

**LAKE ROYALE BOARD OF DIRECTORS MEETING  
MINUTES**

**DATE: 06/16/2001**

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

**MEETING CALLED TO ORDER:** at 10:04 AM by the President Ron Holloway

**OPENING REMARKS:** During the approval of the minutes, Ron shared with the Board that Property Owners would prefer that Board Members use our sound system microphones when speaking. Board members acknowledge the importance of everyone hearing what is said and agreed to use the microphones in Board Meetings.

**MINUTES:** Tom Nichols quickly put the microphone in his hand and made the motion to accept the May 19, 2001 Board minutes as written. Motion was seconded and approved by the Board.

**EXECUTIVE**

**COMMITTEE:** No meeting held in May 2001.

**FINANCE**

**COMMITTEE**

Nancy Muller, our General Manager, read the Finance Committee meeting minutes dated 6/09/2001. Jack Hughes asked the question regarding the rumor that the Finance Committee has found an additional \$100,000.00 plus that was not being counted. Nancy Muller read a letter from the Finance Committee Chairman Stuart Nottingham. The net outcome of the letter was (1) No additional money was found. (2) The CD money has always been included in the monthly Treasurer's Report Total Cash on Hand. (3) The \$100,000.00 was a balance of funds from prior years that was not being allocated in our 2001/2002 budget (4) The approved 2001/2002 budget of expenditures is based only on estimated dues collected for 2001/2002 and does not include prior year balances or prior years dues that may be collected during the 2001/2002 fiscal year. Ron opened the floor to the Property Owners so that they could ask questions regarding the rumor. No questions were asked by either the Property Owners or Board Members. No motion was made to accept the Finance Committee minutes as written.

The following are items of the Finance Committee minutes:

1. Review of financial statements:
  - a. Moved the charge in Recreation Special projects to Operating Supplies.
  - b. Peachtree Accounting System Cash Flow is incorrect. Peachtree will be analyzed to determine the problem.
  - c. Also, May 2001 statements will be reviewed.
2. The increase for our copier maintenance agreement contract from \$980.00 to \$1600.00 will be funded from a rebate credit of \$2,240.00 we received from our insurance company. The rebate is a result of our employees improved safety record over the past year.
3. Approval of reimbursing employees \$.33 cents per mile when using their own car for Association related work activities.

4. Place the CD of approximately \$31,000 maturing in July 2001 into the Road Fund  
**ACTION ITEM**

Refer to Finance committee report dated 06/09/2001 for more details

**RECREATION/  
TEEN  
COMMITTEE**

Les Robertson reported that our Recreation Committee had a meeting on May 30, 2001. Les reported that the Recreation Committee discussed and planned the following:

1. Recreation Budget was reviewed and assesses for the coming year.
2. Steak Night June 16, 2001 will be start earlier to accommodate our annual meet your Board Member candidates.
3. Pre-Koss Festival meetings occurred. Les mentioned the activities that occurred for the festival. Inclement weather forced the Koss Festival to move inside the lodge in the afternoon. The evening dance that followed the Festival was a real success. The dance never ended unto 1:00AM. After the dance, the Committee cleaned-up the lodge for the 8:30 AM Sunday Church services.
- 4 Teen dance was a real success. After the dance, some parents did not pickup their teens until 1:00AM. This situation will be addressed by the Committee with the parents.
- 5 A cookout is planned for July 4, 2001 for Property Owners. The Committee will announce the details shortly.
6. The Rec. Committee is requesting that we setup an additional Rec. Committee Account code for donations they may received to restock our lake. **ACTION ITEM**
- 7 The Committee is actively working on raising money to restock our lake with Fish. They are trying to raise \$1,000.00.
- 8 The next meeting is scheduled 6/27/2001 at 7:30PM

Tony Antonelli made a motion that if the Recreation Committee has a positive balance of funds at the end of the fiscal year 2001/2002 that these funds be used to purchase fish to restock our lake. The motion was seconded and approved by the Board. See attached motion for more details. **ACTION ITEM**

Also, Tony suggested that the POA purchase two (2) event tents. He explained that it cost the POA \$150.00 to rent two (2) tents for one (1) day for the Koss Festival. The cost to buy two (2) tents is \$410.00 plus tax. The event tents would become POA property, therefore could be used by any of our other committees running authorized events. Ron informed the Board that he would handle this purchase with our General Manager. A motion was not required because the purchase would be less than \$500.00. The funds for the purchase of these tents will be from the rebate/credit we received from our insurance company. The balance of this credit will now be approximately \$1,087.00  $\$2,242 - (\$720 \text{ (Copier)} + \$435 \text{ (tents)}) = \$1,087.00$ . **ACTION ITEM**

Refer to Recreation Committee report dated 05/30/2001 for more details

**BUILDING  
COMMITTEE**

Tom Nichols informed the Board that the Building Committee met with Franklin County to finalize the process for issuing permits this coming July 1, 2001. The permit procedure change will now require a property owner to acquire a Lake Royale Building permit prior to Franklin County issuing a building permit. Again, Tom believes this is a real plus for Lake Royale because our procedure requires a property owner to be in Good Standing

before the Building Committee will review and issue a permit. This should have a positive affect with the collection of our membership dues.  
 Tom mentioned that he was informed by the Franklin County Planning Department that the most recent Flood Plain Map drawn for Lake Royale would be redrawn to correct the errors in the first Flood Plain Map.

The following are high lights of the Building Committee minutes dated 6/12/2001:

1. Committee approved five (5) permits and disapproved three (3) permits
2. Lot at golf course has installed a wooden fence/trellis on common POA property.
3. Property owner has built a Gazebo without a permit. Gazebo does not meet covenant provision waterfront set backs.
4. A Property Owner has built a seawall without a permit

**BOARD OF  
ADJUSTMENTS**

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

**UTILITY  
COMMITTEE**

Bob Winters provided an updated status on the progress of the Sprint Telephone Company providing toll- free calling to Raleigh. Bob indicated that we should see the Ballot in our August 13/2001 phone bill. Bob encourage everyone in Lake Royale to vote for the toll-free calling. Bob again thanked Dale Dotson for his petition efforts.

<b>TREASURER'S REPORT</b>	Month Ending Total Income	Month Ending Dues Income	Month Ending Expenditures	Month Ending Cash Balance
05/31/2001	\$ 171,986.82	* \$ 162,190.24	\$ 62,787.56	\$ 863,368.13

\* Note: Month Ending Dues Income Breakdown

Year 2001/2002.....	\$145,986.28
Year 2000/2001.....	\$ 10,192.90
Other Years .....	\$ 6,011.06

**MAINTENANCE  
REPORT**

General Manager Nancy Muller read report-dated 05/21/2001 through 06/15/2001.

Highlights of the report:

1. Pre-construction inspections were performed for five (5) driveways.
2. Pot Holes were repaired on Papoose and Mohican Drive.
3. Replaced the American Flag at the POA Rental Office Complex.
4. Information signs were removed, repaired, painted and re-installed at Benton Harbor Rocketship Playground, Barnhill and Hubert's Hideway.
5. Repaired the underground electrical and water access from Comfort Center one (1) to Camping Lot four (4).
6. Removed the electrical short found in the telephone pole at the putt-putt and volleyball courts.
7. Purchased and installed two(2) new basketball goals/nets at Comfort Center #1
8. Grass mowing, trimmed and weeded throughout the complex.
9. No Wake lake buoys were removed and placed to the proper location in the lake.

- Readjusted the swim area buoys at the lodge and pavilion.
10. Dug out and blocked the unauthorized entrance on Creek Drive to prevent any further access to the complex.
  11. Various meaningful projects.

Refer to the Maintenance Report workweek 5/21/2001 to 06/16/2001 for more details

Tony Antonelli asked Nancy if she was aware of the problem he reported at Comfort Center #1 barricades not working. She said that she was aware of the problem reported and would Follow-up on the problem this coming week. **ACTION ITEM**

In addition, Tony wanted to know how we were progressing with the closing of some of the entrances individual property owners have opened to the complex. She indicated that she and the maintenance staff was actively involved with this action item. **ACTION ITEM**

Jim Hales asked Nancy as a result of our overflow waste on weekends at our waste site what is the status of obtaining a third container for the overflow? Nancy reported that there is waste such as appliances and furniture that is dumped at the site on Sunday that should be dumped at the landfill outside of Louisburg. Containers are not designed to handle this waste. therefore, at this time having an additional third container will not corrected our waste problem. In addition, she stressed the dangers of leaving refrigerators at the dumpsite.

Greg Lamm requested that Nancy have Todd provide a list of repairs and cost he makes monthly which is a result of vandalism. This list would be made available at Board Meetings. **ACTION ITEM**

Nancy encourage everyone to actively participate in the Community Watch program that has been recently installed at the Lake. She mentioned that the Crown Victoria was available to property owners who were interested in volunteering to patrol around our complex. She said that interested property owners **must contact Bob Nichols** and get instructions and approval before they start patrolling

Nancy informed the Board of the different types of vandalism that are occurring at the lodge.

## **POLICE REPORT**

Our General Manger Nancy Muller read the summary of calls taken by the guardhouse and the NC Special Police Company. A total of 28 calls were taken for the month of May 2001.

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

Jack Hughes asked a question regarding the police report activity indicating zero (0) Vandalism reported. He was informed that NC Special Police report only contained property owner activity and it did not include vandalism reported by the association. Nancy will discuss this report with the NC Special Police and request that both property owner and association police activity be reported. **ACTION ITEM**

Greg Lamm requested that Nancy request a patrol schedule from the NC Special Police. This information along with observations of patrolling will be our objective evidence that we are meeting one of our property owner's needs/requirements of protection. Nancy will get with NC Special Police to request to see a time schedule for patrolling and the actual miles driven. **ACTION ITEM**

Jim Hales asked the question as to when the NC Special Police will provide 24/7 coverage. Nancy informed the Board that the NC Special Police are staff to provide this coverage. however, the NC Attorney General is holding up the process.

Nancy mentioned that she is actively working with Chief Thompson and the Attorney General's office to determine what is required to gain approval for 24/7 coverage. This past week she sent a letter to the Chief stating the urgency of having full coverage and that this matter needs to be escalated

Tony Antonelli shared two (2) observations he made with regards to underage children driving Golf carts. He believes that the NC Special Police must be involved with the regulating and enforcing the existing laws for driving of golf carts on our roads. Nancy mentioned that she received the same information from other property owners and she has forwarded this information to the chief to take corrective action **ACTION ITEM**

### **SAFETY/ EMERGENCY COMMITTEE**

Tom Nichols, Chairman of the Committee, read the minutes of the June 14, 2001 Community Watch and Safety/Emergency Management meetings. The following are the high lights of there two 2) meetings:

#### Community Watch Meeting

1. The Committee reviewed the process that Property Owners will follow when they volunteer to perform neighborhood patrol. The process steps:
  - a. If you choose to use the old Crown Victoria, the driver must have a good driving record. Personal vehicles can also be used.
  - b. Sign and deliver waiver of liability at the Welcome Center.
  - c. Get the car and hand radio.
  - d. Place magnetic signs on both front doors.
  - e. Stay strictly on POA property when patrolling
  - f. Obtain and read sheet of regulations governing Community Watch
2. Restrooms at community facilities will now be closed at 8:00PM to reduce Vandalism.

#### Safety/Emergency Management Meeting

1. The Franklin County school bus coordinator has agreed to come on-site to check the corners of our roads on the East Side of the Lake to determine the quantity of mirrors required to expand the school bus stops in our complex.
2. Some Property Owners have submitted Special Emergency Needs forms to our POA Staff. This information will be used by the Emergency Management Committee during future emergencies.
3. The new emergency exit lot 2557 on the East Side of the lake is now functional and could be used in case of an emergency. The Committee reminded us that we still need donations towards the purchase of gravel. Nancy will check on the cost/feasibility of placing a street light at this exit.
4. The committee is studying the feasibility of purchasing hats for Committee members and Community Watch volunteers.
5. Tom Wild, John Wilds and Brenda Gregory have volunteered to join the committee.

Refer to the Emergency Management/Safety Committee meeting minutes dated June 14,2001 for more details

**BYLAWS/  
COVENANTS  
COMMITTEE**

Hib Affleck reported that two (2) Committee meetings were cancelled this month. Hib asked as to how we notify a new property owner of our Bylaws/Covenants? Ann Faison explained how Royale Realty notified the buyer/ new owner of our Bylaws/Covenants. She said that it is covered in the contract. She offered to contact the other Realtors that worked in our area and to make sure that they are notifying there clients of our Bylaws/Covenants, membership dues and the need to have a recorded Deed. **ACTION ITEM**

Further discussion by Board Members followed. We believe that with the stricter security at the gate new property owners will be told to contact the POA Staff. Our staff will inform the new owner of our Bylaws/Covenants.

**NEWSLETTER  
COMMITTEE**

General Manager Nancy Muller reported that the Committee is now working on the July issue of the Royale Reporter.

**BEAUTIFICATION  
COMMITTEE**

General Manager Nancy mentioned that the Committee is actively selling raffle tickets for the quilt that will be raffled off at the Annual July Board Meeting.

**PRESIDENTS  
REPORT**

Ron Holloway wished all fathers on the Board and all Property Owners fathers a happy Fathers Day. Ron mentioned that today was his last day running the Board of Directors meeting. Next month the meeting will be ran by Ann Faison, our Board Chairman He said that his year was both a difficult year and a good year for him and the Board. He feels that the vision and the goals we have put in place has set our course of direction as a Board. and he is real proud of this accomplishment.

**GENERAL  
MANAGER  
REPORT**

Nancy reported the following activity:

1. A follow-up on the actions that are be taken for the ski course. Nancy has spoken with the owner of the ski course. The owner was requested to apply for permission to have a ski course to the Franklin County Commissioners. Upon their written approval, the existing ski course would be moved from the middle of the lake to an area that would not cause problems for boaters and Jet Ski users.
2. Nancy is waiting on approval from Franklin County Commissioners to install two (2) buoys around a submerged rock in the lake.
3. Nancy is obtaining bids to remove a pine tree that is on common property that is hanging over the lake and a large tree stump.
4. The clubhouse/lodge doors have been rekeyed. An alarm has been installed and will trigger when some unauthorized person enters the clubhouse.
5. The police equipment on the Crown Victoria car has been removed. The car is now ready to be used as a citizen vehicle by the Community Watch Committee for patrolling our complex.
6. The maintenance department has revised their mowing scheduled to keep current with mowing our complex. Inclement weather is the reason for the change.
7. We now have \$140,843.15 in our Emergency Disaster Account.
8. We have filed an insurance claim for the damages that have occurred at our Office Complex.as a result of rainwater. Carpet and wall damage has occurred. We have

a \$1,000.00 deductible.

9. We have opened Money Market Accounts at three (3) banks in the past month.
10. The windows at the Welcome Center have been repaired. Darken filament has been installed to aid in the cooling of the center and headlight glare.

Refer to the General Managers Report dated June 16, 2001 for more details

#### **OLD BUSINESS:**

Jack Hughes reviewed the status of the **ACTION ITEM LOG** with the Committee's and Board Members. Twenty-five (25) actions were closed.

Ron announced that the Board in its closed session prior to the Board Meeting Unanimously voted to sign a three (3) year contract with Nancy Muller, our General Manager. The contract does not contain a buy-out provision. Nancy shared with the Property Owners the importance to her as to having a contract so that she could effectively perform her job. The property owners applauded the contract signing.

Nancy announced that we now have a new Assistant Manager that will come on-Board July 9, 2001. His name is Paul Hershey and that he has a wealth of experience in the resort area. Also, Nancy inform us that we have two (2) employees working from a temporary agency in the office for the summer peak season and may become one (1) full time employee and one (1) part time employee.

Tom Nichols mentioned the activities that will occur at the lake for July 4, 2001 In particular the parade and house/ camper decoration contests. Parade participants and home/camper decorations will be judged. Prizes will be given for first, second and third place.

Dan Henigan read a letter from the Franklin/Vance/Warren County Opportunity Incorporated, a Government Agency, which was sent to Angela Harris, acting Franklin County Manager. Reference: (Section 8 Subsidized housing) The net of the letter is that tenants that are receiving Subsidized housing from the local government is not liable to pay dues, facility fees or assessments. The responsibility of such payments are the sole responsibility of the property owner not the tenant.

**NEW BUSINESS:** Greg Lamm mentioned that he was talking with a property owner who keeps 6 to 8 children in her home. She went to the POA office and was given POA cards for each one of the children. Nancy said that she would investigate this particular incident and correct the problem from reoccurring again. **ACTION ITEM**

#### **OPEN FORUM**

Hib Affleck thanked Ronnie for a fantastic year, Don Henigan for sitting in for Ron and the Board for signing a three (3) year contract with Nancy. He believes that Nancy is the best Manager that has managed the lake in the past six (6) years. Hib asked Nancy how many liens have been filed to delinquent property owners in the month of May. Nancy said that there were no liens filed in May; however, she is planning to file approximately 500 liens this coming week. **ACTION ITEM.**

Hib suggested that the Board consider providing Nancy some additional help in the office for the summer.

Ray Robinson mentioned the soda syrup we have been using at our fund raising outings were donated by Coca-Cola.

Bob Winters commented on last week's workshop of the Franklin County Commissioners reviewing the upcoming budget for this coming fiscal year. Bob encouraged us to attend another workshop this coming Monday to voice our opinion of the new budget.

Bob mentioned that he attend an animal control meeting in Franklin County this past week. He said that he was informed that the county is attempting to draft an animal control ordinance plan that will be beneficial for everyone in Franklin County.

In addition, Bob has talked to the head of the collection department in Franklin County. Franklin County has a serious problem with collecting taxes and is planning to aggressively collect taxes and foreclose on properties. Bob believes that the county may work with us if the same properties have delinquent dues to be collected.

Les Robertson had a question regarding the policing of the golf course complex. In addition, Les shared a suggestion for us to consider. His idea is to place timers on the lights and heaters so they do not run all day and waste energy. Nancy mentioned that she would investigate this idea with the maintenance staff. **ACTION ITEM**

Phi Anzalone had a question regarding vandalism. He wanted to know if our police force in the past has investigated vandalism in our complex. The answer was yes, however until recently in the past year; vandalism was not a serious problem. Phil was informed that all current reported vandalism is being investigated by the NC Special Police.

In addition, Phil said that he was not aware that subsidized housing could affect Lake Royale and that the renter facility petition could affect the outcome. Also, Phil requested that we get away from using the acronym ASAP. He suggested using a real target date in the future.

Brenda Gregory supported the work effort of the NC Special Police. She mentioned that we now have better control at the gate and she wants everyone to be fair when evaluating the Police. She believes we should not be always be blaming the Police when something goes wrong.

Elaine Lashock asked a question regarding what control our lifeguards have at the swimming pool. Nancy said that if there is a fight or disturbance going on outside of the fence the guards are instructed to contact the NC Special Police and not get involved. If the problem is inside the swimming pool fence then guards are instructed to handle the problem. If the behavior problem continues, the guards are instructed to contact the NC Special Police.

In addition, Elaine is looking for a copy of the 1998 July Annual Meeting ballot. She said to contact her if you find a source for ballot.

**MEETING ADJOURNED:** The meeting adjourned at 11:57 AM Saturday 06/16/2001

Jack Hughes, Lake Royale POA Board Secretary

## BOARD ACTION FORM

DATE: 06/16/2001

MOTION: If the Recreation Committee has a positive balance at the end of fiscal year 2001/2002 that these funds be used to purchase fish to restock our lake

MADE BY: Tony Antonelli

SECOND: Jim Hales

## ROLL CALL VOTE

NAME	END OF TERM	YES-YEA	NO-NAY	ABSTAIN
ANTONELLI	C-2002	X		
BECKWITH	R-2002	X		
DUNN	C-2003	X		
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			
HOLLOWAY	C-2001	X		
RESULTS		10	0	0

BOARD OF DIRECTOR ACTION ITEM LOG

ACTION SOURCE	LOG #	DESCRIPTION OF ACTION	OWNER CODE	SEV	ISSUE DATE	TGT COMPLETE DATE	ACTUAL COMPLETE DATE	COMMENTS
BDMEET	93	Ski Course owner permit from previous Board	ADMIN	3	19-May-01	16-Jun-01		Has written permission from city.. no copy Table
BDMEET	59	Restart printed form for Open Forum	ADMIN	3	16-Dec-00	03-Jan-01		
BDMEET	64	Response letter from Board to Property Owner	BOARD	2	20-Jan-01	17-Feb-01		Address at June Board Meeting
BDMEET	69	Emergency Disaster release of funds	BOARD	2	17-Mar-01	21-Apr-01		
BDMEET	66	Investigate installation of silt fence on clear lots	BLDCOM	3	20-Jan-01	15-May-01		
BDMEET	71	Rec Comm. volunteers from Camping & River	RECCOM	2	17-Mar-01	21-Apr-01		T. Antonelli joined, need River PO
SAFCOM	74	Emergency gate gravel funding donations	SAFCOM	3	17-Mar-01	21-Apr-01		Waiting on additional materials
	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						
BDMEET	99	Closing of individual PO entrances	ADMIN	2	16-Jun-01	20-Jul-01		
BDMEET	100	Vandalism repair&materialcost report to Board	ADMIN	2	16-Jun-01	20-Jul-01		
BDMEET	101	Police monthly report to contain assoc. calls	POLICE	2	16-Jun-01	20-Jul-01		
BDMEET	102	Provide Police parolling schedule w/mileage	POLICE	2	16-Jun-01	20-Jul-01		
BDMEET	103	Police investigate < age 16 golf card drivers	POLICE	2	16-Jun-01	20-Jul-01		
BDMEET	104	Investigate giving POA cards to visiting children	ADMIN	2	16-Jun-01	20-Jul-01		
BDMEET	105	Liens to be served this month (approx 500)	ADMIN	2	16-Jun-01	20-Jul-01		
BDMEET	106	Investigate the use of timers in Comfort Centers	MAINT	2	16-Jun-01	20-Jul-01		
BDMEET	94	Placed \$31K CD into Road Fund	FINCOM	2	16-Jun-01	20-Jul-01		
BDMEET	95	Place Rec Comm FYE balance into fish fund	ADMIN	3	16-Jun-01	15-Apr-02		
BDMEET	96	Setup Rec Account Code for Fish Donations	ADMIN	2	16-Jun-01	20-Jul-01		
RECCOM	97	Purchase two (2) event tents from Insur credit	ADMIN	2	16-Jun-01	20-Jul-01		
BDMEET	98	Comfort Center #1 barracade investigation	ADMIN	2	16-Jun-01	20-Jul-01		