

Minutes of San Clemente Estates Homeowners Association Board Meeting Held on March 8, 2022

The Board of Directors of the San Clemente Estates Homeowners Association met in open meeting on March 8, 2022. Notice of the meeting was sent in advance by email and U.S. mail, to property owners within San Clemente Estates (SCE) and on the website (http://www.danaproperties.com/danaprop/document_category.asp?cat_id=118&name=San+Clemente) by the property management company Dana Properties.

The meeting followed this agenda:

1. Determination of Quorum
2. Approval of minutes of January 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

Attendance at the meeting included:

- Board members Brisa Garcia, Karen Foster, and Marise Textor, constituting a quorum with all three board members in attendance
- Management member Sheldon Wheeler
- Architectural Review Committee Chair Patty Russell

No other property owners attended the meeting.

Brisa moved and Karen seconded to approve the minutes of the January Board meeting, and the motion passed unanimously.

The financial report included a discussion of property accounts delinquent for payment of annual assessments (dues) for SCE. Dana Properties (DP) send certified letters to delinquent accounts and three were not signed for delivery. Marise plans to contact owners of properties with delinquent accounts to discuss payment with them.

- Millennium Homes (Dan Ruth) paid the property taxes for the Dolkerson property at 405 Lechuguilla

- Dominguez paid their property taxes for 408 Rocky Pointe directly so that does not provide a clue about how to contact them.

The certified letter needs to be revised to conform to current state law requirements to allow reporting to a credit agency. Sheldon did not have the new letter verbiage yet.

The Board discussed the status of cleanup of the arroyo and common areas, with the intent of sending a letter to the builders to advise them to keep their dumpsters from overflowing and covered on windy days and their properties clean, and to advise the builders that we plan a spring and fall cleanup going forward and will charge them for cleanup if they do not adhere.

We discussed the complaint process again. We will post a log on the website identifying the complaint, status, and resolution but not the name of the complainer. The name of the complainer needs only to be identified to the Board to allow clarification questions, feedback, and discussion of options to resolve.

We discussed the builders and the building damage deposit. Sheldon identified an Amendment to the Declaration calling for the construction deposit to be \$5,000 instead of currently charged \$2,500. We also discussed the process of plan reviews and ensuring that the builders adhere to the guidelines and approved plans.

The Board discussed the contract for the Construction Liaison and edits submitted and made additional edits to his redline.

The Board affirmed its policy decision to withhold ARC approvals for properties delinquent on dues payments; an account for a property must be up to date to receive architectural approvals.

The Board discussed the shortage of funds to pay for the necessary items in our budget and the need to increase annual assessments (dues) more than the 5% per year maximum that may be done on a Board vote, and a possible additional need for a one-time special assessment to establish a working fund large enough to take on large projects that might be needed such as major asphalt maintenance and repair. The Board discussed the process required to be followed to obtain a vote of the membership to consider these types of assessments. The Board agreed that annual dues of \$1200 per year would be appropriate to fund ongoing needs over time along with a one-time special assessment of amount to be determined. The Board will set up another meeting to discuss additional details and a schedule for a path forward for a membership vote. We will need to develop a summary of why we are pursuing this and encourage participation in the vote and attendance at the meeting for the vote.

As part of preparing for the vote, Sheldon will obtain an estimate for major asphalt maintenance and repairs.

The Board met in Executive Session to discuss DP and announced a decision to meet with DP to discuss our desire for a positive working relationship going forward and our specific expectations.

The following lists the key decisions from the meeting and action items with status as of this writing of the minutes.

Key Decisions:

1.	We must adhere to the \$5,000 construction deposit in the amended Declaration.
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2.	We adopted the budget for 2022 for SCE, the budget of \$61,890 with a deficit for the year of \$11,614, pending a positive vote for an assessment increase.
3.	DP must obtain three bids for anything costing more than \$1000.
4.	Proceed with plans to seek a dues increase to \$1200 and a one-time special assessment (amount to be determined at a future meeting), both subject to a successful vote of the homeowners as prescribed in the Amended and Restated Declaration, Article IV.

Tasks and Action Items:

	Owner	Due Date	Task
1.	Marise	Ongoing until complete	Contact owners of properties with delinquent accounts to discuss payment. <i>Status: Ongoing, contacted several as phone numbers became available and many have paid their accounts current.</i>
2.	Sheldon and Marise	3/15	Obtain new certified letter for delinquent accounts, provide to Marise to review. <i>Status: Complete, letter obtained, reviewed and revised, and is now in use.</i>
3.	Sheldon	3/20	Send new certified letters to delinquent accounts. <i>Status: Completed</i>
4.	Sheldon	5/15	Obtain updated list of which builder is working on which lot. <i>Status: Open, will ask Ruben to prepare this.</i>
5.	Marise	5/20	Prepare a letter to builders regarding clean building sites, dumpster control, and charging then for cleanup. <i>Status: Open, awaiting list of builders by property. Unable to find someone to do arroyo cleanup.</i>
6.	Marise & Sheldon	5/20	Develop compliant log for posting and post, maintain current moving forward. <i>Status: Open.</i>
7.	Marise	5/1	Schedule a meeting to review the contract with the Construction Liaison. <i>Status: Complete. New Liaison hired and fully executed contract on file with DP.</i>
8.	Sheldon	3/30	Obtain estimate for cost to do crack seal and seal coat on asphalt as part of documentation to support the needed assessment increase. <i>Status: Complete</i>
9.	Board	3/30	Meet with DP to discuss expectations going forward. <i>Status: Complete.</i>

Minutes respectfully submitted by Marise Textor, SCE HOA President and Secretary
May 11, 2022