

**FOREST HILL ASSOCIATION
BOARD OF DIRECTORS MEETING
July 9, 2012**

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

Others in Attendance: Steve Halpern, Harold Wright, Walt Farrell, Rigo Cabezas, Barney Deasy.

In the absence of Diane Wara, Vice President Kathe Farrell called the meeting to order. The meeting began at 7:05 pm.

Minutes: The draft minutes of the previous meeting, June 4, 2012, were approved. The next Board Meeting is planned for Monday, August 6, 2012.

Treasurer's Report:

Sally Kipper began by reporting that the total cost for design, printing, and mailing the extra Newsletter bulletin with response post card about the Clubhouse Renovation Project came to \$ 2248 plus an additional \$ 130.60 for unexpected postage surcharges. The Board had been polled via email and decided unanimously to assign this expenditure to the Architectural Services budget. A comprehensive printout of all email exchange in this matter will be appended to these Minutes.

Revenues: at the beginning of the month of June, 11 households still had not paid their 2012 dues. Throughout the month, payments were received from three of these households, so that only 8 households with unpaid dues remain. Five households are paying their dues in installments with regular payments on track. Currently 10 properties are liened. Out of these 10 properties, one is on the market, and another one is being refinanced. It is to be expected that both liens will be satisfied in the process of sale and refinancing, so that only 8 liens would remain.

Clubhouse rental income has reached 39.5 % of the annual budget with only 25% of the fiscal year elapsed. Sally Kipper thanked Executive Assistant Jutta Lammerts for her successful efforts at renting out the Clubhouse.

Expenditures: Personnel cost in June appears higher than usual due to the fact that three instead of the usual two pay periods ended in June (this happens twice a year). – Landscaping expenditures in June were over average due to the \$ 1050 bill for the planting of six trees in the neighborhood. In addition, \$ 1140 had to be paid for the removal of one tree in the Pacheco Island and for removal of 2 big tree limbs (storm damage). Further tree/limb removal had to be performed since the end of June (Santa Rita Avenue, Clubhouse property) so that additional costs are to be expected in the July Landscaping budget as well. Harold Wright pointed out that tree limb breakage does not only occur due to storm damage but also in the current growth phase when the weight of tree limbs increases, potentially to the point of breakage. – Clubhouse maintenance costs

of \$ 106 were due to plumbing repairs (clogged toilet), and lastly, a refund of \$ 5 banking fees (Money Market account fees) was received.

The Board unanimously approved the Treasurer's Report.

In the context of budget allocation, Harold Wright pointed out that to his knowledge about half of the production cost for the Newsletter could be saved by reverting to a black-and-white design on simpler paper. He suggested to use the savings for the solution of problems that "had been described in the Newsletter in color, e.g. gopher infestation."

Vice President's Comments:

Kathe brought up the issue of the Board Policy about free use of the Clubhouse (e.g. for musical groups). She suggested to postpone discussion until the return of President Diane Wara who had voiced special concerns regarding this policy.

Kathe further reported that one of the Troop 88 boy scouts had expressed interest in doing an Eagle Project benefitting the Forest Hill neighborhood, and that among Scout leaders projects like painting the Clubhouse garages or laying a new concrete floor in the garages had been suggested. Rigo Cabezas and Warren Krauss cautioned that such projects should only be allowed with the boy's father supervising and assuming legal responsibility.

Lastly, she reported that Eric Buonassisi had advised to hire a tax consultant to do an accounting review and an additional review of California Condominium Laws and their possible impact on FHA. She recommended to postpone this discussion as well since both Eric and Diane Wara were absent from today's meeting.

Advisory Committees

Activities Committee:

Dan McHugh reported that the Annual Fall Picnic will be held on August 19 from 12 noon to 2 pm. John Balestreri will graciously provide the traditional barbecue, and for the children the "Bubble Lady" will again perform. This children's entertainment will cost \$250 like in the previous year. It was a great success with the children who all stayed on with their parents in order not to miss it. For the remaining expected expenditures, Dan received an advance of \$500.

Communications:

Kathe Farrell had nothing to report.

Infrastructure

Dan McHugh reported that the installation of the AT&T boxes is still on hold, but that a ruling by the presiding judge is expected shortly. Warren Krauss reported on the current status of the Traffic Calming discussion. After an extended absence, City liaison Nick Carr appears to be back in charge of the project. He has asked various neighborhoods to name their delegations for a general meeting. The Forest Hill delegation will consist of Warren, Dan, Kathe, and Amy Quirk. Warren will report back after the meeting.

Legal and Governance:

Warren Krauss had nothing to report.

Architectural Review:

Steven Halpern had nothing of importance to report. For the owners of the property at 44 Mendosa Avenue a new mailing address was obtained; Steve will forward this information to the City Planning Department.

Clubhouse Renovation:

A Community Meeting is planned for July 29 from 4-6 pm. The Garden Club has graciously offered to provide refreshments, and the Board moved to approve an additional \$100 expenditure toward this event. Yen Bachmeier will send out an email reminder to the Community. Paul Cooper reported that so far 147 postcard responses have been received in reaction to the special Newspaper bulletin about the Clubhouse Renovation Project. Roughly 90 responses were in favor of option 1, 40 in favor of option 2, 4 would have preferred an intermediate solution, and the remaining responses contained unrelated comments. Currently it would seem that a majority of FHA members leans toward option 1 at \$ 486,000.

Paul further reported that he has received approximately 30 email inquiries and suggestions regarding the Clubhouse Renovation Project, many of resident architects, and many with special regard to Building Code questions. Paul explained – and Steve Halpern seconded – that during the course of the discussion about the various renovation options the possibility of giving up the apartment has not sufficiently been explored, partly because of the mistaken perception that this would by far exceed FHA’s financial strength (which, as it turns out, it does not) and partly because the legal and administrative hurdles appeared to be nearly insurmountable. Paul therefore strongly recommended to have Carey&Co. explore the Code implications of either renovation option before the 7/29 Community Meeting. He has already obtained a quote of \$2,923 for time and materials. Carey&Co. are covered by their Errors and Omissions insurance. Warren Krauss pointed out that what is now needed is the legal opinion of a Land Use lawyer with his Errors and Omissions insurance, and that the analysis of architects only – which is what Carey&Co. can provide – is insufficient.

The Board moved to approve the expenditure of \$ 2,923 for the Carey&Co analysis with 4:1 votes (Warren Krauss opposed).

Clubhouse Finance Committee:

In the absence of Eric Buonassisi, Barney Deasy reported that four financial institutions are interested in financing the Clubhouse Renovation Project (Wells Fargo, Bank of America, First Bank, and First Republic Bank) and that all agree that FHA has excellent credit. In order to offer a loan, they would however need a clearer picture of the project and an accounting review. The Clubhouse Finance Committee will continue working on this and report back, probably at the next Board Meeting.

Landscaping:

In Diane Wara’s absence, Kathe Farrell reported that the Summer Pruning list has been posted online, giving homeowners a two-week period for comments and requests. This period concluded yesterday, on July 8, and no further requests for the summer pruning will be accepted.

WTPCC Report

Walt Farrell reported that WTPCC just celebrated its 75th anniversary. Walt further noted that the SF Park and Recreation Department has taken back plans regarding Sutro Park and that a 9 acre fruit orchard will be planted at Laguna Honda hospital. To his knowledge Facebook is going to finance the project. SF Parking fees will increase. Lastly, on Saturday, 9/22, WTPCC will host a candidate forum for the candidates for Supervisor.

Adjournment: There being no further business, the meeting was adjourned at 8:15 pm.

Respectfully submitted,

Jutta Lammerts