

MINUTES

SAN FRANCISCO SUITES

CITY SHARE ASSOCIATION

Meeting

Sunday, March 13, 2011

The process for an “open forum” in the first 20 minutes of every meeting was enacted. Ede Schmidt commended the Decorating Committee for the tireless work and also thanked Henry Potter for continued excellent management of San Francisco Suites.

The meeting was called to order at 9:15 AM by President, Tom Weber. The following Board members were present: Tom Weber, Jim White, Mary Lou Dion, Larry Schwartz, and Jeff Reichel. Manager, Henry Potter was also present. A quorum was established. The following owners were in attendance: Cynthia White, Ramona Martinez, Mary Lou Austin, Medsie Bolin, Patti Hoar, Ben Hart and Bernie Mikell.

Minutes from the January 23, 2011, Board meeting were approved.

President’s Report: Tom Weber reviewed the Projects that have been completed during the past year including replacing the roof and several mechanical systems. He also discussed Planning and Projected Capital Expenditures for 2011. Major remodeling, including Installation of new carpet in every suite, new sleeper sofas and reupholstering window seats has been completed. Those projects that are either in process, scheduled or under consideration for this year include; Remodel of managers office, employee/storage area, security system, paint and repair exterior of the building, install exterior lighting. Tom expressed the Board's sincere and profound thanks to Henry for balancing the business of the Suites and managing the major construction and remodeling projects to completion. The Board recognized the outstanding contributions of the Decorating Committee in remodeling the Suites. Their skills and dedication made this successful outcome possible. It was decided that the Committee will continue to work on future projects. The Board voted to expand the permanent members of the Decorating

Committee from 5 to 7. Jeff Reichel made a motion as such and Jim White seconded. Motion was carried.

General Manager's Report: Henry reported that the current remodeling projects (newly installed suite carpet and couches) have been completed. Window seat cushions and bolsters are presently being completed and will soon be installed in all suites. Room #31 is complete and Board is invited, post Board meeting, to view the completed project.

We currently have 62 shares outstanding on payment of assessments and late fees. If those that are deficient have been late in the past, there will be NO waiver of late fees. Therefore, though shareholders may bring current their assessments, and can "book" time at the Suites, they will immediately upon check in, have to pay the late fees in order to stay at the Suites. Of the 62 outstanding, 12 owners are presently on a payment plan. There was a motion made, not to proceed with foreclosure on shares that are outstanding ONLY on late fees. Larry Schwartz made the motion and Mary Lou Dion seconded. Motion was approved. On a share that has been deeded back to SFS, we will do our due diligence and proceed to obtain ownership by the Suites. The owner has agreed to pay the \$250.00 Title cost. Tom Weber, President, is dealing with the bonding company for 2 of the 4 foreclosed parlor suites. We will need to determine a fair asking price. At present, the going rate for a parlor suite is approximately \$1,500 to \$2,000, and \$3,500 to \$5,000 for a master suite. It was suggested, due to the fact that we do not want to be in the real estate business, that prospectively, we offer the parlor suites for \$1,200. Jim will investigate the shares with taxes due less than \$500 and email the Board as to his findings. If practical, we always want to sell, as we do NOT want to be in the real estate business. There will be another adoption process conducted in the month of April, 2011.

Implementation of File Maker XI property management system will begin next week (week of 3/21/11). Quick Books will then follow within the next 3 months.

Treasurer's Report: Jeff Reichel made brief reference to last year's budget. The Suites made approximately \$39,579 last year. The funds need to be transferred to reserves as soon as possible. Jeff Reichel made a motion that \$39,578.98 be moved from operating to reserve. Larry Schwartz seconded the motion. All

approved and motion passed. We will reimburse the operating account approximately \$20,000.00 for capital expenditures (rugs and sofas) and that will result in the balance sheet for the first 2 months showing approximately \$13,000.00 profit through March, 2011. There was a handout presented regarding the 2011-2015 Forward Planning/Projected Capital Expenditures (handout included with Minutes). According to Jeff Reichel's calculations, the reserve funding is about 70% which is a healthy level. Jeff Reichel will assist Jim White with transition as newly elected Treasurer.

Decorating Committee Report: Cynthia White reported that the coordination for carpet installation and couches was amazing. The new couches are extremely comfortable as a sleeper and for seating. There are 6 different couch fabrics. Unit #31 is now complete with carpet, couches AND window seat cushion and bolster covers. The cooperation of all committee members was fantastic. The providers were also wonderful to work with. The committee will convene again in June, 2011 to assess other needs, i.e., Board Room chairs, common area carpeting, new drapes, new furniture for the gazebo, flat screen TVs, etc.

The Board extends our grateful appreciation to the Decorating Committee. Results are wonderful and very exciting. The Board also approved a luncheon for the Committee members when they convene in June, 2011.

Election Results: Mason Brown reports that there are 816 shares total and of that number, 359 shares voted in new election.

There were three Board seats available.

Newly elected Board members, replacing resigned members, Jeff Reichel (Treasurer) and Mary Lou Dion (Secretary):

Tom Weber (re-elected)

Mr. Chuck Meibeyer

Mr. Bernard Mikell, Jr.

Second Owners Forum: Medsie Bolan expressed a desire to meet prospective nominees prior to voting. It is logistically impractical for this to occur. Henry advised that candidates are aware and welcome phone calls with questions.

The meeting adjourned at approximately 11:30 a.m.

The next meeting will take place in June, 2011, date to be determined by new Board.

Respectfully submitted,

Mary Lou Dion, Secretary