

«CommunityReportName»

Professionally Managed by:

DANA Properties

www.danaproperties.com

(915) 581-0900

6201 Escondido Drive - Main Office

El Paso TX 79912-1947



February 16, 2022

«OWNER NAME\MAILING ADDRESS»

Subject: Rescheduled 2022 Annual Meeting on March 2 and Board of Directors Meeting on March 8

Dear Resident:

Due to a lack of a quorum at the Annual Meeting of «COMMUNITY REPORT NAME» on February 15, the meeting will be re-convened at 5 p.m. on Wednesday, March 2, 2022. Again, we will try to hold it to an hour; if we need extended discussion afterwards, the Board President and others who wish to do so will remain on the zoom call, or the Board President (and possibly others) can be available at another date to hear comments and feedback. This is the second scheduled meeting, and therefore, the quorum is the number that attends (Paragraph 5.07 of the Association Bylaws). If you cannot attend the virtual meeting, please return your ballot to DANA Properties by 4 p.m. Tuesday, March 1. If you already returned the ballot for the February 15 annual meeting, you do not need to return it again. The meeting will be held virtually due to Coronavirus concerns.

Here is the updated zoom information for the March 2 Annual meeting:¹

Join Zoom Meeting:

<https://us06web.zoom.us/j/87333153328?pwd=cWp5QzJkN09lNWQwOG9aTVg1RmFXZz09>

Meeting ID: 873 3315 3328

Passcode: 302175

One tap mobile

+13462487799,,87333153328#,,,,*302175#

Please email sheldon@danaproperties.com if you would like the link emailed to you or look on the Dana Properties website under "Our Communities" and select San Clemente, then scroll down to the annual meeting notice.

In addition to the 2022 Annual meeting of the homeowners, the Association Board of Directors will hold a Board meeting on Tuesday, March 8, at 5:00 p.m., by zoom due to Coronavirus concerns. Board meetings are open to the Membership to attend but as Board meetings, the Board will limit discussion from the Membership. Here is the zoom information for the March 8 Board meeting:

Join Zoom Meeting

<https://us06web.zoom.us/j/85883263555?pwd=Q3FwWG1ZNWVHU3lJWHk1bzV6Q2JSQT09>

Meeting ID: 858 8326 3555

Passcode: 776732

One tap mobile

+13462487799,,85883263555#,,,,*776732#

Again, Sheldon can email this to you or you can find it on the Dana Properties website under Our Communities and San Clemente.

The March 8 Board meeting will include a discussion and decision to move forward with a significant annual dues increase and/or special assessment to allow needed improvements in maintenance of the community and to establish an adequate working fund to address community needs including inflation and future major repairs. The March 2 Annual meeting agenda includes an explanation and discussion of our financial needs. For additional background, refer to the last two attachments to this letter, Examples of Needs Not Currently Funded and Financial History and Proposed Budget. According to the established documents for San Clemente Estates, we will need

¹ See instructions at the end of this notice to connect to the Annual or Board meeting with a phone that is not a smart phone.

significant community support via a vote of the Membership to adopt these increases. Therefore, we encourage you to attend the Annual Meeting to gain an understanding. If the Board votes to proceed at its March 8 Board meeting, you will receive yet another ballot and meeting notice for the purpose of a vote on whether to adopt the increases per Article IV, Sections 3, 4, and 6 of the “Amended and Restated Declaration of Covenants, Conditions, and Restrictions” for San Clemente Estates.

We again request that all homeowners provide an up-to-date email address to Dana Properties. We will provide future notice of meetings of the Board of Directors by email and posted to the Dana Properties website only and not by U.S. Mail.²

The following items were attached to the first meeting notice for the Annual meeting. Attachments 3 through 9 will not be included in this notice. If you are missing any of these attachments from the first Annual Meeting Notice, contact Sheldon Wheeler or Marise Textor (Board President, marisetex1954@globalessinc.com) to obtain a copy.

1. Absentee Ballot – 2022 Annual Meeting
2. Agenda – 2022 Annual Meeting
3. Financial report – year-end 2021
4. Draft budget 2022
5. Draft minutes 2021 Annual meeting
6. Draft minutes January 2022 Board meeting
7. Running list of Board decisions
8. Running action item list with current status
9. San Clemente HOA Water Analysis – one-page handout with 6 slides

Attachments to these Meeting Notices (5 total):

1. Absentee Ballot – 2022 Annual Meeting
2. Agenda – 2022 Annual Meeting
3. Agenda - March 2022 Board meeting
4. Examples of San Clemente Needs Not Currently Funded Through Existing Funds
5. San Clemente Financial History and Proposed Budget

To connect with audio to a meeting with a phone that is not a smart phone:

1. *Dial the meeting phone number.*
2. *At the prompt, enter the meeting ID (ignore the spaces in it and just enter numbers) followed by #.*
3. *At the next prompt, enter the passcode followed by #.*
4. *Wait until the meeting host admits you to the meeting.*
5. *Press *6 to unmute your phone to speak and identify yourself.*
6. *Press *6 again to mute your phone again and remember to press *6 to speak again in any part of the discussion.*

² Paragraph 209.0051(e)(2) of the Texas Property Code, Title 11 states, “It is an owner’s duty to keep an updated e-mail address registered with the property owners’ association.”

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DANA PROPERTIES

Absentee Ballot - 2022 Annual Meeting

Board Election

The Board of Directors is comprised of three members serving two-year terms (Paragraph 7.05 of the Association Bylaws). This ballot shall serve as your proxy toward quorum at the Annual Meeting if you are not able to join the virtual meeting. The members elected Board members Marise Textor and Brisa Garcia in December 2021, and they continue to serve in their two-year terms. One board position is open at this time. Accordingly, please indicate your selections by placing a mark next to no more than **one (1)** desired nominee.

Nominees

_____ Karen Foster

_____ (Write-in nominee)

_____ (Write-in nominee)

_____ (Write-in nominee)

Signature: _____ Date: _____

Name of member submitting this ballot: «AllOwnersConcatenated»

Re: «PROP. STREET ADDRESS»/Account #«PROP ACCT #»

This form can be returned by email to sheldon@danaproperties.com or mailed to «COMMUNITY REPORT NAME», «COMMUNITY ADDRESS LINE 1», «COMMUNITY CITY-STATE-ZIP».

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DANA PROPERTIES

Agenda – 2022 Annual Meeting

1. Roll call and certification of proxies/absentee ballots – Marise and Sheldon
2. Proof of notice of meeting or waiver of notice - Marise
3. Approval of minutes of 2021 Annual meeting – All
4. Financial report – Sheldon and Brisa
 - a. Status of make-up billing and 2022 billing
 - b. Projected 2022 annual budget and year-to-date expenditures
 - c. Number of delinquent accounts by days overdue
5. Reports of officers
 - a. President and Secretary report – Marise Textor
 - i. Adequacy (inadequacy) of the current dues and restrictions on dues increases
 - ii. Tractor Trailers
 - iii. Contractor Liaison
 - iv. Electronic notice of future board meetings
 - v. Process to submit demand letters to property owners for delinquent accounts
 - vi. Rock wall issue raised by homeowner
 - vii. Date of next Board meeting
 - b. Vice President and Treasurer report – Brisa Garcia
6. Report of Architectural Review Committee - Luisa Miller, Andrew Palafox, Diane Anderson, Patty Russell, and Karen Foster
 - a. Issues related to new construction
 - b. Reflective roofs – white and metal reflective
 - c. Process to address inadequacies
7. Election of Directors
8. Old Business
 - a. Formal and transparent complaint process - Sheldon
 - b. Water costs – analysis of water bills over past 3 years and status of sprinkler repairs – Marise
 - c. Explanation of insurance cost increases – Sheldon
 - d. Arroyo Cleanup
 - e. Gate Repairs
 - f. Review of Green Scene contracts – Sheldon and Marise
9. New Business
 - a. Adequacy of dues - Marise
 - i. Need for both a special assessment and dues increase
 - ii. Process for approving a special assessment and dues increase
10. Adjournment

Agenda – March 8 Board Meeting

1. Determination of Quorum
2. Approval of minutes of January 2022 meeting
3. Financial report year-to-date
4. Old Business
 - a. Adoption of budget for 2022 fiscal year
 - b. Review of delinquent accounts, status of payments, review process for handling delinquent accounts, and decisions for next steps and additional measures that we can take
 - c. Results on bids for common area cleanup (including arroyos) and consideration of potential billing to currently active builders
 - d. Proposal by management company for formal complaint process with transparency, and adoption of process
 - e. Proposal by ARC for builder fines and enforcement procedures, and adoption
 - f. Approval of proposed contract for Construction Liaison
5. New Business
 - a. Policy decision to withhold future architectural plan approvals for accounts more than 30 days overdue
 - b. Discussion and decision to seek dues increase of more than 5% and/or a special assessment
6. Executive Session – Discussion of management company performance
7. Return from executive session and announcement of decisions

Examples of San Clemente Estates Needs Not Currently Funded through Existing Funds

This list provides examples of needs within San Clemente Estates not currently funded through existing dues. The list is not intended to be all-inclusive. Other needs may arise from time to time and will also need to be funded.

Replace dead and dying plants in common area landscaping. Ongoing need.

Clean up the trash in the arroyos and natural common areas (area not landscaped) – minimum two times per year. \$2100/cleanup (based on recent quote). Ongoing need.

Re-do the median on Rocky Pointe. May be able to get some of all of the cost from one or more builders, but that remains to be seen. One-time need, possibly two-time need.

Build a fund for asphalt and major road maintenance (our roads within the gate are privately owned by us so the City of El Paso has no responsibility to care for them.)

Install working camera at the front gate and maintain footage on cloud storage for retrieval as needed. (For example, when someone recently drove into the gate and severely damaged it and the mechanism, we had no camera footage and therefore could not identify who was at fault.)

Maintain a fund for significant repairs – e.g., gate, gate mechanical, gate electronics, lamp posts, canyon bridge, medians, signs.

- Recent quotes to repair the gate ranged from \$4500 to \$7500. We could not afford to pay for this, and a homeowner in the construction business repaired it at their own cost.
- Annual major sprinkler repairs – our water bills have crept up, possibly due to leakage or maybe overwatering. Landscape contract only calls for doing minor repairs with equipment they have on hand in the truck when they do routine maintenance. In any event, the landscaper charges us for all sprinkler repairs.

Conduct a periodic financial audit – maybe once every 3 years? We are overdue for one.

Cover future increases in costs for services such as the management company (who has not raised their charges to us in several years) and the landscaping company.

Note: San Clemente Estates shares the costs of maintenance of the median on N. Stanton Street on this side of Festival with the other communities. Although the City of El Paso maintains N. Stanton St., they do not maintain this median. The communities on this side of N. Stanton St. have agreed that it enhances our property values to maintain the median. Therefore, landscaping, water, plant replacement, and sprinkler repairs of this section of N. Stanton St. median are shared costs.