

# SMPOA Meeting Minutes

## February 7, 2023

### OPENING

President Seth Fonti called the meeting to order at 7:30 pm. via ZOOM.

### PRESENT

The following Board members were also in attendance: Treasurer, Rachael Klein; Architectural Committee Chair, Mark Stoeckinger; Website Manager Arthur Chan, Norm Dupont, Ed Weitzer and Secretary, Desa Stoeckinger. Also, in attendance was Managing Partner of Greystone Insurance Agency, Steven Klein. Absent was Kristina Pabst, and Vice President, Howard Gould and Parliamentarian Rick Silver.

### NEW BUSINESS - Seth Fonti

#### Insurance

- Background: Steven Klein is our insurance broker who stepped in last year when SMPOA was notified of non-renewal from Farmer's due to an outstanding claim. Ultimately Farmers decided not to renew us because of commercial fire risk even though the SMPOA does not own property. The cancellation left us vulnerable to litigious actions with no coverage.
- Last year, Steven stepped in and helped the board do an exhaustive market check which only resulted in one carrier providing a quote at a significant premium to prior year. The annual premium of \$26,000 represents roughly 50-60% of our annual operating budget.
- No claims have been filed to date on the existing 2023 policy.
- The existing *Filler v. Sunset Mesa Property Owners Association, Inc.* case is a key consideration for existing and potential insurers.
- .
- Approach to 2023 renewal: Steven Klein will start efforts into taking our insurance to market, and to retain the right coverage and be sensitive to the premium.

- Most carriers do not want to consider new business if there is an open claim. The existing litigation will likely be a continued to be a consideration
- Seth will follow-up with our prior carrier who is primary insurer for Filler case to get latest loss runs from Farmers.
- Norm Dupont and Steven Klein clarified that the current claim does not seek a monetary award but a declaration and approval to build. The monetary loss would be from defending the case.
- Steven Klein will be sending renewal applications to the Board soon. Seth will outline key considerations to provide to potential insurers and share with Steve.

**COMMITTEE REPORTS**

**Treasurer’s Report - Rachael Klein**



**SMPOA Profit & Loss for Jan 2023**

**Month/End Financial Highlights**

- Summary of Financials:
  - Net Operating Income for Jan 2023 was net positive **\$6,890** as a result of dues collections, document fees and residual Block Party donations/revenues
  - Unbudgeted expenses of \$325 and \$2,750 tied to Google App Email and Flock Camera
  - Stifel data pending
- 2023 Calendar Year Dues
  - Invoices complete – 100% created
  - Next steps –
    1. Record Venmo payments
    2. Identify accounts with no email and set up for mailing
    3. Create statements for large balances (already started)
  - Many dues have been received; dues sent in advance netted against new dues amount resulting in a few accounts with outstanding balances of \$25

	A	B
1	<b>Summary SMPOA Financials for January 2023</b>	
2	Banc of CA (BCA) — Business Checking	\$ 31,427
3	Stifel Investment	\$ 367,318
4	<b>TOTAL SMPOA ASSETS</b>	<b>\$ 398,745</b>
5	Block Party Donations	\$ 100
6	Dues/Document Fees	\$ 10,119
8	<b>TOTAL REVENUE</b>	<b>\$ 10,219</b>
9	Transaction Charges: QuickBooks/VENMO Fees	\$ 67
10	Google App Mail	\$ 325
11	Catch-up Legal Fees from 2022	\$ 188
12	Flock Camera	\$ 2,750
13	<b>TOTAL EXPENSES</b>	<b>\$ 3,329</b>
14		
15	<b>NET OPERATING INCOME</b>	<b>\$ 6,890</b>
16		
17	<b>Stifel Investment Portfolio Activity</b>	
18	Income & Distributions	
19	Unrealized Gain/Loss	
20	<b>NET CHANGE IN STIFEL PORTFOLIO</b>	<b>\$ -</b>
21		

- As dues collection begins we expect and hope to generate net operating income surpluses in the coming months. This usually is offset later in the year as dues payments subside.
- So far we have a positive response paying dues from a little less than one third of the residents and look forward to continuing that trend.
- This total does not include recent recorded Venmo payments or Arthur Chan's merchandise sales.
- Invoices have been created for all residents with known email, and physical invoices are ready to be mailed.
- Statements were created for the large balances for residents who have a large balance and may not be aware.
- Reminder that dues are now \$125 and Venmo is available for your convenience.
- Credit card payment is available for residents who desire plus a 3% charge will be added. Email Rachael Klein for details.  
[smpoaboard@gmail.com](mailto:smpoaboard@gmail.com) Re: Treasurer.
- Desa Stoeckinger has begun hand delivering and mailing Getty cards to residents who have paid their 2023 dues. Contact Desa at [smpoaboard@gmail.com](mailto:smpoaboard@gmail.com).
- Expenses for January included annual fee for newly installed Flock Camera which was key commitment from the board as part of our 2022 plan.

**Architectural Committee - Mark Stoeckinger**

- Visits for February 4th 2023 included the following members: Mark Stoeckinger; Len Ovsiowitz; and Phillip Cohen.
- 18108 Sandycap: Determine if chainlink fence from next-door neighbor constitutes an OVI. Conclusion: A chainlink fence does not constitute an OVI, however glass is preferred.

### **Website & Newsletter - Arthur Chan**

- The email database and the website are attached now.
- The newsletter will begin to be sent out via email to all residents with current emails on file.
- Currently we have 350 emails on file now.
- Next goal is to associate each email to an address in the Mesa.

### **CC&R restatement**

We need to set meeting dates to make this happen. Norm will send and email to interested residents and judge interest.

### **PCH Road Erosion Concern - Seth Fonti (for Rick Silver)**

- Rick Silver contacted L.A. County Office of Supervisor District 3 and an emergency cal trans order was granted. Hard hats were on the beach on February 3rd. Rick Silver met with a calCalTrans biologist on the emergency project team. The biologist documented and photographed the beach and hillside from Mastro's Ocean Club Restaurant to Coastline. The plan is to do a reinforcement project in that space. Expected timing is to kick off in next 5 months due to backlog of emergency projects after large scale winter storms.

### **Executive Session**

The regular meeting of the Board concluded at 8:17 pm. The Board then continued in executive session to discuss the following matter:

*Filler v. Sunset Mesa Property Owners Association, Inc., Case No. 21STCV12618* (Los Angeles County Superior Court).

**Next Meeting**

The next Board of Directors meeting will be held on Tuesday, March 14th at 7:30 p.m. via Zoom.

**ADJOURNMENT**

President Seth Fonti adjourned the meeting at the conclusion of the Executive Session.

**Minutes Submitted by:** Desa Stoeckinger, Secretary