

**SAN ELIJO HILLS HOMEOWNERS ASSOCIATION, INC.
PO BOX 232, SOLANA BEACH, CA 92075**

**MINUTES OF THE ANNUAL MEETING OF THE MEMBERS
Dining Room at the Lomas Santa Fe Country Club**

WEDNESDAY, JUNE 8, 2022

- I. **Call to Order:** The meeting was called to order by President Klein at 6:08 pm.
- II. **Neighborhood Wildfire Safety Inspection:** Zach Basin, Solana Beach Fire Department, noted that 80% of our HOA is in the "Very High Fire Hazard Severity Zone," which imposes requirements for new-build construction including a requirement for defensible space around the home. Apart from legal requirements, homeowners should make their street address clearly visible to emergency responders, keep highly flammable materials away from the walls of homes, and close-off open holes in eaves. He inspected the slopes north of Santa Victoria and praised the HOA's maintenance of that area, but noted the high fire risk in the adjacent county land extending to the lagoon. In discussion of audience questions, it was noted that there is a similar unmaintained county area east of Santa Elena, and concern was raised about foliage in a dominant side yard easement increasing the fire risk for the adjacent home.
- III. **Current Status of the Slope Irrigation System:** Sandy Punch, Slopes Committee Member, presented a map of the neighborhood showing those areas where the original irrigation system has been replaced. There are now 265 eucalyptus trees. As the arborist determines them to be unsafe due to age or disease, they are being gradually replaced with drought-tolerant non-deciduous species.
- IV. **Fiscal-Year Financial Report:** Chris Costello, Treasurer, presented a summary of the fiscal status at the end of the fiscal year and the proposed budget for the next fiscal year, which the newly elected board can choose to adopt or modify. The HOA's budget for the previous fiscal year was \$255k. Income from fees was \$3k under budget and expenses were \$10k over budget, for a net \$13k operating deficit. The expenses included \$10k repaid to reserves, which were depleted by \$30k as a result of a legal settlement. The budget for the new fiscal year of \$266k includes a 7% increase in fees to \$1408 per year (two payments of \$704 each). To accommodate an increase in water rates and slope maintenance fees (higher gasoline prices), the reserve repayment is reduced from \$10k to \$8k.

Responding to questions, Chris noted that about a third of homeowners pay their invoice electronically, which is no more expensive for the HOA than the cost of handling checks. The invoices are emailed from diane@mlbinc.com, which some homeowners don't recognize as being our bookkeeper. He reported that 10 homeowners are still overdue for the March payment, but only 2 homeowners have long-term payment debts. The HOA previously placed a lien on the property of one of these, and may place a lien on the property of the other one later this year.

V. **Member Input**

- Peter Palowski suggested that the HOA send broadcast emails from info@SanElijoHills1.org rather than from the personal email accounts of its officers, to reduce the risk of it being ignored as spam. The suggestion was well-received by the group assembled.
- Randi Sharman asked about street maintenance plans. The streets are maintained by the City, so she was directed to the Solana Beach mobile app, which has a button for reporting issues in need of attention.
- Sandy Punch recounted events from the last time the neighborhood was evacuated due to an encroaching wildfire. She noted in particular the need to move any BBQ propane tanks far from the house, unlock side gates, and clear pathways.

VI. **Establish Quorum:** 116 ballots were received (111 by mail plus 5 hand-delivered), which is more than the 64 minimum required for the election of Directors.

VII. **Old Business:** No Rules were adopted this past year, so there was nothing to ratify.

VIII. **New Business:** Only 18 members were physically present, less than the 64 needed to introduce and vote on motions from the floor.

IX. **Results for the Election of Directors:** Chris Allen, Inspector of Election, reported that 31 members received at least one vote, but only 7 received more than 3 votes:

- John Wittig (112), Chris Costello (110), Paul Sagar (110), Paul Basore (109), Simona Hellinger (7), Tom Carter (6), and Ryan Hazelton (6). The four with the most votes are elected to a two-year term and the other three are elected to a one-year term.

X. **Adjournment:** In closing the meeting, Phil Klein, outgoing President, expressed what an honor it was to serve as HOA President. He summed up the three major accomplishments of the past two years and thanked board and committee members, volunteers and homeowners who made these achievements a reality:

- The October 2016 lawsuit against the HOA for approving side yard windows was settled out of court in February 2021. The full cost to the HOA was \$30k, a small fraction of the legal expenses paid by insurance and other parties.
- A significant portion of the original slope irrigation piping was replaced with durable PVC tubing with new sprinkler heads.
- The PC&Rs and Bylaws were updated with the approval of more than 2/3 of all homeowners. Two attempts to do so in the past were unsuccessful.

He then offered two parting recommendations:

- The HOA functions only when people volunteer to help. The HOA especially needs young people to secure its future.
- Get to know your neighbors before conflict arises. It greatly reduces the incidence of legal action, in which the only winners are the lawyers.

The meeting was adjourned at 7:22 pm.