

ESTATE CHOCOLATE HOLE LANDOWNERS ASSOC., INC.

5000 ESTATE ENIGHED PMB#64
ST. JOHN, VI 00830

Minutes of Annual Meeting

Meeting held on March 28, 2013 at The Giffit Hill School Great Room

Establish Quorum: 40% of eligible voting members needed=93
Proxies and Members represented in person 98

President, Larry Boxerman called the meeting to order at 7:10 pm and welcomed those in attendance.

Approval of Minutes from the 2012 Annual Meeting: Copies were mailed to all members as well as posted on the website. Larry asked if there were any comments or questions about those minutes. There were none **Motion by Andy Arnold to accept the Minutes as written, 2nd Steve Spring, Motion passed unanimously.**

Introduction to Directors and Officers by Larry Boxerman:

President's report: Larry gave an overview of the agenda for the meeting.

- Updated Covenants and Restrictions-these, once approved will be added to the existing core documents; Warranty Deed, Articles of Incorporation, By-Laws and Building Code.
- Small Claims Court case against homeowners by ECHLA-in which Judge's order was issued in favor of ECHLA for \$10,000 plus fees, and interest to accrue until paid. Owners have stonewalled us, so our attorney, Nancy D'Anna processed papers for Marshall sale.
- Pond Bay Club –on advice of attorney D'Anna our claim against them has been dropped due to the fact that there is nothing to gain and not worth the continuing costs to pursue.
- Roads within subdivision have finally been deeded to ECHLA. No property taxes attach to roads.

Treasurer's Report: Presented by Paula Lambert, Treasurer. See the attached budget. Many old past due accounts have been collected recently. Total income was \$136,976 and expenses of \$143,192 for the fiscal year. The Budget for the coming year was also presented

Paula announced that Nancy D'Anna has given ECHLA a credit in the amount of \$24,000. Nancy explained the reason for this; in the case of ECHLA versus St John Villa, we were anticipating an award of \$27,000. However, the judge only awarded \$5000 (which we have not received). When this was learned Larry asked Nancy why this happened and did she anticipate that. He was thinking it was fairly certain that the award would be \$27,000 and it was included in the budget as a line-item for income (potential).

After thinking it over, Nancy decided that Larry was correct in that he should have been cautioned by her that the award could be less. Therefore she decided to give us a credit for her fees, and at the time the \$5000 is finally received we will write her a check for that amount. In the meantime we are not paying any fees to Nancy but are working her fees against the credit. As of the end of the fiscal year the credit stands at \$17,437.

There were a couple of questions about the projected budget and 2012 property tax bills. We have no idea what those are going to amount to, and the budget reflects only what we know they have been thus far.

Motion by Lisa Durgin to accept budget and report, 2nd by Susan Stair. Passed unanimously.

Ongoing Business:

Delinquent accounts: Paula said that the collection process has been going better, with several large past due accounts being collected. However a few have had to be written off due to bankruptcy (in the case of Pond Bay Club) or property changing ownership privately and no possibility of receiving payment. And going forward, since we won the one case we have taken to small claims, we know we have good standing to do more.

Building Committee: Larry Boxerman is at this point the Committee. He would like to have some help, but things are fairly quiet. He has had a few sets of plans to review, and has had no big issues.

Landowner Actions:

VILLA ST JOHN: As mentioned in the budget discussion above, ECHLA was ruled the prevailing party by the Superior Court and we are waiting for the payment.

Covenant and Restrictions Update Project: Kevyn Salzberg is directing the updating of our C & R documents which include our Deeds, the Articles of Incorporation, the Building Code and the By Laws. They are only being updated, not completely re-written. Nancy D'Anna gave a bit of the history of how the original documents evolved and why they need to be re-done. The goal is to have a coherent, consistent and concise set of documents.

They are at the stage now where a few individuals will be asked to look them over, and then it will be posted to our website for all members to look at it. Any suggestions which come from the membership at large will be considered and if appropriate worked into the documents. After that it will be mailed out to the entire membership for an up or down vote. The membership will have a 30 day time period to review before voting.

Subdivision Roads: Nancy D'Anna reported that after many years the issue of the roads has finally been resolved and they are now deeded to ECHLA and recorded. This was one of the main issues she has been working on for us and was determined that this be finished.

Pond Bay Club dispute: For several years we have been working on action regarding the developers because of the agreement which was in place between them and ECHLA which came about from their purchase of 3 residential lots which they wanted to use as part of the development. Now that the bank has foreclosed and owns the property we have no claim. As mentioned above, there really is no chance of winning anything and the decision to quit the lawsuit was made based on Nancy's counsel.

The other information we got is that the West LB Bank which owns the property is hoping to sell it without doing any improvements. They were going to put it on auction sale but decided not to. As of right now there is no activity on the property.

Chocolate Hole Beach Cleanup: The beach is in pretty good shape due to low level of activity. There were no major storms or boats washed up on the beach so it just gets cleaned up as needed. Andy Arnold said that people are tying up their dinghies to trees which is not good, and it was mentioned that the road going to the beach needs some work. A few people said they might be able to do something without spending a lot of money-the main problem is that at the end of the concrete driveway there is a severe drop-off which needs to be fixed.

There was some discussion of why the channel was re-opened, and Andy explained it is supposed to be open, as it is a salt water pond and needs to have the inflow and outflow of water. He oversees that and has it opened as needed, and has been given the OK by the CZM to so.

The meeting broke into Road Caucuses at this point:

Road Assessments determined in caucuses: EAST \$300, WEST \$500, NORTH \$300

Miles Stair, East Road chairman asked if the beach trails could be worked on out of the general fund as opposed to being East Road expense. He said he would put together a proposal for the board to discuss.

New Business: There was no new business.

Elections of Directors and Officers: Larry read the slate:

President Larry Boxerman,

Vice-President, Kevyn Salzberg,

Secretary/Treasurer, Paula Lambert

North Directors: Larry Best, Bruce Munro

West Directors: Lisa Durgin, Abby Schnell-O'Connell

East Directors: Kathy McLaughlin, Dan McElwee, Susan Stair

There was no discussion regarding the slate. Susan Moroney **made MOTION to accept Slate at presented, 2nd by Alan Smith. MOTION Passed unanimously.**

There being no further business the meeting was adjourned at 8:20 pm.

Respectfully Submitted,

Paula Lambert, Secretary