

**FOREST HILL ASSOCIATION
BOARD OF DIRECTORS MEETING
January 13, 2014**

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

Others in Attendance: Dan Kelly, Clorinda Aldrich, Harold Wright, Sally Kipper, Phil Kipper.

Diane Wara called the meeting to order at 7:10 PM.

Minutes: Draft Minutes of November 13, 2013, meeting were approved.

Treasurer's Report: Eric did not present the Treasurer's Report covering November of 2013 which had previously been distributed electronically. A full Treasurer's Report covering December of 2013 was not available due to the electricity being shut off for most of the day when the bookkeeper was preparing the report. The operating account statement for December was provided with comments on the major expenses and a summary of assessment payments made. Eric reported that, as of end of November 2013, all 3 FHA checking accounts were transferred from First Bank to Union Bank. During the month of December, there were 259 payments made totaling \$101,973.71, about 39% of the expected payments. One of the ten liens was paid off upon the sale of the property. Noteworthy expenses in December were advertising costs (sign-up for "Here Comes the Guide" at \$ 1,800 for one year), VC summer pruning invoice (\$ 21,862), VC monthly maintenance fee (\$3,829) and Health Care contribution for office manager (\$ 2,286.31 for one year). The operating account closed with a year-end balance of \$ 50,575; the surplus-reserve account with a year-end balance of \$ 252,004.44. The combined Forest Hill Association cash position at the end of 2013 was \$305,909.29.

Eric will present the complete Treasurer's Reports covering the months of November, December, and January at the February 10, 2014 Board Meeting.

FHA member, Harold Wright, presented a report summarizing the total cost of Clubhouse renovation including costs directly related to the Clubhouse Renovation that were expensed in FY 2012 and 2013. These were compiled from previous Treasurer's Reports and included fees for the architect and projected interest payments for the next ten years, among other costs. By this calculation, the total project cost over 3 years totaled \$937,414.73 through June 2024. The Board accepted this report but noted that the interest cost may be reduced if the loan is paid off sooner than 10 years. There is no prepayment penalty on this loan.

Harold suggested publishing an abbreviated version of his reported costs (once verified) in a future FHA Newsletter. He further suggested that FHA publish a FY year-end report showing total expenditures by category in a Newsletter. Alternatively, this report could

be published on the FHA website with a Newsletter announcement accompanying the publication.

President's comments:

Diane Wara announced the annual Board Election for Monday, April 14, 2014. She is currently in the process of nominating elections officers. Election notices must go out to the Forest Hill community prior to 2/17/2014.

Diane further announced that Friends of Forest Hill, under the guidance of Sally Kipper, has been granted 501-C3 status by the IRA.

Lastly, Diane reported a series of break-ins throughout the neighborhood. FHA members have received regular notifications and updates on these events via email blasts; Diane will also place a notification in the FHA Newsletter.

Clubhouse Rentals:

Jutta Lammerts presented a summary of rental contracts from the last Board Meeting in November to today. A total of 8 contracts have been secured, only one of which is for a full-paying non-member; four of the seven member-contracts were sponsored events. For the remainder of 2014, 21 rentals have been secured and scheduled so far; 14 of them are by FHA members, and 9 of those are sponsored events.

Jutta has organized and advertised a Clubhouse Reopening Party for San Francisco Bay Area wedding industry professionals on 1/29/14. So far, 55 guests have promised to attend; ca. \$ 5,000 in goods and services have been donated, and the cost to FHA as of today is ca. \$ 250.

For the Clubhouse webpage on the "Here Comes the Guide" online advertising site a photo session needs to be organized to take photos for a virtual tour of the Clubhouse which will be published online. In order to provide adequate decoration for this photo coverage, Jutta has secured photography rights from a couple for their upcoming wedding celebration at the Clubhouse on 2/22/14. In return for a financial contribution by FHA towards the wedding décor (floral décor and rental items). Jutta has agreed to donate her comprehensive wedding coordination services to the couple as well.

Diane Wara reported that during the month of December one of the antique wooden tables in the Clubhouse was damaged in the course of several parties (it could not be established which one had caused the damage), so that the surface now needs to be refinished. Jutta Lammerts has secured a professional carpenter for these repairs; the cost proposal is \$ 350 and the work will begin at the Clubhouse on 1/20/14 in between scheduled rentals. In order to prevent such damage in the future, both antique wooden tables in the Clubhouse need to be protected with either table pads or custom tempered-glass covers. Diane will research these options.

Diane further reported that the noise level at several Clubhouse parties in the month of December was unacceptable to the next-door neighbors, Sally and Phil Kipper, and that the current noise restrictions in the rental contract text had been found insufficient. Jutta Lammerts invited DJ Dan Rosenbach, a renowned professional DJ, to conduct a field experiment with sound equipment at the Clubhouse, with Sally and Phil Kipper judging the sound levels experienced within their home at different amplifier settings. This

experiment has led to established sound level meter (SLM) guidelines with speaker positioning that the Board will add to the contract text (subwoofers forbidden, orientation of speaker cabinets away from the Kippers' property, sound level measured inside the Clubhouse at the double side doors not to exceed 85 dBA with a requirement that DJs sign off on these rules). The Board moved to make the changes as described, with Warren Krauss opposed and all other six Board Members in favor.

Diane Wara again brought up the topic of a special midpoint rental rate for Clubhouse events sponsored by FHA members for their friends and associates. All Board Members and others in attendance weighed in without reaching a conclusion. Diane will bring this discussion back at an Executive Board Meeting.

She also touched briefly on the subject of Event Insurance requirement in the contract text. Renters are required to purchase \$ 1 million liability coverage for their events which can easily be done online at moderate (approx. \$125) cost.

Advisory Committee Reports:

Architectural Review Committee:

Paul Cooper announced the formation of a Clubhouse Maintenance Committee which will be co-chaired by John Balestreri and Rigo Cabezas. He invited all FHA members with practical experience or professional skills in building maintenance to join; these members will convene for maintenance work days in regular intervals.

Activities:

Dan McHugh reported that the Children's Holiday Party was a great success. Dan Kelly has volunteered to lead the organization of the Lunar New Year Party in March.

Communications/Newsletter:

David Aldrich plans the next newsletter for end of January, 2014 with a submission deadline of 1/17/14. He suggested an explanation of the new "311" DPW mobile application, a report on upcoming Clubhouse events, a recognition of Scout projects, and an announcement of the 2014 Board Election and of the FH winter pruning schedule. Eric will provide a review of the new 2014 maintenance assessment collection process with Union Bank. There will be an invitation to join the new Building Maintenance Committee, a reminder to FHA members to share their email contact with FHA for easier notifications, and an article by Dan Kelly regarding Infrastructure news.

Infrastructure:

Dan Kelly reported about a community meeting with representatives of the SF DPW and of PG&E, at the Clubhouse. Ca. 100 community members attended. PG&E will successively refresh/replace if necessary street light poles, renew/repair the wiring and install additional street lights in especially dark areas. It is still controversial who will have to pay for the lights installed at the bottom of the Grand Staircase – the adjacent homeowners, the City, or PG&E. SF DPW will begin to repair the failing retaining walls along San Marcos and Santa Rita Avenues this Spring. Two large pine trees will need to be removed for this project, and the City will absorb this cost. Details regarding the type

of barrier securing the median islands, the repairs to street surfaces, gutters and curbs and possible synchronization of such repairs with those falling within the responsibility of the adjacent property owners need to be worked out. After completion of these necessary repairs in San Marcos and Santa Rita Avenues, the next areas to be addressed will be Pacheco Street and Mendosa Avenue.

Legal and Governance:

Warren Krauss asked for a report regarding those who have not yet signed Conflict of Interest compliance statements which are mandatory for all FHA committee members. Jutta Lammerts will submit such a report.

Trees and Landscape:

Diane Wara announced the upcoming Winter Pruning cycle; homeowners will be notified and will be offered a period for comments and requests from 1/17/14 to 2/2/14. It is planned that all tree removal and replanting work (with the exception of emergencies) will be bundled to two times a year; the process to remove a tree outside of an emergency situation will probably take ca. 6 months due to the SF permitting process and various necessary homeowner decisions throughout. – Warren Krauss reminded Diane that in cases of disagreement with homeowners, especially if threatened with a possible lawsuit, FHA should immediately report to our insurance company which will then pay for a lawyer to defend FHA interests.

WTPCC:

No report.

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

Respectfully submitted,

(David Aldrich)