

PUNTA RASSA CONDOMINIUM ASSOCIATION, INC.

**MINUTES
SPECIAL BOARD MEETING
March 31, 2006**

Matt Grogger, President called the meeting to order at 10:00 a.m. In attendance were Linda Deason, Reid Potter, Gail Christensen and Fred Couch. Tom Davis and Bud Neuhauser were present via speakerphone. The meeting was attended by John Shonak.

Matt Grogger stated he felt it would be better if John Shonak dismissed himself during the meeting. Reid Potter and Fred Couch stated otherwise and John Shonak agreed.

A discussion by the Board about the disposition of our current manager John Shonak took place. Matt Grogger opened the discussion referring to his confidential written communication sent to all the board members about the job performance of John Shonak. He expressed concern that the correspondence had been shared with John and other employees of PCRA. He outlined what he felt was lack of organizational skills, understanding of financial reports, deficiency in computer skills including basic knowledge of QuickBooks. He further stated that the Board Treasurer, Linda Deason was concerned about the financial records. That he and Mrs. Deason had spent considerable time with John trying to have him explain some discrepancies in the financial reports. He felt that John didn't understand the numbers in the reports. He gave examples of the problems including the night before the March regular meeting that Debra Vogt, our past property manager was in John's office trying to help him balance the check book in order to generate the financial reports. Mr. Grogger explained the repeated problems the Association had in producing the quarterly statements. He felt that Mr. Shonak after two

months of employment was still relying substantially on Debra and the maintenance manager, Jeff to perform duties that were his responsibility. He also explained during John's training sessions with Barbara Cook, the QuickBooks consultant, that John failed to take notes and repeatedly called her for assistance.

Mr. Potter expressed his concern about the decision to terminate John without discussion by the board members and the notification of a meeting for the owners. Mr. Potter also expressed his support for John and wanted to give Mr. Shonak 90 days on the job and some additional training. He stated that Mr. Shonak had come into the position under difficult circumstances, working under the direction of two presidents.

Mrs. Deason described her personal experiences with Mr. Shonak and her concerns about the financial records and her lack of confidence in his abilities. She stated that she was a member of the selection committee for hiring a new property manager and felt at that time he was qualified. She expressed that after observing John with Barbara Cook and her direct dealings she concluded he was not qualified for the job. The examples she stated were the multiple errors in the quarterly statements, unanswered questions on financial reports, reconciliation of bank statements, questioning bills from vendors, posting and allocation of maintenance fees and unable to produce proposal for parking lot lights. When she asked John questions about different projects he had no knowledge of the status.

Mr. Couch expressed his support of John and his willingness to give him more time as property manager. He said that he had talked to John about improving his organizational skills and was concerned that other board members had not pointed out his deficiencies. Mr. Couch also stated that he felt it was necessary for

the board to meet and discuss the dismissal of our property manager.

Dr. Christiansen informed the board that she supported John and felt he was doing a good job. When she talked to John he stated he enjoyed working at PRCA. She stated she told John that Matt Grogger was trying to get him fired and he was astounded. She wanted to give John more time and training on the job.

Mr. Davis via speaker phone expressed his dissatisfaction with our property manager and that he had taught himself QuickBooks and it was unacceptable that John could not balance the check book.

Mr. Shonak had the opportunity to speak. He felt that what was being said was not a correct interpretation of his job performance. He stood behind his resume and experience and gave an example of how he had salvaged an association from a similar situation by setting up a QuickBooks accounting system for them.

The only difference was that association was less complex because they only had one building to record finances for. He expressed his frustration with working with Debra. He felt that Debra had not given him adequate instructions with the financial reports and had not shown him the filing system. John explained the problems he had with the quarterly statements and his discussions with Barbara Cook and Debra about the mailings before finally figuring out for himself. He explained that he didn't take notes during the QuickBooks training session because Barbara was going to write up the material covered and that he had not received that material. During his meeting with Linda and Matt, he had wanted to contact the accountant concerning our questions and that Matt had made the recommendation that the accountant come and explain to all the board members the financial reports. He said that he was not perfect and had made some mistakes.

He stated he would be willing to pay out of pocket for additional training in QuickBooks.

Linda Deason made a motion to dismiss John as our property manager without cause according to our contract effective today. Matt Grogger seconded the motion. The motion was voted yes by Tom Davis, Bud Neuhauser, Matt Grogger and Linda Deason. Reid Potter, Gail Christensen and Fred Couch voted no. The motion passed.

The meeting continued with Matt Grogger, Reid Potter, Linda Deason and Fred Couch present.

A motion was made by Matt and seconded by Linda to hire Barbara Cook for our bookkeeping requirements. It was discussed that Ms. Cook would be retained for \$50.00 an hour. Mr. Couch wanted reassurance that Ms. Cook was qualified for the job. Linda and Matt so stated. The motion passed unanimously.

A motion was made by Matt and seconded by Linda to retain Property Savers for clerical duties during the search for a new property manager. The company would answer the phone, sort mail and refer action items to Jeff. They would receive \$35.00 an hour and work part time. The motion passed unanimously.

A motion was made by Reid and seconded by Linda to appoint Matt Grogger, Fred Couch, Bud Neuhauser and Linda Deason to the property manager search committee. The members would be responsible to select two alternates. Fred Couch made a recommendation that either Matt Grogger or Barbara Cook test the computer skills of new applicants. The motion passed unanimously.

A motion was made to adjourn by Linda Deason and seconded by Reid Potter at 12:10 p.m.

