

SUNSET MESA PROPERTY OWNERS ASSOCIATION

Minutes of the Annual Meeting, June 22, 2016

The meeting was held at Kehillat Israel located at 16019 Sunset Blvd, Pacific Palisades, CA 90272. The meeting was called to order by the President Linda Kaye at 7 PM, following about half hour for social, dues paying and ballots. The purpose of the annual meeting is to vote for candidates to form the Board to serve the community for the upcoming fiscal year, beginning July 1, 2016, per Article II of the CCRs, as well as account for the finances and management of the prior year's Board.

1) CURRENT AND NEW BOARD:

- Current Board and its present and past committees were recognized and thanked for their services, consisting of the following: President, Linda Kaye; Vice President, Anne Burkin; Treasurer, Gregg Bernstein; Secretary, Marco Rufo; Architectural Committee (AC) Chair, Rahul Jain; AC Liaison, Gregg Bernstein; Special Issues Committee, Becky Rickley; and Getty Villa Liaison, Nancy Posner and Block Part Committee Chair, Lola Ross. The President thanked all of the members of the Board and the various committees for their valuable contributions as volunteers in carrying out the important tasks relative to administration, community interface and enforcement of by-laws and CCR's, ensuring that the various needs of the owners are addressed and in continuing to make Sunset Mesa a comfortable and attractive place to live.
- As required by Article II (3) of the CCRs and Bylaws, 9 candidates for Board positions for FY 2016-2017 were previously announced on the community website, www.sunsetmesa.org, 30 days prior to the meeting and again one week prior via email blast to the homeowners that have opted in to receive emails. Linda Kaye, Greg Bernstein and Marco Rufo sought re-election. Additional candidates seeking board seats included: Howard Gould, Larry Klein, Paulette Silver, Robyn Latter and Barbara Hattem, and Rahul Jain.
- After confirming members in good standing, defined as homeowners that have paid their current dues, ballots were issued to them only. The CCRs further require that 15% of members in good standing must be present in person to vote. 87, or 30%, of the 287 paid members were present and cast their vote, meeting the minimum requirement. The results were read aloud.
- The new board consists of Linda Kaye, Greg Bernstein, Marco Rufo, Howard Gould, Larry Klein, Paulette Silver, Robyn Latter and Barbara Hattem.
- During her address, the President listed a number of tasks the Board had completed, through the Board, its committees and its partners in the current fiscal year:
 - Focused communication with owners legal updates, transparency of issues by special delivery
 - Increased paid membership by 38%. Although this should be 100% the concentrated efforts of the past and present Board now have over 50% participation and will continue to push the initiative to have 100% participation forward.
 - Continued but more robust advocacy and legal defense of CC&R's. Two Cease and Desist letters, written by counsel for the SMPOA assured several homeowners that proposed or new construction did not move forward without revisions to the construction plans. The Board attended hearings to object to Getty's turn around, noting it would cause more traffic to back up on PCH, and making it more difficult to turn into the Sunset Mesa.
 - Flagging and resolving neighborhood issues (security, curb cleanliness, ocean view). The AC attended 63 site visits; assisted multiple homeowners in accomplishing agreement to resolve without litigation.
 - Improved communication with law enforcement, community partners e.g., Getty Villa and local utilities targeted for remote maintenance and service.
 - Kiosk and neighborhood beautification projects.

2) ANNUAL DUES:

Paid annual dues of \$100 per household are not only modest but symbolizes good citizenship and keeps the member in good standing, allowing them to vote in the annual election. The President and the current Board, for the past 3 years have worked hard to increase the number of dues-paying members from low 50's to 287 and much work is needed to gain 100% of the 498 households. Most homeowners understand that annual dues are mandatory, but a long-standing argument by some homeowners continues to be misunderstood that this is voluntary. These are not voluntary. We are a mandatory HOA.

The dues pay for services and events which, in spite of advertising, contributions and voluntary work by Board and Committee members, as well as protecting your ocean views, cost money. Among these are: painting of members' reflective street number on the curb with premium paint and Sunset Mesa logo; occasional litigation expense when the Board on behalf of the Association defends itself when drawn into a lawsuit, even indirectly, as it happened in the Alda Sheldon case; or defending the CCRs rights, as it did in the Goodfriend matter; annual meeting and annual block party - both of which serve food and beverages free of cost; dog poop bags at several street corners of the community; Issuance of Getty Villa access cards. For these reasons and pursuant to the existing CC&R's and 2012 Bylaws, properly constituted, the Board will continue to send invoices and reserve the right to take enforcement action against non-paying members.

There were two dissenting opinions from the audience but the majority of those who spoke agreed that \$100 per year was insignificant, considering the suite of services and give backs members received in return. It should be noted that dues have increased only once in the last twelve years.

3) NEIGHBORHOOD MATTERS:

- Annual Block party will be in October with a Halloween theme. Announcement to follow.
- The President pointed out a flyer from a Pacific Palisades realtor that was distributed in June promising "great daily rentals" for our vacant homes when we are away on vacation or extended visit. She cautioned against opening our homes for short term rentals. John Lehne recounted an incident in Pacific Palisades where one such resident who had rented his house supposedly to a vacationing couple ended up in trouble when the house was used for pool parties and all-night revelry. We encourage you to fully vet your options, if you are considering this. An ordinance prohibiting this does not exist at this time, but the trend has the support of city council and has affected a number of nearby neighborhoods.
- One resident complained about a house on Shoreheights which has been boarded up and vacant, showing signs of distress, has been accessed as a party location by many youth. The Board will make inquiries.

4) LEGAL MATTERS:

- Thanks to tremendous efforts put in by the Board, volunteer and homeowner Becky Rickley, for the first time in over a decade Sunset Mesa has enjoyed a relatively litigation free past few years. In the past Becky brought to attention a huge win for the owners in the ongoing Sheldon case concerning the challenge to the 2012 CC&R's, which are now affirmed.

5) INVITED GUEST PRESENTATIONS:

- LA County Supervisor: Representatives from Sheila Kuhl's office confirmed, but did not attend.
- Valerie Vollmer, Farmer's Insurance, presented a variety of packages, notably the earthquake. Thank you Valerie!
- Tiffany Meisner, Old Republic presented on home warranty packages -- a little insurance goes a long way -- and home warranty policies aren't just for the newly acquired home.
- ADT/ACS. Largely due to homeowners and the Association's pro-active involvement thefts, burglaries and break-in's in Sunset Mesa have sharply reduced--down to 1 in the immediately preceding six months, vs. 9 in the prior six months. ADT advised homeowners to be more prudent about setting their alarms when they leave their home and tips on vacation home safety. Homeowners are advised to continue installing cameras as a deterrent and historical record. Knock Knock attempts have continued in the neighborhood but many have been thwarted with more vigilance. ADT, paid for by homeowners, has an 8 hour /day 7 days a week patrol car. It is preferred to have 16 hours but the dedicated car requires 82 more homeowners to be financially feasible. The dedicated car patrol has been a contributing factor to reduced burglaries.
- Need for LA County Sheriff discussion: Last year, Lost Hills office acknowledged the "last mile" handicap Sunset Mesa faces, but said the response time remained less than the national average of 10 minutes. Although the Sheriff's cars provided additional patrolling in the neighborhood this is no longer the case.

6) BALLOT:

Ballot results were announced by independent ballot counters, Ms. Paula Segestrom and Ms. Alena Kaye. There being a quorum present, 8 of the individuals named on the ballot were elected to the Board for the FY July 1, 2016-June 30, 2017.

7) TREASURER'S REPORT:

- Gregg Bernstein presented the report. As of May 31, 2016, following are the balances:

Wells Fargo: \$175,667.10

Stiffel: \$ 33,235.22

UBS: \$ 81,560.36

TOTAL ASSETS \$290,462.68

- Gregg and Linda re-emphasized that in compliance with the by-laws, the Board has been keeping the proceeds from maturing bonds into money market account, where the yields are dismal, but the principal is safe.

Meeting adjourned at 9.15 PM.



Marco Rufo, Secretary