

MINUTES

SAN FRANCISCO SUITES

CITY SHARE ASSOCIATION

Meeting

Sunday, August 29, 2010

The implementation of the process for an “open forum” in the first 20 minutes of every meeting was put in to force. Owner of many shares, Sheri Meibeyer expressed concerns that the Suites be maintained properly and that those responsible for breakage are assessed so that everyone isn't paying for the few that treat the Suites with disrespect and neglect. Medsie Bolin also expressed concern over multiple occupancy.

The meeting was called to order at 10:25 AM by President, Tom Weber. All Board members were present: Jim White, Tom Weber, Jeff Reichel, Mary Lou Dion and Larry Schwartz. Manager, Henry Potter was also present. The following owners were in attendance: Cynthia White, Ramona Martinez, Patti Hoar, Chuck Meibeyer, Sheri Meibeyer and Medsie Bolin.

Treasurer's Report:

Henry has the San Francisco Suites very much on budget, and actually below budget. He has done an amazing job. We cannot rest on the surplus, however. Jeff Reichel, Treasurer, reports that after years of a report prepared by a well regarded professional, we feel that it was of minimal use to us and filled with numerous errors and omissions. Therefore, we will follow the advise of our CPA and do it ourselves (annually) and get him to approve and finalize it. This will be less expensive and much more effective. Jeff also reports that he will be leaving the Board in half a year and we will need to elect a new Treasurer.

Manager's Report:

- (a) Budget forecast for 2011: Henry's proposed budget for next year (appendix) projects a very small deficit with the current level of owner assessment. The budget will be discussed and approved at the next Board meeting.**

- (b) Foreclosure update:** The lien letter was recently sent out on the 8 units in foreclosure. They should be available for sale in December. There are 3 units in bankruptcy (2 discharged and 1 in current bankruptcy). In addition, there are three units tied up in bankruptcy (two discharged). As in the past several years, there are 11 units in tax default that will be up for adoption.
- (c) Property Management System Update:** The property management system that we have in place is not compatible to interface with Magpie. Systems need to be industry standard and our requirements are unique. Henry will contact the individual who installed Filemaker and ask if he will install newer versions then integrate with Quick Books. He will obtain cost and advise the Board.
- (d) Web Site Message Board:** The web message board will be launched on September 1, 2010. It is a secure site. Sara will provide information to allow owners access. Owners will now be able to communicate with one another. Look for email on this endeavor soon.
- (e) San Francisco Suites Insurance Policy:** Henry has recently compared our current policy. A new policy will be more expensive. Currently, we pay \$20,000.00 through Famers Insurance. Larry asked Henry to check into the cost of earthquake insurance, which we do not currently have in force. The Acts of Terrorism Insurance was voted upon and approved (\$290). The Board voted 4 to 1 to continue the terrorism coverage (L. Schwartz dissenting).

Old Business:

- (a) Building Projects Update:** Roof and office storage remodel remain a current project.
 - (l) Roof:** Contractors have provided bids. We have been working with a company recommended by Patti Hoar. They have been of tremendous help. They have NO interest in our project, except to help us. Cell-Crete is the name of the company. Proposals have been given to Henry and Tom. There are proposals from 3 large companies; Fidelity, Enterprise, and Lawson. Lawson is the company that Henry and Tom felt most comfortable with. The all

inclusive cost (plus 10% contingency fee) is \$86,233.00. We have asked for a price using single ply which could result in a savings. Jeff made a motion to approve \$96,000.00; \$86,000.00, plus the 10% contingency). The bid does not include the cost of dismantling the walkway, which should be nominal. Additionally, there are some electrical issues, which should also be nominal in cost, that are not included in the bid. A motion was made to accept Lawson's current bid and to consider an updated bid to install a single ply system at a lower cost when received. The motion was seconded by Larry. Motion carried. The Board voted 4 to 1 to approve up to \$96,000.00 to replace the roof (White dissenting, preferring the lesser cost of repair at this time). Tom and Henry will mail out the adjusted proposal to the Board, prior to moving forward.

(II) Office and Storage: Carlos, the contractor, has given us a new proposal with specifics. It appears our best move is to relocate doors to the office. Outside storage area will be primarily basic for wine storage and etc. We had approved \$20,000.00 in previous session. The new bid should be provided on Monday, August 30. Henry will make certain CAR Construction's (Carlos) license is current. The \$1,555.00 fee for removal of romex wiring is NOT included.

(b) Decorating Budget/Priorities. Patti reports that the carpet replacement cost will be \$30,00.00 (down \$2,000 from the \$32,000.00 original amount approved). The cost of the 13 new sofa sleepers will be \$26,000.00 and \$14,000.00 for window seat coverings (also previously approved). All inclusive there is \$70,000.00 which has already been authorized.

*Henry to attach the Projected Capital Expenditures handout dated August 28, 2010. The fire safety (#1) and Security System (#2) are the priorities at this time. Henry will investigate cost and report to Board.

After the last meeting, the approval of the funds for the carpet and sofa sleepers were put on hold until such time as we knew the cost of the roof repair/replacement. Now that the cost of the roof replacement is known, there was a motion made to release the hold on funds for carpet, couches, and the new authorization for expenditure of \$14,000.00 for

window seat coverings (\$70,000.00 total) was authorized. Larry made a motion and Jim seconded. All approved and motion was carried.

It was determined by Patti that there should be 2 or 3 decorating committee members present at the Suites when carpet is being installed. The Board authorized 3 comp days plus parking for one room for the supervising of installation by decorating committee persons.

The meeting adjourned at approximately 1:25 p.m.

The next meeting will take place on Sunday, November 7, 2010.

Respectfully submitted,

Mary Lou Dion, Secretary