

Special Meeting Minutes
Empire Hills Condominium Association (EHCA)
October 21, 2006 – Empire, MI Township Hall

Attendees: *BOARD: Bernie Meehan: President, Jim Foltz: Vice President, Dave Wollenhaupt: Treasurer. MEETING SECRETARY: Joe Ball. ARC: Carlotta Meehan, Carolyn Wollenhaupt. OSNPC: Trina Ball. ADDITIONAL CO-OWNERS: Michael & Nancy Shaughnessy, Chuck & Patricia Penner, Jeanine Dean, Karen Malloy, Bob Grooters, Wayne & Mary Ellen Koser, Terry Byrne, Richard & Kimiko Williams, Salljyanne Morris, Marcy DeLaerè. Parliamentarian / Attorney Law: Ward Kuhn.*

Call to Order - At 10:35 am the meeting was called to order by Bernie Meehan. Mr. Meehan introduced himself as a Board Member and President of EHCA. Mr. Meehan also introduced Mr. David Wollenhaupt – Treasurer and Mr. Jim Foltz- Vice President. Mr. Ward Kuhn, EHCA Legal Counsel, was introduced as a guest Parliamentarian in attendance to provide expertise in parliamentary procedures and rules. Mr. Meehan advised that the purpose of the Special Meeting was to provide some flexibility for the annual gathering of EHCA Members. The regular meeting date of September 15, 2006 was to be on a Friday, not a convenient date for out of town visitors with lengthy drives.

Roll Call - Attendance was taken to ensure proxies received prior to the meeting were reconciled with members in attendance. Members in attendance who had submitted a proxy in advance had their proxy returned to them. The members in attendance totaled 17 lots. This number when combined with proxies received for those members not able to attend totaled 52 lots represented and established a quorum for the meeting.

Presiding Officer - Mr. Bernard Meehan was nominated by Trina Ball, seconded by Mr. Robert Grooters, and received a unanimous vote. Mr. Joe Ball was nominated by Ms. Carolyn Wollenhaupt to act as meeting Secretary, seconded by Mr. Jim Foltz, and Mr. Ball also received a unanimous vote.

Nomination and Election of Directors – Trina commented as to challenges and requirements of the job. Mr. David Wollenhaupt and Mr. Joe Ball also offered their perspectives on the positions. Four (4) nominations were received: Mr. Bernard Meehan, Mr. David Wollenhaupt, Ms. Trina Ball and Mr. Jim Foltz. There were no other nominations or volunteers. The movement to close nominations passed unanimously. A movement to elect the nominees as a “package” (as there were four (4) positions open and four (4) nominations) passed unanimously. In answer to a question from Mr. Grooter, Mr. Kuhn advised that an individual vote is not necessary when nominations and positions are the same. Mr. Kuhn advised that secret ballots were an option but not necessary.

Treasurer Report - Mr. David Wollenhaupt presented the 2006 financial results and a proposed budget for 2007 (as attached). He advised that IRS Taxes are required to be filed by EHCA and efforts were made in 2006 to ensure EHCA is in compliance and current with all IRS requirements.

The repair of the drainage system at the EHCA main entrance was briefly reviewed. Successful completion in 2006 of this chronic drainage issue included participation and support by EHCA, McKeough Land Company, SRW and Elmers, Inc. all key stakeholders in the issue. The project expenditure for EHCA was less than originally anticipated albeit some unexpected damage to hidden irrigation and electrical lines during excavation. Members were assured by Mr. Wollenhaupt that new "mapping" of all buried lines and pipes at the entrance should ensure no future problems of this type.

Significant financial needs are anticipated for the future, to include repaving of roads. For planning purposes SRW, Inc. provided an estimate in 2006 dollars of \$93, 250.00. A portion of dues over the years were placed in laddered CDs for this type of expenditure. EHCA will be able to meet future needs and a dues increase is not required. A relatively small but important improvement is anticipated for the well/pump house in 2007. Regarding postage expenditures, Ms. Ball suggested offering the option to receive emailed mail outs, as many corporations do. Mr. Wollenhaupt agreed to make the offer.

Delinquent dues were discussed at length. \$3,650.00 is owed, representing 3 individuals and 6 lots. A motion was made by an out-of-town co-owner that *"the names of anyone who is delinquent in dues shall be posted on the EH website"*. Although the majority of owners in attendance expressed frustration at the lack of payment, there was agreement to support Mr. Grooter's position that financial hardship might be driving the issue, in some cases, and additional patience might be in order rather than posting names on the website or in newsletters. A vote was taken; the motion failed. It was also discussed that 7% late charges are allowed per the by-laws. It was confirmed that late charges are added to amounts due. Delinquent dues were referred to the Board for action in 2007.

There was discussion as to whether a vote must be taken to approve the Budget. Mr. Kuhn explained that the Budget must be voted on and adopted, but only by board members. After adoption, the board is required to deliver the budget to co-owners. It is not necessary to vote on the Assessment this year; there were no changes from last year. It is not necessary to vote on Treasurer's or Committee Reports. However, Mr Grooter moved *"to accept the Treasurer's Report without amendment so as to set a precedent for this action from here forward."* Second: Chuck Penner. Passed unanimously.

Open Space and Native Plants Committee - Ms. Ball presented her annual report (as attached). As in past years, Ms. Ball asked for support in the ongoing challenge of controlling invasive plants. The situation remains serious and costly nation-wide and easily visible to anyone walking the grounds. Ms. Ball discussed the tremendous need for volunteers and lot owners to maintain and improve EHCA. Ms. Ball advised that there have been complaints received about hundreds of a new and very invasive Autumn Olive Tree. These are spreading quickly throughout EHCA and must be destroyed before removal and disposal become more costly. Photos and other informational handouts were available. Special thanks went to the Wollenhaupts for their efforts at the main

entrance. Anyone wanting information or interested in helping with outdoor work days should contact Ms. Ball (balltl@aol.com). Ms. Ball also requested that co-owners update their email addresses on the Property-Owners List. The new 2007 OSNPC will consist of Ms. Trina Ball, Ms. Carolyn Wollenhaupt and Ms. Sallyanne Morris.

Architectural Committee - Ms. Meehan emphasized height restrictions be adhered to by homebuilders and proper measurements be taken. Also, materials used in chimney siding must be of a masonry or stone material per the by-laws. Ms. Meehan stressed that all homeowners should control their exterior lighting for the sake of local residents who enjoy the night sky. Many problems can be avoided in the home building process if the approval process is started by using professionally prepared house plans. The 2007 ARC will consist of Ms. Carlotta Meehan, Ms. Patricia Penner and Mr. Joe Ball.

New Business - Ms. Kimiko Williams, representing the views of many attendees, requested the Board modify the by-laws whereby the annual meeting date would be more flexible. Mr. Kuhn advised the proper procedure is to direct the Board to address this suggestion at a future date as a vote could not be taken at this meeting because advanced notice of this proposed by-law change was not on the agenda. Ms. Kimiko then moved that "the 2007 board consider changing the bylaws to set the annual meeting date to any Saturday in October." Seconded by Mr. Michael Shaughnessy and passed unanimously. Mr. Michael Shaughnessy moved that owners behind in their dues lose voting privileges. Mr. Kuhn advised that under Section 6, Article 1 of the by-laws owners in default are not allowed to vote. The motion was withdrawn. Mr. Kuhn advised that the Board also has authority to restrict delinquent owners from running for office.

Comments - Ms. Ball explained that legal counsel has advised that a lot-marker post constitutes a sign, disallowed by bylaws. However, the lot-markers are needed by the mowing contractor. Ms. Ball asked if this signing by-law issue could be discussed at this meeting. Mr. Kuhn advised that there appears to be issues with some signage in EHCA and suggested that a definition of EH signs be taken up by the next board. Ms. Meehan, recognized efforts made by the Wollenhauts in improving the Project (and thereby minimizing contractor costs) and presented them a \$50.00 gift certificate.

The motion was then made and seconded to adjourn. It received unanimous support.