mrs. Bachmeier performs a sizeable fraction of her overall work for FHA on a pro-bono basis.

Sally Kipper suggested that instead of permanently increasing the monthly work hours of Insight Consulting/Yen Bachmeier, the Board should rather approve a one-time payment of \$ 3,600 as a partial compensation for the total amount of unplanned work performed by Insight Consulting/Yen Bachmeier.

Harold Wright took exception to the fact that Insight Consulting requested payment after work had been performed without prior discussion or authorization by the Board. A very lively discussion ensued, and a general consensus was reached between the Board Members and the audience, especially Harold Wright, that from now on the cost of additional, unforeseen projects beyond the existing budget shall first be discussed among and approved by the Board, and that in the future no payments shall be approved after the completion of work projects for which no prior estimate had been submitted.

The Board then approved a one-time payment of \$ 3,600 as compensation for the work performed by Insight Consulting/Yen Bachmeier.

In this context, Diane Wara pointed out that from now on any requests from the community/board for work by Mrs. Bachmeier must be submitted and approved by the Board President (or, in her absence, by the Vice President) in order to avoid unauthorized work overload on Computer Services.

Sally Kipper then brought up the topic of an audit or bookkeeping review. In the current budget, \$ 5,000 had been set aside for this purpose. This amount would not cover a full audit but only a bookkeeping review. Lately several members of the FHA community had voiced doubts about the justification of this expense. Harold Wright again pointed out that during the years 2007 through 2009 FHA bookkeeping had been flawed and that in his opinion an audit was necessary, first and foremost to review the bookkeeping during the last 12 months and also general FHA bookkeeping practices and procedures. He stressed that a certified, independent CPA should perform this review. Sally Kipper responded that in the context of bookkeeping correction efforts in the past exactly this approach had been chosen: independent certified CPA Deborah Lardie had reviewed the FHA financial records and declared general FHA bookkeeping procedures as sound and correct. A very spirited discussion ensued, and Eric Buonassisi, Chair of the Finance Committee, was tasked with inquiring about estimates for a procedural evaluation of FHA bookkeeping by a CPA, and about the cost of a written report. He will report back to the Board at the January Board Meeting.

Finally, Sally Kipper mentioned that the Annual Assessment bills will be mailed on December 1st, and that tax returns, after a second extension had been granted, will be completed within the next 2-3 days.

Advisory Committees:

Architectural Review Committee

Steve Halpern reported on the issue of planned new construction at 273 Magellan Avenue.

The homeowners Jim Feeney at 255 Magellan Avenue are in possession of three lots, one of which, now with the new address of 273 Magellan Avenue, will be used for new construction of a residence. The homeowners intend to move into the new house and to sell their current home.

They had already submitted preliminary plans to the Architectural Review Committee. Based on the submitted material, the Committee had serious concerns and decided not to recommend these plans to the Board.

Together with their architect, Dan Phipps, Mr. and Mrs. Feeney presented detailed plans and material samples to the Board and to the Architectural Review Committee. In the course of this presentation, some of the reservations voiced by the Committee could be resolved; it was, for instance, established, that only very high-quality materials will be used and that the street façade of the proposed new house will not appear as massive and plain as the first plans might have suggested. Paul Cooper asked for submission of three-dimensional renderings to give a more realistic impression of the

street appearance of the proposed construction, and Harold Wright suggested a rendering showing the elevations of the existing structure and the planned construction side-by-side, as they will show from a street perspective. The Board, while overall favorable toward the detailed plans presented today, defers any decisions to the expertise of the Architectural Review Committee. Also, there are not any plans for front-yard landscaping yet. It was decided that the Committee shall review the new detailed plans and prepare a report to the Board. In the interest of speed, the Board will then vote on this report per email.

Clubhouse Committee:

Paul Cooper invited the Community to attend the next Community Meeting about the Clubhouse Remodel plans this Wednesday, November 16, at 7 pm.

Activities Committee:

Board Liaison Katie Balestreri reported that the Halloween Party was a big success and drew ca. 200 guests. Currently the Children's Holiday Party is in planning. The planning committee under leadership of Katie Balestreri will receive a \$ 500 advance on expenses.

Musical Days 2012: the concert performances are planned for July 19 through 22; with rehearsals beginning on 7/15. The 2012 program will feature a string quartet, woodwinds and piano music. As every year, Musical Days will be offered the use of the Clubhouse for free in exchange for the special program offered. The Board approved the free use of the Clubhouse from 7/15 through 7/23/2012 for Musical Days, as in previous years.

Lastly, in the context of the 15th anniversary of the Dewey Circle Beautification Project, Diane Wara explained that Dewey Circle is officially not a part of Forest Hill and that the Dewey Circle project is organizationally and financially separate from and independent of FHA. Nevertheless, Dewey Circle serves as one of the gateways to the neighborhood, and therefore all efforts at beautifying and maintaining the Circle are highly appreciated.

Communications Committee:

Kathe Farrell had submitted draft guidelines on including Human Interest articles featuring exceptional hobbies of FHA members in the FHA newsletter. However, any semblance of advertising in such articles should be avoided. Articles must not contain any solicitation of services or products, must not state that such articles or products are for sale, and must not contain any political points of view. The Board approved these guidelines for newsletter articles.

Infrastructure:

Board Liaison and Chairman Dan McHugh reported the planned installation of AT&T boxes. The Board of Supervisors had voted 6:4 in favor of permitting AT&T the installation of such boxes without a prior EIR report. The "SF Beautiful" organization, together with a number of neighborhood organizations, have meanwhile filed suit against AT&T. The court has imposed a de-facto stay that can, however, be revoked at any time. The issue is so far undecided.

A lively discussion ensued in regard to possible FHA involvement. It was agreed that the Board should remain neutral and that a far more powerful approach is the protest of numerous individuals. Warren Krauss invited the Community to join the Infrastructure Committee Members in their efforts.

On the issue of Traffic Calming, Warren Krauss reported a temporary standstill of measures promised by the City for the Forest Hill neighborhood; one reason being the replacement of the City liaison Nick Carr for personal reasons, and another probably budgetary problems of the City. Warren will receive a status report by Ellen Robinson, the successor of Nick Carr, shortly.

Lastly, author and photographer Mark Wilson has lately published a book on Maybeck architecture featuring, among others, the Forest Hill Clubhouse. FHA has received a signed copy which will be kept in the FHA Office for Community perusal.

Landscape Committee:

Board Liaison and Chairperson Diane Wara reported on the current tree and shrub replanting program. 36 Homeowners who had sidewalk trees removed in the past or who have actively asked for new trees will receive replacement trees within the next 2 to 3 weeks. The species of the replacement tree has been based on recommendations by the Valley Crest arborist, as well as the homeowners' preferences. In addition, 6 median trees will be planted. The shrub replanting project on lower Alton Avenue proves to be difficult, because the homeowners involved have not agreed to pay for the proposed shrubs. FHA has offered to pay for the labor involved, but cannot afford to pay for all new shrubs to be planted. Diane Wara suggests that in the interest of neighborhood maintenance despite some homeowners' lack of cooperation, FHA should designate one specific area of sidewalk strip every year and budget the necessary cost for the plants and for the planting. The overall cost would be moderate, approximately \$ 4,000 per year. However, the adjacent homeowners would have to commit to watering the new plantings. No decision was made at today's Board Meeting.

Other: A homeless squatter occupied an area adjacent to the CH during recent weeks. The Board agreed to the placement of additional outdoor lighting to deter future individuals.

Adjournment: There being no further business, the meeting was adjourned at 9:15 pm.

Respectfully submitted,
Jutta Lammerts