

FOREST HILL ASSOCIATION
BOARD OF DIRECTORS ANNUAL MEETING
April 1, 2013

Board members present: Diane Wara, Kathe Farrell, Sally Kipper, Paul Cooper, Warren Krauss, Dan McHugh, Eric Buonassisi.

Others in Attendance: Dave and Clorinda Aldrich, Dottie McHugh, Donna and Jim Earhart, Rigo Cabeza, Walt Farrell, Mel and Yen Bachmeier, Steve Lawrence, Harold Wright.

Diane Wara called the meeting to order at 7:02PM. Jutta Lammerts, Elections Officer, asked for any outstanding ballots to be submitted. There being none, she and Mel Bachmeier withdrew to begin the elections count.

Garden Club Report: Yen Bachmeier, President, presented an overview of the Club's activities. 1) Community Service: Collection of 742 lbs. of food in the Fall; and collection of toiletries for Women's shelters in the Spring.

2) Cultural Activities: Fine Arts Museum presentation and Ikebana program.

3) Garden and field trips: Alcatraz virtual tour and Laguna Honda Hospital garden tour.

Diane thanked the Club for its support in FHA events, and for organizing tonight's reception.

Minutes: Draft Minutes of March 4 meeting and March 20 extraordinary meetings were approved.

Treasurer's Report: Sally presented an overview of the monthly and fiscal year report, noting that the salary for March was higher because of 2 ½ pay periods; office expense was increased; Professional Services was increased but will eventually be part of construction costs.

Fiscal report shows revenues down and expenditures up, again because soft costs of construction were paid in this period. Salaries were down because of the slowdown of rentals in expectation of closure of the Clubhouse and therefore less time spent showing property. Landscape service expenditures were decreased because of less requests for tree planting.

An email vote authorizing expenditure of approximately \$2500 for an asbestos report was passed by 6 of 7 directors. (Record of votes cast on file.) These monies will be reflected in the 2013-2014 construction budget.

Treasurer's Report was approved.

President's Comments: Diane thanked Sally Kipper and Kathe Farrell, retiring members of the Board, for their service, and announced that the remainder of the meeting would concern the renovation project.

Clubhouse Report: Paul announced that there are two outstanding issues remaining before contract signing;

1) The original roof shingles chosen are not obtainable at this time, and the architect is investigating suitable replacements.

2) The AIA contract contains a subrogation waiver that states that claims will not be made against architect or contractor for potential damages, but will be addressed by the FHA insurer. There was concern that this would not be in the interests of the Association. Warren will pursue an opinion by the FHA's carrier that agreeing to the waiver will not adversely affect Association coverage.

Diane commented that the usual insurance coverage by the Association will continue throughout the renovation. She proposed approval of the contract with Plath and Company, subject to resolution of the two issues; and that the issues could be voted on by director email to provide a speedier approval. She noted that the start date for renovation remains April 15. Her proposal carried: 5 yeas, 1 no, 1 abstain.

Renovation Loan Update: Eric stated that the First Bank inspection of the property will be conducted tomorrow, April 4. The certification by the Secretary of FHA, Dan McHugh and the FHA lawyer's review has been submitted. All information points toward signing of the loan approval tomorrow.

City Permit update: Paul reported that there is disagreement about the date of submission for the permit appeal/approval process. It was either March 4 or March 7. Indications suggest approval, but we may have to wait until April 7 for official notice.. Payment to the architect of approximately \$67/68,000 has been made, leaving the remainder of approximately \$40,000 to be paid during construction. Paul and Carey and Co. are working on establishing a payment schedule.

There being a report from the Elections Committee imminent, the official meeting was terminated at 7:48PM to announce that 300 votes were received, of which 293 were determined to be valid. As a result, all candidates for the position of director of the Forest Hill Association: Diane Wara, Warren Krauss, Paul Cooper, Eric Buonassisi, Dan McHugh, David Aldrich, and Tom Cooper were duly elected.

Diane adjourned the meeting and officially thanked Jutta Lammerts and Mel Bachmeier for their service.

Respectfully submitted,

Kathe Farrell

Addendum: Immediately following adjournment, Dottie McHugh asked Paul Cooper if FHGC should remove plantings fronting the building entrances. He responded affirmatively.