

**LAKE ROYALE BOARD OF DIRECTORS MEETING
MINUTES**

DATE: 04/21/2001

PRESENT Jeanette Beckwith, Ann Faison, Jim Hales, Dan Henigan, Ron Holloway,
Jack Hughes, Greg Lamm, Cheryl Pittman, Tom Nichols, Stuart Nottingham,
and General Manager Nancy Muller
Absent: Tony Antonelli, Vanessa Dunn,

MEETING CALLED TO ORDER: at 10:01 AM by the President

OPENING REMARKS: None

MINUTES: Tom Nichols made the motion to accept the March 17, 2001 Board minutes as written Motion was seconded and approved by the Board.

**FINANCE
COMMITTEE**

Nancy Muller read the Finance Committee meeting minutes dated 4/12/2001. Stuart Nottingham made a motion to accept the Finance Committee minutes as written. The motion was seconded and approved by the Board.

The following are items of the Finance Committee minutes:

1. Requested of our Accounting Manager to review the status of our collections.
2. Our staff is to use discretion when purchasing supplies.
3. Add a line item for a Police Contract with NC Special Police. **ACTION ITEM**
4. Copy Machine contract renewal
5. Office Complex repairs

Refer to Finance committee report dated 04/12/2001 for more details

EXECUTIVE

COMMITTEE: No meeting held in March 2001.

**RECREATION/
TEEN
COMMITTEE**

Les Robinson reported that our Recreation Committee had a meeting on April 3, 2001. Thirteen members attended. Committee worked on preparing for upcoming events. Easter Egg hunt for our children was a real success. Les mentioned some of the upcoming Recreation Activities at Lake Royale.

Refer to Recreation Committee report dated 04/03/2001 for more details

BUILDING

COMMITTEE Hib Affleck informed the Board that the Building Committee has a new procedure. Hib read the new procedure to the Board. Major changes to the new procedures are: the Committee will meet 30 minutes prior to a Building Committee meeting and there are now three separate permit packets. 1. for camping , 1 for residential and 1. for a new house. Hib received input and some suggestions regarding the new procedures from the Board. Hib mentioned that Bob Benton, current chairman of the Committee, has resigned. Hib was asked by the Board to provide a willing candidate to be the new Chairman of the

Building Committee rather than the Board choosing a Chairman. A motion to accept the Building Committee minutes with changes was made by Tom Nichols. The motion was seconded and passed by the Board. **ACTION ITEM**

**BOARD OF
ADJUSTMENTS**

No Variance Hearing Meetings were scheduled for the month of March 2001.

**UTILITY
COMMITTEE**

No reported given.

TREASURER'S REPORT	Month Ending Total Income	Month Ending Dues Income	Month Ending Expenditures	Month Ending Cash Balance
03/31/2001	\$ 211,504.95	* \$ 203,847.72	\$ 116,104.01	\$ 333,076.80

* Note: Month Ending Dues Income Breakdown

Year 2001/2002.....	\$189,356.13
Year 2000/2001.....	\$ 10, 641.54
Other Years	\$ 3, 850.05

**MAINTENANCE
REPORT**

General Manager Nancy Muller read report-dated 03/26/2001 through 04/06/2001.

Highlights of the report:

1. Comfort center and office complex safety inspections.
2. Mowing, trimming and weed removal.
3. List of new metal signs prepared to be ordered to replace wooden signs.
4. Common boat docks inspected, minor repairs performed
5. Brush/Scrub cleaning and Painting of swimming pool. Signs and furniture cleaned.
6. Serviced roadside grass mowers..
7. Picnic shelters and tables were repaired and painted.
8. Various meaningful projects.

Refer to the Maintenance Report workweek 3/26/2001 to 04/06/2001 for more details

**POLICE
REPORT**

Our General Manger Nancy Muller read the summary of calls taken by the GuardHouse and the NC Special Police Company.

Refer to the Lake Royale Police Department Report dated March 2001 for more details

**SAFETY/
EMERGENCY
COMMITTEE**

Tom Nicholas reported that the new Emergency Exit on the East Side of the Lake is now functional and can be used when an emergency occurs. Tom mentioned that Joe Faison donated a truckload of gravel. Thank you Joe. Tom indicated that more gravel was needed and is hoping for more gravel donations. Tom mentioned that he was very pleased with all the hard work and donations of equipment and material in making this new emergency exit a reality. He said that so far the committee has spent a total of \$15.00 on this project.

**BYLAWS/
COVENANTS
COMMITTEE**

Hib Affleck reported that the Committee meetings were going very well.

**NEWSLETTER
COMMITTEE**

General Manager Nancy Muller reported that the newspaper Committee was preparing for the June issue of the Royale Reporter. She requested articles from property owners running for the Board, Bylaw changes from the Bylaw Committee for the Royale Reporter. The June issue is mailed to all property owners in preparation of the Annual Board of Directors Meeting in July 2001.

**BEAUTIFICATION
COMMITTEE**

Nancy mentioned that the Beautification Committee had a meeting to review our Landscape needs. We have accepted the landscape bid from Chris's Greenhouse. The main entrance sign and the Baptist Church Road signs have been prepared to be painted. Painting will soon occur. We want to thank Margaret and Glenn Causey for the painting of the signs. Dan Henigan mentioned to eliminate the NACO emblem from the signs.

**PRESIDENTS
REPORT**

Ron Holloway said that he wanted to personally thank all the property owners who volunteer their expertise and time in making Lake Royale function without our volunteers Lake Royale would be a failure. Also, Ron welcomed back Board Member Jim Hales who was on medical leave. Jim, it is great to see you back.

**GENERAL
MANAGER
REPORT**

Nancy reported the following:

1. NC Special Police will have another officer coming on board May 1, 2001
2. NC Special Police has three (3) interviews scheduled this coming week for Guard Gate positions.
3. A current Gate employee has resigned due to health conditions.
4. Harris Auction has their mobile unit parked at the office complex in anticipation for the May 5, 2001 property auction
5. Total Environmental Solutions legal department have been sent a letter defining the area's that need to repair as a result of their water meter installation program.
6. She is actively working with the hiring of our summer LifeGuard staff. Drug test screening and background checks are in process.

Refer to the General Managers Report dated April 21, 2001 for more details

OLD BUSINESS: General Manager Nancy Muller has scheduled a meeting with Olde Heritage Builders on April 25, 2001 regarding the paying of past and current membership dues.

Jack Hughes reviewed the status of the **ACTION ITEM LOG** with the Committee's and Board Members. Seven (7) items were either closed or updated with current information.

Secretary Jack Hughes has received currently two (2) petitions from Property Owners who are going to run for open Board positions. Ann Faison is running for the one (1) year Chairman position and Ray Robinson is running for the three (3) year residential position. These two(2) petitions will be verified for 50 Members in Good Standing May 1, 2001

In addition, Secretary Jack Hughes has received a petition from Property Owner Art Alexander regarding changing Bylaws Page 6 Section 8 Paragraph B. Art agreed to work with the Bylaw/Covenant Committee so that his Petition reads more clearly. This petition will be verified for 50 Members in Good Standing May 1, 2001

In addition, Secretary Jack Hughes has received a petition from Property Owner Hib Affleck changing Bylaws Page 4 Section 3 Dues. The petition addresses changing from Property Owners paying a single due for adjoining lots to Property Owners paying dues for each lot they own. This petition will be verified for 50 Members in Good Standing May 1, 2001

NEW BUSINESS: Ron Holloway made the Board aware that we were renewing the contract that we have with our auditors. This renewal is the second year of a three- (3) year contract with Bunch & Company.

The following proposed Bylaw and Covenant changes were written by the Bylaw/Covenant Committee and reviewed and modified by the Board previous to the April 2001 Board Meeting. Board Members made motions for these changes and the motions were seconded. All three (3) changes were approved by the Board and will be placed on the July 2001 Ballot to be voted on by Property Owners who are in **Good Standing**. Two-thirds approval by the Property owners is required. Refer to the three individual motion forms for more details:

1. **ADD TO COVENANTS:** (a newly created Article _____. (Pending rewrite of Covenants) Article __. **Special Assessments**

The Board of Directors shall declare a special assessment **only when necessary** to pay for an unexpected emergency or natural disaster. Such special assessment shall require a two-thirds (2/3) vote of the Board of Directors. Such assessment may not exceed more than one (1) years current dues.

Section _____. Purpose for Special Assessment

Purpose for the special assessment is:

1. To qualify for an emergency loan from a lending institution (FEMA, banks, small business, etc).

2. **CARPORTS:**

BACKGROUND: Presently, one 24' x 30' (maximum size) carport is allowed on a Camping lot. This proposal requests that a carport also be allowed on a residential lot, up to the same 24'x30' maximum size.

ADD TO COVENANTS:

All residential property owners at Lake Royale shall be allowed to construct or place one commercially produced carport on each lot, providing it is approved by the Building Committee prior to commencement of construction or installation, complies with the setback requirements, is single story, is not enclosed, does not exceed 24 feet by 30 feet in size and is located where it will not cover an existing or future septic tank or any portion of septic drain fields.

3. STORAGE SHEDS (see Covenants, #3 Camping Lots, C

BACKGROUND: Presently the camping lots are limited to one (1) 12'x12' maximum size storage shed. This proposal requests that the camping lots be allowed one (1) two hundred fifty six (256) square foot maximum size storage shed on his/her camping lot (examples: 16'x16', 14'x18', 12'x21').

PRESENTLY READS: "Any camping lot owner shall be allowed to erect or place one commercially produced utility or storage shed (or a shed of equivalent construction and appearance) on each lot, said shed to be a four-sided enclosed structure of not more than one hundred and forty four (144) square feet and must comply with the setback requirements, and be approved by the Property Owners Association prior to placing the same on any lot. Such utility or storage building may not be used for living or camping purposes, but only for storage purpose".

AMENDMENT TO READ: Any lot owner shall be allowed to construct or place one commercially produced storage shed on each lot, providing said shed meets all Franklin and Nash County codes, is approved by the Building Committee prior to erecting or placing shed on lot, complies with all setback requirements and is not being used for a business. It must be a detached, enclosed structure, single story, four-sided and not be used for living or camping purposes, but only for storage purposes. It also must not be more than two hundred fifty six (256) square feet (examples: 16'x16', 14'x18', 12'x21') and located where it will not cover an existing or future septic tank or any portion of its leach fields.

NOTE: Franklin County classifies a shed as an accessory building under the NC '*One and Two Family Dwelling Code*'. If your "shed" has all of the following conditions: any dimension greater than twelve (12) feet, a masonry or concrete floor (cannot be dirt), an overhead door or two side by side doors, Franklin County will no longer classify it as a shed, but as a garage. Garages are not allowed in the camping area.

OPEN FORUM

Lee Robinson requested a response from our President Ron Holloway to the letter she wrote and presented at the March 2001 Board meeting. Subject was her dismissal from the Bylaw/Covenant Committee. Lee received a letter dated March 14, 2001 from the Board President. Ron informed Lee that she was not dismissed based on the two (2) complaint letters. Ron's stated to Lee that being a member of the Bylaw/Covenant Committee she was aware that rules are made to govern the association. He made his decision to remove her

from the Bylaws/Covenant Committee because she did not follow the rules that were in the letter to allow for a meeting to occur between Ron Holloway and herself. Also, Lee shared her disappointment of some of our Guards not doing their job at the Gate House. She wants to know why we are paying these Guards if they are not doing their job. She feels that we should replace Guards that are not doing their job.

Ray Robinson mentioned that while he was at the Gate last week getting petitions signed, he witnessed property owners with boats going through the gate. The boats did not have any stickers.

Ray wanted to know the status of the closing of some private entrances at the East Side of the Lake. Nancy said that she is working with the property owners and currently the private entrances are not closed.

Ray addressed a recent letter that was written by our General Manager to the Recreation Committee. Ray along with other committee members took the letter as an insult and are requesting an apology from Nancy. Nancy mentioned that she would be glad to meet with the committee to resolve this issue. Ray accepted this offer and mentioned that volunteers are the backbones of our association and we cannot discourage Property Owners from volunteering. **ACTION ITEM**

Hib Affleck addressed the status of serving liens on property owners who are delinquent on their dues. Hib was informed that 10 liens have been served. He believes that we need to be more aggressive and have a goal of serving 200 liens a month. He also would like to see the liens served are placed in the Royale Reporter. **ACTION ITEM**

Fred Robbins questioned a decision that our General Manager made at the April Finance Committee meeting regarding the purchasing of gasoline outside of our complex. Fred presented a business case that he believes will refute the decision of purchasing gasoline outside our complex. Fred requested that we perform our audit to line item details to determine if the right decisions are being made in our association. **ACTION ITEM**

Art Alexander explained his recent petition that he submitted to be voted on by the Property owners. Art agreed to attend the Monday 4/23/2001 Bylaw Committee Meeting to explain the petition change.

Les Robinson mentioned his disappointment with the Guard Gate personnel not doing their job. Les mentioned that we should use volunteers to perform carpenter, roofing and siding repairs

Phil Anzalone suggested that we offer prizes to Property Owners who pay their dues on time. Also, he believes that Board must create an atmosphere for Property Owners to serve on committees. He feels just the opposite is occurring. Phil mentioned that he was pleased on how Property Owners are now speaking-up about the performance of our Guards. He encouraged more people to speak-up. In addition, he wanted to know if the Association is in any jeopardy with Ron Holloway running for a Board position this coming July 2001. Vice President Dan Henigan informed Phil that the Association is **not** in jeopardy with Ron running for a Board position in the coming July 2001 election.

MEETING ADJOURNED: The meeting adjourned at 12:10 PM Saturday 04/21/2001

Jack Hughes, Lake Royale POA Board Secretary

BOARD ACTION FORM

DATE: 04/21/2001

MOTION: Add Special Assessment Clause to Bylaws. This addition will be placed on the July 2001 ballot to be voted on by Property Owners who are in Good Standing.

MADE BY: Stuart Nottingham

SECOND: Dr. Beckwith

ROLL CALL VOTE

NAME	END OF TERM	YES-YEA	NO-NAY	ABSTAIN
ANTONELLI	C-2002			
BECKWITH	R-2002	X		
DUNN	C-2003			
FAISON or PITTMAN	2001 2001	X		
HALES	R-2003	X		
HENIGAN	C-2001	X		
HUGHES	R-2001	X		
LAMM	R-2002	X		
NICHOLS	C-2003	X		
NOTTINGHAM	R-2003	X		
HOLLOWAY	C-2001	X		
RESULTS		9	0	0

BOARD ACTION FORM

DATE: 04/21/2001

MOTION: Change Covenants to read: All Lake Royale property owners shall be allowed to construct or place one commercially produced carport on each lot. This change will be placed on the July 2001 ballot to be voted on by Property Owners who are in Good Standing.

MADE BY: Tom Nichols

SECOND: Jim Hales

ROLL CALL VOTE

NAME	END OF TERM	YES-YEA	NO-NAY	ABSTAIN
ANTONELLI	C-2002			
BECKWITH	R-2002	X		
DUNN	C-2003			
FAISON or PITTMAN	2001 2001		X	
HALES	R-2003	X		
HENIGAN	C-2001	X		
HUGHES	R-2001		X	
LAMM	R-2002		X	
NICHOLS	C-2003	X		
NOTTINGHAM	R-2003		X	
HOLLOWAY	C-2001	X		
RESULTS		5	4	0

BOARD ACTION FORM

DATE: 04/21/2001

MOTION: Change storage shed dimensions from 144 square feet to 256 square feet for Camping lots
This change will be placed on the July 2001 ballot to be voted on by Property Owners who are in Good Standing.

MADE BY: Greg Lamm

SECOND: Tom Nichols

ROLL CALL VOTE

NAME	END OF TERM	YES-YEA	NO-NAY	ABSTAIN
ANTONELLI	C-2002			
BECKWITH	R-2002	X		
DUNN	C-2003			
FAISON or PITTMAN	2001 2001	X		
HALES	R-2003	X		
HENIGAN	C-2001	X		
HUGHES	R-2001	X		
LAMM	R-2002	X		
NICHOLS	C-2003	X		
NOTTINGHAM	R-2003	X		
HOLLOWAY	C-2001	X		
RESULTS		9	0	0

BOARD OF DIRECTOR ACTION ITEM LOG

ACTION SOURCE	LOG #	DESCRIPTION OF ACTION	OWNER	SEV CODE	ISSUE DATE	TGT COMPLETE DATE	ACTUAL COMPLETE DATE	COMMENTS
BDMEET	45	Sledge/Baptist Rd alternative brown sign	ADMIN	2	18-Nov-00	08-Dec-00	17-Mar-01	Volunteers to paint sign
ADMIN	56	Start placing liens on delinquent properties	ADMIN	2	16-Dec-00	29-Jan-01	19-Mar-01	First lien served in Franklin & Nash city's
SAFCOM	5	Collect financial data to out source work	ADMIN	3	19-Aug-00	21-Oct-00	17-Mar-01	trash & mowing completed
BDMEET	67	Pursue extra bus stops for school children	ADMIN	2	20-Jan-01	17-Feb-01	19-Mar-01	
BDMEET	75	Instructions to GateHouse Personnel	POLICE	1	17-Mar-01	04-Apr-01	21-Apr-01	
BDMEET	80	Update Nominating Procedures	BOARD	3	17-Mar-01	21-Apr-01	21-Mar-01	Updated pg 2, step 3
SAFCOM	12	Develop lot 2557 emergency exit	SAFCOM	2	19-Aug-00	21-Nov-00	21-Apr-01	Exit operational, close
BDMEET	74	First Aid kit replenishing	SAFCOM	2	18-Aug-00	21-Oct-00	21-Apr-01	Waiting on list from Red Cross
BDMEET	59	Restart printed form for Open Forum	ADMIN	3	16-Dec-00	03-Jan-01		Table
FINCOM	81	Add Police Contract line item in Finance Stmt.	ADMIN	2	21-Apr-01	19-May-01		
BDMEET	83	Gen Mgr. to meet with Rec. Committee	ADMIN	2	21-Apr-01	19-May-01		
BDMEET	84	Lien served place in Royale Reporter	ADMIN	2	21-Apr-01	19-May-01		
BDMEET	64	Response letter from Board to Property Owner	BOARD	2	20-Jan-01	17-Feb-01		
BDMEET	68	Investigate Home delivery of mail	BOARD	3	20-Jan-01	15-May-01		
BDMEET	69	Emergency Disaster release of funds	BOARD	2	17-Mar-01	21-Apr-01		Survey article in Royale Reporter
BDMEET	76	Bd's written position on dismissal of Bylaw PO	BOARD	3	17-Mar-01	21-Apr-01	21-Apr-01	Address at May workshop
BDMEET	77	Bd position on eliminating adjoin lot exemption	BOARD	3	17-Mar-01	21-Apr-01		Responded to PO at Bd Meeting
BDMEET	79	Pavilion Improvements done by volunteers	BOARD	3	17-Mar-01	21-Apr-01		Petition rec'd, ck on Good Standing
BDMEET	66	Investigate installation of silt fence on clear lots	BLDCOM	3	20-Jan-01	15-May-01		Address at May workshop
BDMEET	70	Reorganize Building Committee	BLDCOM	2	17-Mar-01	21-Apr-01		
BDMEET	72	Green House information study	BLDCOM	2	17-Mar-01	21-Apr-01		
BDMEET	82	Choose Chairman for Building Committee	BLDCOM	2	21-Apr-01	19-May-01		
FINCOM	40	Baseline cost of mowing grass	FIN	2	21-Oct-00	18-Nov-00		
FINMEEI	44	Excessive cell phone usage	FIN	3	18-Nov-00	15-Jan-01		
BDMEET	7	Projects list for off season work.	MAINT.	2	19-Aug-00	12-Sep-00		
BDMEET	65	Investigate the need to repair Blackfoot Rd	MAINT	2	20-Jan-01	17-Feb-01		
BDMEET	78	Sloux Drive driveway causing washout	MAINT	2	17-Mar-01	21-Apr-01		
BDMEET	71	Rec Comm. volunteers from Camping & River	RECCOM	2	17-Mar-01	21-Apr-01		
BDMEET	73	Postal Survey placed in Royale Reporter	UTLCOM	3	17-Mar-01	21-Apr-01		
SAFCOM	15	Review & revise Emergency Mgmt Plan	SAFCOM	2	19-Aug-00	21-Oct-00		
SAFCOM	13	Emergency gate gravel funding donations	SAFCOM	3	17-Mar-01	21-Apr-01		

- 1 High impact to POA, safety, financial strain
- 2 Potential high impact to POA
- 3 Minimal risk to POA but must be done.
- 4 Working ok but lets make it better

Fin. Comm investigating
Fin. Comm investigating
Maint. Completed
Investigated 4/12/2001
T. Antonelli joined, need River PO