

Huntington Forest Homeowner's Association
Special Meeting
November 17, 2016

Meeting called to order at 7:00pm by Kerry McCabe, President. Meeting held at Browne Academy, 5917 Telegraph Road.

Board Member Attendees: Kerry McCabe, Steve Piper, Dave Kolo, Steve Danz, Frank Donahoe, Grace Washburn, Michael Tanner (7:30 arrival)

Homeowner Attendees: See final page for list of homeowners who signed in.

Kerry McCabe established that a quorum was present.

Introduction of Board of Directors

- Kerry McCabe, Steve Piper, Dave Kolo, Steve Danz, Frank Donahoe and Grace Washburn introduced themselves to attendees.

Background— presented by Kerry McCabe

- Purpose of meeting
- Overview of a Homeowners Association
- Concept and function of incorporation
- History of HFHOA's corporate status
- Overview of recently settled lawsuit
- Protections of corporate status
 - Outlined protection for homeowners against potential liabilities-particularly in common areas
 - Outlined risks and vulnerabilities of being unincorporated
- Explanation of purpose of vote and voting options

Questions from Membership

- Nancy Berthold asked why we haven't deeded the common areas to the county.
 - Kerry McCabe answered that this has been tried in the past and the county does not want the land.
 - Former HFHOA Presidents Bob Redmond and Hendrick Browne confirmed.
- Patricia Milligan asked why we haven't we sold the common areas to individual homeowners.
 - Kerry McCabe explained that this is not a legal option.
- Patricia Milligan asked about the cost of the lawsuit.
 - Steve Piper gave an overview
 - Approximately \$76K in legal bills incurred YTD
 - Because total bill has not been received Board has not been able to review fees in their entirety
 - Treasurers report will be presented at annual meeting
 - Treasurers report is posted on the HFHOA website monthly
- Patricia Milligan asked why the recent lawsuit settlement included a "gag order" for the defendants?
 - Matt Troiani (a homeowner with experience in HOA litigation) explained that this is typical for this type of settlement.
- Lisa McCormack asked what would happen to the Association's debt if the HFHOA were dissolved?
 - Matt Troiani explained the debt would remain with the homeowners. Homeowners would not be able to sell their homes. Dissolving a HOA is an extremely difficult, time-consuming process after which the mortgage lender could gain the ability to exercise voting rights instead of homeowner.
- Jeff Hage asked why Rees Broome didn't recognize that the circuit court didn't have jurisdiction in this case.

- Kerry McCabe answered that the lawsuit began as an enforcement issue on behalf of our HOA. The judge chose to ignore the merit of the case she was presented and focus on the issue of a previous lapse in corporate status, which is regulated by the State Corporation Commission.
- Matt Troiani asked to review our representation agreement with Rees Broome.
 - Kerry McCabe indicated that his help would be appreciated.
- Lisa Bushman asked whether the Board has looked into professional management, and why governing documents are not posted on the website to be available to homeowners.
 - Kerry McCabe responded that the Board is researching professional management and noted that the governing documents are available to everyone on the website.
- JP Schutte asked why we are voting to reincorporate when we already have a valid corporate certificate.
 - Kerry McCabe answered that even though we have this certificate, taking a vote would give it the backing of the community and would remove any dispute over corporate status in the future.
- Brendan O'Dowd asked why option B, for un-incorporation, is even on the ballot.
 - Kerry McCabe answered that both Rees Broome and the defendants' lawyers in the recently settled lawsuit said that option B had to be included.
- Belita Collins asked if there were grids on the windows of the Mannings' house at the time they moved in, and why some other houses do not have grids.
 - Heather Manning confirmed that the windows on her home had grids when she moved in.
 - Kerry McCabe responded that in houses without grids requests had either been approved by previous architectural review committees or violations were not noted by previous Boards.
 - Matt Troiani noted that the statute of limitations on those enforcements has passed. In addition, violations that were allowed to occur do not set a precedent for future non-compliance.
- Steve Piper explained that the ARC is currently in the process of revising guidelines and the Board would likely present proposed changes to the community for its consideration in the near future.
- Nancy Berthold asked whether tonight's vote is valid since it is not required.
 - Kerry McCabe answered that the vote is valid because it was legally presented to the community.
- Linda Krueger asked who would be responsible for tabulating the votes.
 - Kerry McCabe pointed out that the HOA secretary, Frank Donahoe, and Board member Steve Danz were present to count votes.
- Linda Krueger asked how the Board could be prevented from expending HOA funds.
 - Kerry McCabe answered that functions of the Board-including how funds are expended-are described in the governing documents. In order to change the Board's responsibilities, those documents would need to be changed.
 - Michael Tanner explained that the Board is elected to take action on behalf of the community.
 - A general discussion of procedures followed.
 - Matt Troiani discussed the concept of selective enforcement and the advantages of incorporation. He also voiced his objection to the wording of option B.
- Greg Smith expressed his dissatisfaction with the counsel of Rees Broome, the resulting fees and the wording of the proxy.
 - Steve Piper responded that the proxy was drafted before the settlement
 - Kerry McCabe emphasized that incorporation is the point of the special ballot.
 - Steve Danz clarified that if option B passed it would mean that the Board should take steps to dissolve the corporation but not the HOA.
- Rhonda Crawford asked how the 2008 covenants apply to the current issues.
 - Kerry McCabe responded that it was the articles that were revised in 2008; not the declaration of covenants.
- Lisa Bushman asked if an indemnity clause was added in 2008.
 - Kerry McCabe answered that it was, as required by law.
- Earl Carlo stated that he had contacted his insurance company to learn about liability risk and found out that homeowners' insurance would not cover the common area. Incorporating is the only way to insure homeowners' risk in the common areas.
- Neil Graf asked if today's vote would change fees owed for legal counsel.

- Kerry McCabe answered that it would not change the fees.
- Jessie Bushman asked what is the limit of liability would be if the HOA were unincorporated.
 - Kerry McCabe answered that there would be no limit and that trespassing laws may provide some shield from bringing a case against us, but it is not clear they'd limit liability exposure.
- Matt Troiani asked about the plan to pay legal fees.
 - Kerry McCabe stated that once all the bills are received, the Board will be able to formulate a plan. He also noted that all members are invited to future meetings to participate in those discussions.
- Heather Manning said that she and her husband never questioned the existence of the 2008 HOA, but stated that they only received the 1981 articles.

Call for Vote – 8:45 pm

- Kerry McCabe asked all present who had not yet voted to do so if they desired.

Ballots and proxies were counted by Frank Donahoe and Steve Danz with the following results:

Initial Reported Results

72 for options A&C

9 for options A&D

8 for option B

Corrected Results

73 for options A&C

4 for options A&D

14 for option B

This tally reflects a corrected count and the addition of two proxies (one for A&C and one for B) that were submitted on 17 November 2016 but not discovered until the following morning.

Meeting adjourned at 8:55 pm.

David Kolo, for
Frank Donahoe, Secretary
11/17/16

Homeowners Signed-In
Special Meeting November 17, 2016

Piper, Diane & Steve
Clay-Mendez, Debbie
Bresnahan, Seamus / Nicole
Conroy, Norma
Reilly, Arienne
Travia, Cindy
Collins, Mary "Belita"
D'Alessandro, Agnes
Paulus, Morty
Fennell, Michele
Butterbaugh, Jon
Higgins Wood, Judy
Morris, Brian
Donahoe, Francis, (Frank)
Smith, Greg
Troiani, Matt
Pedersen, Mark
O'Dowd, Brendan & Jennifer
Schrum, Jesse & Jean
Milligan, Patricia
Rice, Phil / Jenny
Crawford, Rhonda
Sawin, Bill
Redmond, Bob
McCormack, Christopher & Lisa
Graf, Neil
Gallagher, Cristy
Smyth-Gomez, Angelique (Angel)
Nancy J. Berthold
Bushman, Jesse & Lisa
Bojanowski, Joseph
Carlo, Earl
Kolo, David
Michael Ahl
Sorenson, Jedd

Rottenecker, Nancy
Haskins, Harry
Britt, Beth & Carl Brown
Reynolds, Edward
Grace Washburn
Rogers, Timothy (Tim)
Abreu, Roman / Martinez, Aixbel
Manning, Heather
Schutte, JP
Browne, Hendrik
Decker, Robert
Hage, Jeff
McDonald, Tom & Nina
Taylor, Gayle
Wong, Alex & May
Andersen, Karin
Wilson, Kim
Watson, David
Tanner, Michael
Lloyd, Peter & Gloria
Mattoch, Kevin & Antoinette
Maria Mlynar
Danz, Steve
Regehr, Darwin
Kilcoyne, Kevin
Taber, Jamie / John
Storz, William (Bill)
McCabe, Kerry
Colson, Lorraine
Krueger, Linda
Hendrick, John
Gaines, Hugh W. Jr. / Heidi M.
Roberson, Janet
Ellett, Jennifer