

## **Minutes of the October 26, 2004 Board of Trustees Meeting of Forest Hill Home Owners, Inc.**

On Tuesday, October 26, 2004, the board of trustees of Forest Hill Home Owners, Inc. held a meeting at the McGregor Home. The following trustees were in attendance, constituting a quorum: Chellis Madison, Jan Milic, Hester Lewellen, Tony Rucpic, Clyde Henry, Gwendolyn Bennett, Nan Decker, Bob Muth, Aileen Muth, Bill Muth, Darryl Stewart, Debra Brown, Tripp Mason, Eleanor Shankland, Arthur Thomson, David Richardson, Laurie Smith and Herschell McCoy. The following trustee nominees attended the meeting at the invitation of the board: Ron Ramsey, Tony Frost, Robert Davis, Marie Ashford, Louise Kates, Nathaniel Wright and Jeffrey King. The following officers also attended by invitation: Leonora Roth, president, Tony Rucpic, treasurer, Christopher Hubbert, secretary, Sally Miller, vice president of membership, and Elaine Perample, chair of the nominating committee.

### **Call to Order and Minutes**

Chellis Madison, north east area chair, acted as chair and called the meeting to order at approximately 7:11 P.M. and distributed an agenda (attached). He then introduced the members of the executive committee. At his request, Christopher Hubbert presented minutes from the March 23, 2004 meeting of trustees. After review, Gwendolyn Bennett moved, Bill Muth seconded, and the board unanimously approved the minutes and directed Mr. Hubbert to file them in the minute book.

### **President's Message and Executive Committee Report**

Leonora Roth, president, gave the executive committee report. She began by thanking this year's volunteers on the executive, standards and nominating committees, as well as the newsletter editor and webmaster, for their contributions. She then summarized the accomplishments of the executive committee in 2004, including the June odds & ends sale, the August open house, recommending a new code of regulations, clarifying the fence policy and planting a side flower bed at the cottage. She concluded her comments by reviewing the role of the board of trustees as the group empowered to exercise the corporate authority of FHHO as well as the neighborhood "welcome wagon" and the "eyes and ears" of the association.

### **Financial Report**

Tony Rucpic, treasurer and south east area chair, distributed the FHHO balance sheet and income statement as of September 30, 2004 (attached). He noted that the number of donations has decreased year-to-date leading to lower revenue in 2004. However, expenses are also lower than last year, resulting in a small net profit year-to-date. Mr. Rucpic responded to questions regarding the solicitation of special purpose funds and then reviewed the balance sheet. Bill Muth moved, Jan Milic seconded, and the board unanimously approved the financial statements.

### **Standards Committee Report**

Clyde Henry, vice president of standards, reported on behalf of the committee. He began by stating the mission of the standards committee: to review exterior alterations to homes in Forest Hill to ensure the standards adopted by the board of trustees are met. He then described the structure of the committee. He completed his presentation by reviewing progress made by the committee in 2004 and reported that the standards committee has a good relationship with the



cities of East Cleveland and Cleveland Heights and has experienced significant success in dealing directly with contractors. He noted that Kathy Thomas is stepping down as chair of the standards committee, but she will continue to be involved. The committee is presently seeking two new co-chairs. Bill Muth moved, Hester Lewellen seconded, and the board unanimously approved the report of the standards committee.

### **Nominating Committee Report**

The 2004 nominating committee members are Sally Miller, Elaine Perample, Jane Riedel, Leonora Roth and Jim Uhlir. Elaine Perample, chair of the committee, announced the recommendations of the committee. She presented the following slate for election:

#### **2005 Executive Officers**

President	Christopher J. Hubbert
Senior Vice President	Robert E. Davis
Vice President of Membership	Sally Miller
Secretary	Pam Mason
Treasurer	Tony Rucpic
Chairman of the Board of Trustees	Richard Secor

### **Old Business**

Chellis Madison requested the trustees bring to the attention of the board any outstanding business. There were no items of old business for discussion.

### **Proposed Amendments to the Code of Regulations**

Christopher Hubbert, secretary, had previously distributed to the trustees proposed amendments to the code of regulations of FHHO (attached). He summarized the amendments, explaining that the executive committee believes the proposed amendments both simplify and clarify the structure of the organization, and responded to the questions of the board members. After discussion, Laurie Smith moved, Sally Miller seconded, and the board unanimously adopted the following resolution:

RESOLVED, the board of trustees adopts and approves the attached amended and restated code of regulations of Forest Hill Home Owners, Inc. and directs the executive officers to present the code to the members for approval at the 2004 annual meeting, and recommends that the members approve the new code.

### **Election of Officers**

After Chellis Madison requested a vote on the slate of officers proposed by the nominating committee, Jan Milic moved, Hester Lewellen seconded, and the board unanimously approved the entire slate listed above and appointed them officers to serve for the 2005 term and until their successors are duly elected and qualified.

### **Solicitation of Volunteers for Vacant Trustee Positions**

Sally Miller, vice president of membership, distributed a list of current and proposed trustees and requested that the board provide her with any corrections or additions (attached). Jan Milic

requested that we verify that all trustees have paid their dues for the current year. The proposed slate of trustees will be voted on at the annual residents' meeting on November 30.

### **Suggestions for Increasing Neighborliness**

Hester Lewellen, south west area chair, talked about her block association, reporting that they will have their 10th annual block party next year. She extended an invitation to assist any members who are interested in creating their own block organizations.

### **List of Residents**

Tony Rupcic, treasurer, indicated that he would provide a list of Forest Hill residents to the trustees.

### **Other Business**


Chellis Madison initiated a discussion of new items. Bill Muth noted that East Cleveland is clearly experiencing serious issues and requested that the executive committee consider what, if anything, can be done. A brief discussion of the possibility of all or a portion of Forest Hill "detaching" from East Cleveland ensued.

There was a discussion of possibly soliciting contributions to trim the tree lawn trees in East Cleveland that the city is no longer caring for. The executive committee will consider the matter.

Herschell McCoy, north west area chair, stated that he had served on the executive committee for 30 years. He noted that he was proud to have worked with a series of quality executive committees and commended the organization for its efforts in the community.

### **Closing Remarks**

Chellis Madison asked Jan Milic, former president, for her thoughts. Mrs. Milic requested that everyone tell the group a little bit about themselves, which the board of trustees and visitors did. Leonora Roth, current president, then recognized the standards committee for its outstanding contributions to the organization. Mr. Madison thanked everyone for their spirit of cooperation and adjourned the meeting at approximately 8:55 P.M.

  
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Christopher J. Hubbert, Secretary

**Forest Hill Home Owners, Inc.**  
**Code Of Regulations**

**Amended and Restated November 30, 2004**

**ARTICLE I: PURPOSE OF FHHO**

Forest Hill Home Owners, Inc., or FHHO, was organized in 1950 to promote the general welfare of the Forest Hill community, as described in its articles of incorporation. In furtherance of its purpose, FHHO has been granted the authority to enforce the deed restrictions set forth in the original deed of John D. Rockefeller, Jr., so as to honor the original intent of the Rockefeller family's plan for Forest Hill to be a residential community whose high standards are guarded by well-chosen restrictions, designed to preserve and enhance property values, and assure continued resale. These restrictions include control of architecture and standards of construction and other important considerations. All Forest Hill homes and homeowners are subject to the deed restrictions. A copy of these restrictions is attached.

Article I is revised to delete the naming of the corporation, which is governed by the articles of incorporation, and also to reference the articles as the documents defining FHHO's purpose.

**ARTICLE II: MEMBERS OF FHHO**

Every person who owns and occupies a single family home or condominium in the community known as Forest Hill, as defined in FHHO's articles of incorporation, and the owner's spouse or companion, is a member of FHHO. If a member sells his or her home or ceases to reside in Forest Hill, he or she will lose his or her membership in FHHO. Contributions to FHHO are voluntary, but only dues paying members are eligible to serve as trustees, officers or committee members of FHHO.

This article is revised to clarify that *all* Forest Hill homeowners are members of FHHO and to remove the application requirement. Superfluous historic language, such as a reference to George A. Roose, has been deleted.

**ARTICLE III: BOARD OF TRUSTEES**

Unless otherwise required by law, FHHO's articles of incorporation or this code of regulations, all of the authority of FHHO will be exercised by or under the direction of its board of trustees (referred to as "directors" under the Ohio nonprofit corporation law). The number of trustees will be determined by resolution of the board, but will be no fewer than 15 or more than 50. Trustees must be dues paying members of FHHO. Trustees are elected by the members annually and serve without compensation. A trustee may be removed from office by the vote of two-thirds of the other trustees. The board of trustees will meet at least twice a year. The board of trustees will elect annually a

chairperson or co-chairs from among its members. The chair or co-chairs are responsible for coordinating the activities of the board and will preside over all meetings of the trustees.

Prior codes generally provide for 50 trustees elected by the members. Each trustee represented a sector and served for a period of two years. Article III is revised to simplify the structure of the board: the trustees are no longer tied to blocks or sectors and the area chairs are replaced by a single chair or two co-chairs. We discussed reducing the board to a more manageable 25 trustees or so, and the board has the flexibility to set the number depending on the availability of capable and willing candidates.

#### **ARTICLE IV: EXECUTIVE OFFICERS**

The board of trustees will appoint annually a president, senior vice-president, vice-president of membership, treasurer and secretary to serve as FHHO's executive officers. Officers must be dues paying members of FHHO. Compensation of the officers, if any, must be approved by the board of trustees.

The **president** is FHHO's chief executive officer. The president will preside at all meetings of the members and the executive committee. The president may not also serve as FHHO's chairperson.

The **senior vice-president** will assist the president and perform all the duties of the president in his or her absence.

The **vice-president of membership** is responsible for welcoming new residents, communicating with members and encouraging member participation in FHHO and the Forest Hill community.

The **treasurer** is FHHO's chief financial officer. The treasurer is responsible for receiving and maintaining all funds and other assets belonging to FHHO and will disburse and maintain them as authorized by the board of trustees.

The **secretary** is responsible for keeping minutes of all the proceedings of the members and trustees and maintaining the corporate record book. The secretary will also maintain a record of the names and contact information of the members, trustees and officers.

This article is revised to clarify that the officers are appointed annually by the board of trustees and to add a vice-president responsible for membership.

#### **ARTICLE V: COMMITTEES OF THE BOARD**

The board of trustees will appoint nominating, standards and executive committees, and may appoint any other committees of the board it considers necessary.

The **nominating committee** will consist of five or more members (at least two trustees and one past or present executive officers who are not seeking office) and is responsible for nominating trustee candidates for election by the members and executive officer candidates for appointment by the trustees. The committee will select one of its members to serve as chairperson. The nominating committee will meet at least annually.

The **standards committee** will consist of a chairperson or two co-chairs and any additional members, as determined by the chair(s). The standards committee will review



all proposed changes to homes and property in Forest Hill that require the approval of FHHO, and generally advise and inform owners of homes and property in Forest Hill of the applicable use, maintenance and repair standards. The committee will meet as necessary, on the call of the chair(s).

The **executive committee** will consist of the chairperson or co-chairs of the board of trustees, the executive officers and a member of the standards committee designated by the chairperson of that committee. The executive committee will exercise all the authority of the board of trustees dealing with the management of the affairs of FHHO between meetings of the full board. However, the executive committee cannot sell or otherwise transfer any of FHHO's real property or recommend any matter for the vote of the members without the prior approval of the board of trustees. The executive committee may appoint additional vice-presidents or other officers to assist the committee with its duties. The president will serve as chairperson of the committee. The committee will meet at least six times a year. The president may invite non-committee members to attend the committee's meetings.

Each committee may, subject to approval by the board of trustees, adopt bylaws governing the operation of that committee.

Article V is revised to add the nominating committee. In addition, the structure and authority of the executive committee has been clarified.

#### **ARTICLE VI: MEMBERS' MEETINGS AND VOTING**

FHHO will hold an annual meeting of its members, usually in October or November, for the election of trustees and to vote upon other matters properly brought before the members. The executive committee will set the date for the annual meeting and provide advance notice of the meeting to the members as required by the Ohio nonprofit corporation law. Members' meetings are not required to be held at FHHO's offices, but will be held at a place convenient for the members. Members may vote in person, by mail or by proxy. A quorum will consist of the members present in person, by mail or by proxy. The members may also act by written consent as provided for in the Ohio nonprofit corporation law. FHHO may not sell or otherwise transfer its offices located at 2419 Lee Boulevard without the approval of the members. FHHO's articles of incorporation, this code of regulations and the Ohio nonprofit corporation law enumerate additional items requiring the approval of the members.

This article has been revised to provide that the Blue Cottage may not be sold without the vote of the members and to clarify that the members may act by written consent without holding a meeting.

#### **ARTICLE VII: TERM OF THE CORPORATION**

The term of existence of FHHO is perpetual, but FHHO may be dissolved by the action of its members or, in some cases, trustees, as provided in the Ohio nonprofit corporation law. The board of trustees will be responsible for winding up FHHO upon dissolution, and may make charitable donations of assets in furtherance of FHHO's purposes. Assets

that are not donated will be liquidated. Following payment of all of FHHO's debts, all remaining cash will be distributed pro rata to the current dues paying members.

Article VII has been simplified and revised to give the board greater flexibility upon liquidation, including the ability to make charitable donations of assets. Any remaining cash will be distributed to only those members that are current in their dues.

#### **ARTICLE VIII: ADMINISTRATION OF FUNDS**

FHHO is primarily supported by the voluntary contributions of its members. The executive committee will set the recommended contribution for members annually. FHHO may also accept gifts of cash or other property and administer them in accordance with any conditions that the donor may impose if the conditions are within the powers of the corporation.

The board of trustees and/or executive committee may invest FHHO's funds, expend FHHO's funds to care for FHHO's property and to further FHHO's stated purposes, and to settle any claims on behalf of or against FHHO, each as the board and/or committee considers appropriate.

Extensive language regarding the administration of funds was added to the code in 1985. The extent of the language was unnecessary and this article has been simplified.

#### **ARTICLE IX: INDEMNIFICATION**

To the maximum extent permitted under the Ohio nonprofit corporation law, FHHO must indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed civil, criminal, administrative or investigative action, suit or proceeding, other than an action by FHHO on its own behalf, because he or she is or was a trustee, officer, employee, agent or volunteer of FHHO, and FHHO must pay all expenses, including attorneys' fees, actually and reasonably incurred by the person in defending the action in advance of its final disposition as provided for in the Ohio nonprofit corporation law.

This article is revised to clarify that FHHO must indemnify its trustees and officers to the maximum extent permitted by law, other than from an action by FHHO.

#### **ARTICLE X: AMENDMENTS**

These regulations may be amended or repealed by the majority vote of the members at any meeting of members, provided that notice of the meeting must state in substance the nature of the revisions to be made.