

FOREST HILL ASSOCIATION  
BOARD OF DIRECTORS MEETING  
July 13, 2015

The meeting was called to order at 7:00 p.m. by Board President, Mark Watts, and was adjourned at approximately 9:05 p.m.

**1. Notice:**

A copy of the notice of the meeting was sent on July 6, 2015 to each director via email and posted in the kiosk outside the clubhouse.

**2. Quorum:**

Quorum was met. FHA directors present Mark Watts, Diane Wara, Eric Buonassisi, John Graves, Tom Cooke, Barney Deasy and Charlene Padovani Kiesselbach.

**Actions Taken:**

- A. The minutes of the Forest Hill Board of Directors' meeting held on June 8, 2015 was voted on and approved by all directors present. Motion carried.
- B. Motion was made to postpone a decision to what to do on the resurfacing of the driveway and garage floors until a bid obtained for concrete flooring. All members approved. Motion carried.
- C. Motion was made and unanimously approved to adjust the rental contract of the Forest Hill Clubhouse to the following:
  - 1. Friday and Saturday rentals will end at 10:00 p.m. instead of 11:00 p.m. with vendors allowed to stay up to 11:00 p.m. for clean up.
  - 2. Sunday – Thursday rentals will end at 9:00 p.m. instead of 10:00 p.m. with vendors allowed to stay up to 10:00 p.m. to clean up.
  - 3. Decibel rating lowered to 80 decibels instead of 85 decibels.
  - 4. No bands or drums allowed.

Other items agreed by the board and motion unanimously carried:

- 5. Save at least one Saturday per month for rental of a FHA homeowner only.
- 6. Get an ipad that has an app that records the decibel readings for each event.
- 7. Adopt sound consultant Dennis Paoletti's guidelines for schedule D.
- 8. Adopt a noise deposit (fine) for going over 85 decibels.
- 9. Get rubber mats and install at the back of house.

**3. Treasurer's Report:**

**A. BALANCE SHEET**

- 1. The Balance Sheet for June 30 (pg 6) shows that we have \$335,186 in the Reserve Account and the new First Republic CD account. With the expected operating expenses for July in the mid \$20K range, we may not require another transfer from Reserves to Operating account. You will notice in the bank statements that we moved \$135,000 from UB

Reserves to open the CDs at First Republic and then moved \$30,000 more to the UB Operating Account for June expenses. We expect about \$6,900 of additional rental income deposits during July assuming no cancellations.

2. Our remaining balance on the Clubhouse loan is **\$359,346**. We received \$3,350 in deposits for rental events slated for FY 2016 (April 2016 to end of the year) so this will not be reflected as current income using cash accounting. Our total accrued FY 2016 income has now reached \$6,700 not counting the remaining 50% due as we get within 30 days of the scheduled event.

**B. REVENUE**

1. Assessment revenue is light with only \$483 received during the month. Year to date, we have collected 97.8% of our maintenance dues. The AR Aging Report and the Balance Sheet shows that we have \$10,782 of assessments outstanding 3 months into our new fiscal year. The 2<sup>nd</sup> round of letters have gone out to the 24 members who are on the list. The customary 5% late fee has been added now that they are 5 months passed the Jan 31 due date at 1% per month late. At the next meeting of the Finance Committee, we will discuss the late collections policy in hopes that we can convince more members to pay early to avoid the unnecessary and expensive late fees that result from tardy payment of the annual dues.

2. Clubhouse rental income of \$13,410 brings the 3 month total to **\$105,410** – 69% of our forecast for the whole year with 9 months left to fill open dates. Based upon contracts in hand, we already have about \$138,285 of our targeted \$153,400 income booked if none of them cancel. This is 90% of our forecast.

**C. EXPENSES**

1. Our total expenses through 3 months are under budget at 22.2%. Personnel, Property Tax, Landscape, Professional Services, and Community/Communications were all significantly under budget for the year-to-date (page 5). Janette Najar's 1<sup>st</sup> quarter bonus of \$3,000 has been earned since she is well over the \$38,350 of prorated rental income after 3 months. This bonus, less taxes and other deductions, will appear as a charge in July's expenses.

2. Insurance is at 60% of budget but on target with the prepayment schedule that we have in place. Clubhouse Utilities (26.7%), Clubhouse event support costs (32.7%) and Office Expenses (36.3%) are over budget largely due to early spending of the available budget and permit fees (\$940) for 2 years of unbudgeted dance hall permits that were paid (office expense, filing) after the noise complaint put us above the radar with the Entertainment Commission who issue the annual permits but does not send out reminders to pay it as other agencies do. We will increase our permit fee budget accordingly next year.

**D. MISC.**

Eric to look into getting the dance hall permit refunded.

**4. Accoustical Consultant report:**

- A. Dennis Paoletti discussed the sound isolation issues as he understood them and made the following suggestions:
- a. Replacing windows
  - b. Closing doors at all times
  - c. Make sure all doors are fully gasketed at head, jamb and sill.
  - d. Provide a solid masonry wall, min. 6'-0" high as a backyard fence and side fence to the Kippers and Gutknecht homes.
  - e. Provide rubberized mats along the full pathways that caterers may travel in the back of the building.
  - f. Update rental agreement and schedule D with his suggestions.
  - g. Purchase a device that measures the sound level of live music in the clubhouse.

Please refer to letter from Dennis Paoletti to Janette Najjar dated June 23, 2015 for more detailed information regarding each item.

**5. Clubhouse Noise Concerns:**

- A. Motion was made and unanimously approved to adjust the rental contract of the Forest Hill Clubhouse to the following:
- 1. Friday and Saturday rentals will end at 10:00 p.m. instead of 11:00 p.m. with vendors allowed to stay up to 11:00 p.m. for clean up.
  - 10. Sunday – Thursday rentals will end at 9:00 p.m. instead of 10:00 p.m. with vendors allowed to stay up to 10:00 p.m. to clean up.
  - 11. Decibel rating lowered to 80 decibels instead of 85 decibels.
  - 12. No bands or drums allowed.

Other items agreed by the board and motion unanimously carried:

- 13. Save at least one Saturday per month for rental of a FHA homeowner only.
- 14. Get an ipad that has an app that records the decibel readings for each event.
- 15. Adopt sound consultant Dennis Paoletti's guidelines for schedule D.
- 16. Adopt a noise deposit (fine) for going over 85 decibels.
- 17. Get rubber mats and install at the back of house.

- B. Janette stated that we have received 2 bids for windows.
- a. Bid #1: Foxtail Hill Windows & Doors: \$56,800
  - b. Bid #2: Ocean Sash & Door plus Terry McDaniel = \$50,463.21

- C. Received 1 bid for draperies:
- a. Bid #1: Cutting Edge Drapery in the amount of \$13,313.06

**6. Garage Driveway/Floor resurfacing**

- a. Kim Bradley from System Pavers discussed the pros and cons of their system and offered a bid in the amount of \$14,882 to resurface the garage driveway as well as the garage.

- b. Discussion was had about whether to use concrete vs. cement and motion was made to postpone the decision until a bid with concrete was received and reviewed.
  - c. Tom Cooke suggested contacting Michael Hevie from Anuzzi to get a bid on the entrance courtyard.
7. **Finance Committee Report:** Not presented
8. **Activities Committee:**
- a. Tom Cooke stated that he could use help with the FHA Picnic coming up in August 30<sup>th</sup> at 2p.m.
9. **Architectural Review:** (Did Paul B. present something?)
10. **Clubhouse Rentals:**
- A. Below are the updated rental statistics since the last Board Meeting in May. In the last month, (13) new contracts were received after Clubhouse tours by 31 potential renters. The 13 contracts for \$26,250 were split 25:75 by members and non-members. Member-sponsored events represented 66% of the member events
- 2015 statistics:
 

96 Contracts received during 5 months of calendar 2015 totaled <b>\$164,960</b>	
36 members	37%
60 nonmembers	63%
  - FY 2015 contracts received: \$140,860 (?% of FY 2015 Forecast & Budget)
  - FY 2016 contracts received: \$27,450
11. **Communications/Newsletter:** John Graves stated that the next Newsletter will be in September, with deadlines for submittals August 28<sup>th</sup>.
12. **Trees and Landscape:** Not presented
13. **Neighborhood Project:** Adam Scow from the N.P. has asked to use the Clubhouse on Saturday August 8<sup>th</sup> from 5:30-7:30 p.m. Board unanimously approved.
14. **West of Twin Peaks:** Dena Aslanian-Williams presented a letter on behalf of Precita Eyes Mural on Laguna Honda in which they asked for the FHA Board's approval. Board approved with 4 yes's, 2 No's on modified letter. Charlene K. was not present.

Respectfully submitted,

Janette Najjar