

FOREST HILL ASSOCIATION
BOARD OF DIRECTORS MEETING
August 5, 2013

Board members present: Diane Wara, Dan McHugh, David Aldrich, Thomas Cooke, Paul Cooper, Eric Buonassisi, Warren Krauss

Others in Attendance: Harold Wright, Steve Cohen, Clorinda Aldrich, Dottie McHugh.

Diane Wara called the meeting to order at 7:00 PM.

Minutes: Draft Minutes of July 8 meeting were approved.

Treasurer's Report: Eric reported that Levy-Erlanger has finally accepted cash accounting as the basis for the FHA 990 Tax Return so that an extension is not necessary. No additional cost is anticipated for this revised tax preparation.

The Finance Committee is meeting August 6th to review the 3 proposals for outsourcing our bookkeeping to a third party. Depending on which proposal is selected, the cost will range from \$ 600 to \$750 per month plus additional one-time costs for initial data transfer and accounting setup. One of the proposed bookkeepers uses QuickBooks which is our software system. The other two use alternative software – one is a cloud computing alternative.

Eric explained that with one third of the fiscal year completed, collection of assessments is about the same as the previous year; personnel cost and utilities cost are less due to Clubhouse closure. Ongoing telephone and Internet costs have been reduced by changing providers from AT&T to Comcast and reducing the phone lines to only one. Costs for Professional Services (mainly Architectural Services) are reduced as these have been transferred to the Clubhouse renovation budget. Revenues are \$23,400 less than last year because we have had no Clubhouse rental income during construction.

Receivables: The total outstanding receivables amount to \$ 6,000. Included in this total are the unpaid dues of 9 liened households that are not expected to be collected in the near term until these houses are sold or they refinance their mortgage. Our collectable receivables at month's end are about \$1,865.

Clubhouse Renovation Budget:

Eric reported that through July 31st, the total draw down on the line of credit (NRLOC) is \$197,813. The interest paid on the NRLOC is only \$ 572.51 with two months left until the project is completed and we have drawn down all \$500,000 of the loan. The debt service for this loan was moved over to the Operating Budget this month as was the budgeted \$14,585 for this year's interest only payments to First Bank. Since we have delayed our draws and our subsequent payments to Plath Construction, we will most likely be under spent for the full FY on our debt service by as much as \$2,300.

The Board approved the Treasurer's Report unanimously.

President's Comments:

Diane reported that a noisy Fourth of July party has been held on the Pacheco Triangle. As this area belongs to the City, FHA is not entitled to put up signage prohibiting trespassing. Instead, a statement will be published in the Newsletter to clarify that private parties are not permitted in this area.

Revision of Clubhouse Rental Contract:

A draft contract had been prepared by Jutta Lammerts. The Board engaged in a lively discussion of several contract provisions, e.g. policy on alcohol, renter insurance and permission for renters to bring their own food (instead of using a caterer). Warren Krauss will clarify several open questions with regard to insurance requirements.

The Board agreed to revise the current draft contract so that the text of the contract is as short and concise as possible, and to attach to this contract one or more Schedule's (e.g. Schedule A, Schedule B, ...) containing rules, regulations, and any other information in as much detail as necessary, as part of this contract. Jutta Lammerts will revise the draft document accordingly. There was agreement to have the contract reviewed by Ann Rankin and Eric Buonassisi reported that this has been estimated to require 2-3 hours at a rate of \$285 an hour.

Diane then opened a discussion about the fee structure for Clubhouse rentals, based on the three comparable venues provided (Presidio Log Cabin, The Box SF, Sausalito Women's Club). The following fee structure was accepted by the Board (with Warren Krauss opposed):

8 hour rental on weekends, non-FHA member	\$ 2,000
8 hour rental on weekends, FHA member in good standing	\$ 1,000
8 hour rental Mon-Thu, non -FHA member	\$ 1,200
8 hour rental Mon-Thu, FHA member in good standing	\$ 600

Advisory Committee Reports:

Activities:

Dan McHugh reported that with the Clubhouse reopening planned for October 1st, the Annual Fall Picnic should be dedicated to this Grand Opening. The Halloween Party will again be organized by Tessa O'Leary, the Holiday Party in December by Mira Foster, and the Easter Egg Hunt by both.

Communications/Newsletter:

David Aldrich has an article about Clubhouse construction (by Paul Cooper) ready for publication in the next Newsletter. He asked for further articles covering Clubhouse reopening; Landscaping update and Street Lights advice (Diane Wara), an announcement of donation opportunity towards the Clubhouse renovation (Sally Kipper) and of upcoming Garden Club Events.

He suggested a Human Interest article about the centennial of Maxine Dickson's house.

Architectural Review Committee:

Clubhouse Report: Paul Cooper reported that construction is moving ahead with far fewer change orders. He circulated a list of “just approved” change orders totaling \$371.79 which included credits for a shorter leasing requirement for a scissor lift. This updates our approved change orders to \$28,915.62 through today and leaves our contingency fund with a balance of \$4,744.81. Plath now expects to be done so that we can rent the Clubhouse beginning October 1st.

Infrastructure:

No report

Legal and Governance:

No report

Trees and Landscape:

Diane Wara reported that the Summer Pruning list has been published.

WTPCC:

No report.

There being no further business, the meeting was adjourned at 9:00 pm.

Respectfully submitted,

(David Aldrich)