

**EMPIRE HILLS CONDOMINIUM ASSOCIATION**

**ANNUAL MEETING**

**October 25, 2008**

**MINUTES**

- I. **CALL TO ORDER:** The Empire Hills Condominium Association (EHCA) Annual Meeting was called order by the EHCA Board President, Mr. Bernard Meehan at 10:45 a.m. (EDT).
- II. **ROLL CALL:** Mr. Meehan declared that there were a sufficient number of members present and proxies of record to form a quorum.
- III. **OLD BUSINESS:** Mr. Meehan motioned that the minutes of the 2007 EHCA Annual Meeting be approved by vote of EHCA members present. The motion was seconded by Ms. Nicolaou. The vote was unanimous to approve the minutes.

EHCA Board Secretary, Mr. Barry Bennett, reported on the actions taken by the Board over the 2007 – 2008 year.

- IV. **TREASURER REPORT:** EHCA Treasurer, Mr. Frank Sciannella, presented the 2007 – 2008 Treasurer Report. (A copy of the Treasurer's Report was distributed to the members present.)

Mr. Bradley asked the Board to identify the components of the legal fees associated with Lot #s 22, 23, & 24. The Board identified the liens, which were placed on the properties for delinquent Association dues, and the court costs to have the "For Sale" signs, which were placed on the properties by the owner in violation of Association By-laws, removed.

Mr. Peterson questioned the Board on the use of the balance of the Association's Contingency Reserve. The Board stated that the Reserve is dedicated to the repair and resurfacing of the Empire Hills roads, maintenance of the sprinkler system installed in the flowerbeds at the entryway to Empire Hills (EH) and the water pump, and landscaping.

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Mr. Grooters asked the Board as to whether the bank, which foreclosed on Lot #s 22, 23 & 24, will reimburse the Association for the past dues on the properties and whether the Board filed a claim for the dues against the former owner. The Board responded that liens were placed on the properties. The Board stated that, since the foreclosure on the properties, Republic Bank has been responsible for the Association dues. Mr. Grooters inquired as to whether it was worth spending the Reserve funds for legal action against the former owner of the lots. The Board stated that it had the responsibility to enforce the By-laws.

Ms. Meehan interjected that prior Boards spent Reserve funds to pursue an owner for past dues in Bankruptcy Court, but received a small amount of money in return.

Mr. Meehan and Mr. Sciannella stated that there is an increase in the proposed landscaping budget for the 2008-2009 year to hire a landscaper to maintain the flowerbeds at the EH's entryway.

Mr. Sciannella noted that the Association members will see a \$175.00 discrepancy between the in the 2007-2008 actual expense document and the proposed budget. Mr. Sciannella explained that \$175.00, which was paid out in 2007 for lot mowing was returned in 2008.

Ms. Hanson motioned that the budget be accepted. The motion was seconded by Mr. Wollenhaupt. The vote was unanimous to accept the budget.

**V. Committee Reports**

Ms. Hanson presented the Architectural Review Committee (ARC) Report. Ms. Hanson reported that ARC approved one house for construction in the 2007-2008 year. Ms. Hanson a question has come up about house exterior colors allowed by the Association By-laws. The Board indicated that it would direct the ARC to research the matter and prepare guidelines for owners building homes in EH in the future as to the exterior colors that would comply with the By-laws.

Mrs. Wollenhaupt described the maintenance that she and Mr. Wollenhaupt performed on the entryway flowerbeds in 2008.

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Ms. Hulick questioned the Board as to whether landscaping could be done in the common areas, such as the South Village Court cul-du-sac. Mr. Meehan invited Ms. Hulick to present the Board with a proposal for landscaping the cul-du-sac and other common areas. Ms. Deanne suggested that the cul-du-sac and other common areas to be landscaped be given an "up north" look with prairie grass and natural wildflowers native to the area.

**VI. Nomination and Election of Board Officers**

Mr. Meehan, Mr. Sciannella, and Mr. Bennett expressed their willingness to serve another year on the Board. Mr. Wollenhaupt nominated Mr. Hulick. Ms. Deanne motioned that the current Board and Mr. Hulick be elected. Ms. Nicolaou seconded the motion. The vote was unanimous to elect Mr. Meehan, Mr. Sciannella, Mr. Bennett, and Mr. Hulick to the 2008-2009 Board.

**VII. New Business**

Mr. Peterson stated that the common driveway to lot #s 68 and 69 is deteriorating and requested the Board to take action to correct the problem. Mr. Peterson requested, that before the driveway is obscured by weeds and erosion, the Board mark (stake) the driveway. Mr. Grooters objected to the Board getting involved in the concerns of owners relative to the conditions of their lots. Mr. Grooters stated that he feels it is not the responsibility of the Association to get involved in matters on private property, such as erosion, which should be the owner's responsibility. Mr. Bennett stated that it is the owner's responsibility, not the Board's, to take care of problems that develop on their lots. Mr. Meehan stated that the Board would mark the driveway, but any erosion occurring in the future would be Mr. Peterson's responsibility. Mr. Meehan added that, henceforth, the Board would not undertake work on any private property in EH. Mr. Peterson gave the Board permission to come on his property to stake the driveway. Mr. Hulick volunteered to stake the driveway.

The Board called for volunteers for the ARC. Ms. Hanson volunteered to serve another year. Mr. Bennett stated that his wife expressed her willingness to serve another year. Ms. Schaus volunteered to serve on the Committee. Mr. Meehan questioned whether Ms. Mc Kiernan would be willing to continue on the Committee. Ms. Hanson volunteered to contact Ms. Mc Kiernan as to whether she was interested in serving on the Committee for another year. The Board appointed Ms. Hanson, Ms. Bennett, and Ms. Schaus to the ARC.

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Mr. Bradley asked for the results of the 2006 vote on whether to permit "For Sale" signs on empty EH lots. Mr. Sciannella responded that it takes a 2/3rds vote of Association members in good standing to amend the By-laws. Mr. Sciannella explained that when the vote was taken in January 2006, the owners of 74 lots were in good standing. The quorum for the vote was 60% of 74, or 44 lots. A minimum of 50 votes, 2/3rds of the lots in good standing were required to amend the By-laws. Sixty-three votes of lots in good standing were cast. Of this number, 48 votes were in favor of amending the Bylaws to allow "For Sale" signs and 15 to keep the By-laws as they were. The vote to change the By-laws failed.

Mr. Bradley presented a letter to the Board that he received from the Mc Keough Land Company, dated June 2, 2004, and signed by Chris Mc Crumb, General Manger. The letter states that the Land Company had decided "to lift its covenant that prohibits For Sale signs on lots with no houses". The letter also states that For Sale signs would be allowed as long as they meet the sign standards found in the EH Condominium Bylaws, and the Empire Village Zoning Ordinance or Empire Township Zoning Ordinance. Mr. Bradley asked the Board for a revocation of the By-laws based on the letter. Mr. Meehan responded that the Bylaws were not amended and that the Board has the responsibility of enforcing the Bylaws as written. Mr. Meehan promised that the Board that the Board would get a legal opinion on whether the letter is a revocation of the By-laws.

Mr. Williams stated that there would be 26 "For Sale" signs on empty lots in EH if the By-laws were amended to allow signs.

Ms. Wollenhaupt stated that other subdivisions do not allow "For Sale" signs, so that it is not unique of EH to prohibit such signs. Ms. Wollenhaupt stated that the Leelanau Orchards subdivision prohibits "For Sale" signs, but lots have sold there through For Sale boxes located in the subdivision.

Mr. Grooters questioned whether it was possible to amend the By-laws. Mr. Peterson requested a vote to change the By-laws to allow "For Sale" signs. Mr. Wollenhaupt stated that the Board could call for a vote or 1/3<sup>rd</sup> of the owners could request a vote. Mr. Meehan added that the Board could also call for a special meeting of Association members. Mr. Wollenhaupt asked the Board to look into the matter of the For Sale signs. Mr. Sciannella stated that the Board would vote on whether to call for a vote. The Board stated that it would provide owners with the definition of a quorum for a vote.

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Mr. Peterson requested that the Board define "a stand of trees" in light of the growth and expansion of trees in EH since the subdivisions Survey eight years ago. Mr. Peterson questioned how would a dispute involving the view from a lot being blocked by the growth of new trees and the expansion of stands of trees. Ms. Wollenhaupt discussed the growth of trees, shrubs, and plants in EH. Mr. Meehan stated that the Board will provide owners with a definition of a stand of trees.

Mr. Schaus complained that there is a plow, truck, and construction materials on New Neighborhood property directly behind his lot that is an "eyesore". Mr. Schaus asked about the status of the building in the New Neighborhood that the Empire Village Zoning Board ordered be removed. The Board stated that it will write a letter to Quercus Alba about the equipment and materials behind Mr. Schaus' lot. Mr. Sciannella stated that he will contact the Empire Village Zoning Board to find out why the building the Zoning Board ordered removed still stands.

**VIII. Adjournment**

Ms. Deanne motioned that the Meeting be adjourned. The motion was seconded by Ms. Meehan. There vote was unanimous. The Meeting was adjourned at 12:15 (EDT).