

MINUTES
SAN FRANCISCO SUITES
CITY SHARE ASSOCIATION

BOARD OF DIRECTORS QUARTERLY MEETING

November 2, 2008

The meeting was called to order at 11:04AM by President D'Angelo. All Board members were present: Pat D'Angelo, Jim White, Patti Hoar, Jeff Reichel, and Larry Schwartz. Manager Henry Potter and Bookkeeper Hayden Sims were present. The following owners were in attendance: Cynthia White, Ramona Martinez, and Russ Skarsten.

Financial Reports

Review of year to date: projections for remaining two months indicate we are about on target - ~\$18k net positive for the year. Bonus time and late fees income are below projections. Administrative expenses are above projections; however payroll, repair/maintenance, and supplies/services are below.

Reserve accounts stand at \$339K with cost transfers of \$29K yet to be made for costs paid out of operating funds. Reserve liabilities will go up with the new more-thorough assessment to be completed this year, as required by law. It will include a number of important items not included previously, such as window replacement. The special five-year reserve assessment for elevator replacement will end with the 2010 billing.

General Managers Report: The trash chute has been replaced and the elevator cables retackled and a new permit issued. We have been informed that we must have a license to serve wine free of charge to owners and guests – Henry will look into obtaining the required license.

The Board discussed the possibility of controlled last-minute rentals of unoccupied suites to hotel guests unable to be accommodated due to over-booking. No action was taken.

Old Business

2009 SFS Budget: Costs for utilities, insurance, etc. will be increasing next year; however, with cost-cutting in other areas the Board voted to hold our budget/assessment increase to 2% for 2009. Many owners pay their annual assessment with credit cards. The Board voted unanimously to add \$25 to the 2009 assessment for those paying by credit card to off-set the costs to SFS for credit payment. The 2% increase for 2009 is below the general rate of inflation. The budget and assessment letter will be mailed to owners by November 30.

Election Procedures: Manager Henry Potter will prepare election packages to be sent to owners for 2009 election of three Board members.

New Business

Window replacement: Our city permit for window replacement (aluminum-clad) will expire in mid-November. We have three bids for replacement of 88 windows (none of first floor). The Board voted unanimously to proceed with replacement of the 88 windows and notify the City to request extension of the permit. Options for replacing or reglazing the first floor windows remain open.

Renovation of Three Parlor Suites (24, 34, and 44): Remodeling cost of \$3600/suite. The Board voted unanimously to proceed with implementation after the first of the year. Replacement furnishings will be considered at the next meeting.

Board Room Kitchen Remodel: Approved previously; cost will be \$12.6K; to be completed by end of November.

Meeting Adjourned at 2:10 PM

Next meeting: January 11, 11:00 AM

Submitted by Larry Schwartz, Secretary