

MINUTES OF THE MICHIGAN HILL OWNERS' ASSOCIATION

2007 ANNUAL HOMEOWNERS' MEETING

AUGUST 25, 2007

The annual meeting of the Michigan Hill Owners Association was called to order by Board member Jerry Dean at 10:15 am. Additional board member was present Loretta Hubert and Terry Hull was temporarily appointed to the board by the board to meet quorum requirements. Pursuant to the by law Section 7c a quorum was present.

1. Introduction of the Board: The Board introduced themselves.
2. Minutes were approved and reviewed for the 2006 Annual Owners Meeting.
3. **Treasure's Report:** A copy of the budget and a to-date expenditures was handed out to the members.

The budget shows a deficit of \$6,555.34 for 2007. Dues are owed on 5 lots, 2 lots were combined leaving loss of dues \$780.00. There were questions about the budget:

(A) Lawyer's fees for lawyer for winter road for \$132.00 Susan Hargleroad explained the cost was for legal advice.

(B) Combined lots: Terry O'Neill asked about combined lots. Terry Hull explained that there are two ways to combine lots, one for tax purposes to reduce taxes while maintaining the individual lots (must have a house on one and the other lots must be connected to this lot) and the other creates a single lot which cannot be split apart in the future (creates a single lot with one vote and a single dues).

(C) Jack Finley suggested the CDs to be used to offset the deficit but the board feels that the CDs should be held for reserve; no comment from the membership.

(D) Terry O'Neil asked about the process of late dues payment. Loretta explained that dues become delinquent June 1st and owners are notified. July 1st liens are filed with county on property of delinquent dues and owners are notified. The board has decided after a 2 year delinquent dues, a foreclosure letter is sent to owners.

(Treasurer's Report) Motion to accept Wallace White

2nd William Herrmann
Majority Approved

4. **Road Report:** Thanks to Tom Clinton and Sheldon Burton for maintaining our roads. Sheldon has been receiving good reports on taking care of snow removal. Marvin Mundt has been doing the grading for \$6,000.00. The bill was for \$5,400.00, \$600.00 less than expected. Tom Clinton and Terry O'Neal commented that Mundt is not going to pull the road base back on to the road. Jerry will talk to Mundt before paying the bill. It was suggested to continue to grade the road once a year. Terry O'Neal says that Mundt said pulling the ditches was not in writing. We need to know exactly what is in the contract.

Beverly Matluik liked the wider roads because she has found the roads were getting narrower and narrower.

Anyone can dig trees 10" from the road and please fill the hole afterwards. Spring and fall are the best times to dig.

5. **Cell Tower:** Larry McClymonds gave a written report stating that Comnet is interested and are reviewing possible locations. There is nothing definite with Comnet and no information regarding revenue. Larry is still working on it. Cannot be put on private property and be disguised. Hopefully it will be on MHOA out lot ultimate decision will be brought to homeowners.
6. **ACC Report:** ACC committee presented a handout of records from August 2006-2007. Request for approval were made for 1 house, 4 houses and garages, 1 shed, 3 added decks, 2 repaint house all of which were approved.

Fine for By-passing ACC approval process: The general membership unanimously voted for a flat fine will be assessed to owners that by pass the ACC committee approval under any conditions. This fee amount is to be decided by the new board of directors. The fine will be included in the by-laws and including the effectively date.

Trailers: If you have a building permit you can have a trailer on your lot while you are building. If you have a lot you can park trailer on it but must remove it when you leave. If you have a home you can park a trailer on your lot and it must be currently licensed.

The Subaru on lot 172 was reported abandoned and will be taken care of.

No four wheelers or motorized vehicles of any kind are permitted on the outlots.

7. **Annual compliance training:** Realtors are supposed to give new owners copies of covenants and by-laws at time of purchase. All property listed for sale must state that the property is in a Colorado Common Interest Community.
8. **NewBusiness:**

Winter Road Project and Study: Costs and working with the county were explained and discussed thoroughly. The general membership determined that they did not want to proceed any further into the study or construction of a winter road. It was suggested by William White that road closed signs be posted on both roads approaching the closed roads in the winter at areas where one can turn around and proceed to the South entrance.

Motion to accept Wallace White
2nd Tom Clinton
Majority Approved

Tom Clinton recommended a snow fence to be put into place and the use of frost text to be used on our culverts.

Motion to accept Tom Clinton
2nd Wallace White
Majority Approved

9. **Annual dues increase:** Due to the rise in fuel cost for maintaining the roads and general increases; it has been recommended by the board to increase the annual dues. This increase was discussed and the **general membership voted to raise the dues to \$175.00 annually beginning year of 2008.** This will have to be included in the by-laws and including the effective.

Motion to accept Susan Hargleroad
 2nd Dennis Smith
 Majority Approved

10. **Augmentation:** Mark Matulik gave a presentation of the ordinances and uses of water in and around our properties as homeowners. Colorado Water Law is -- every drop of water that falls belongs to the state. The Pond is required by laws to release water every fall by formulas according to structures on hill. Water is for in house only.

Members gave their gratitude for good job done by the board members.

Elections: There were 3 board positions and 2 ACC up for nomination. Loretta suggested that at least 2 of the board members be living in Michigan Hill to help us keep a closer touch on activates on the area.

Board nominations were: Terry Hull, Jerry Dean, Steve Johnson, Jerry Clinton, Terry O'Neal, and Dennis Sherman.

Voting: Members present or Proxy's by other lot owners	64
Board received Proxy's	21
Members represented by Board (not present or Proxy's sent in %)	<u>187</u>
Total votes (# owners lots)	272

Membership voting for Board: Terry Hull	40 + 7 Board Proxies = 47
Terry O'Neill	37 + 7 Board Proxies = 44
Steve Johnson	33 + 7 Board Proxies = 40
Dennis Sherman	32
Jerry Dean	26
Jerry Clinton	21

ACC: Tom Clinton
 Traci Bailey

Meeting was adjourned approximately 1:05 pm

Respectfully Submitted (Temporary Secretary)
 Loretta Hubert