

**LAKE ROYALE PROPERTY OWNERS' ASSOCIATION
ANNUAL MEETING, JULY 19, 2003
10:00 am, LODGE**

Meeting of the POA Board of Directors

President Bob Winters called a meeting of the POA Board of directors to order. The minutes from the board meeting for June 21, 2003 were presented. Corrections were noted, and Stuart Nottingham moved that the minutes be approved as corrected. The motion was seconded by Tom Nickols. The minutes were approved.

There being no other business, the president declared the directors' meeting adjourned.

Annual Meeting

The annual meeting was called to order by chairperson Marian Hyatt. Leo Bretton led the group in prayer. Tom Nichols, from the AMVETS, led the group in the pledge of allegiance.

The members of the Board of Directors were introduced by Ms. Hyatt.

The minutes of the 2002 Annual Meeting were read by secretary Bill Wakefield. The minutes were approved with minor corrections.

Bunch & Company, LLP representative Terry Sharp presented the annual audit report. Ms. Sharp stated that their review did not reveal any material modifications that should be made to the financial reports in order for them to be in conformity with generally accepted accounting principles. She reviewed the written financial audit that was presented to the group.

Paul Hershey gave his report as general manager.

- He called attention to each staff member, and expressed appreciation for the good work each one is doing on behalf of the Association.
- More items have been repaired and/or replaced during this past year than in the previous 15 years. This includes work on the pool, comfort centers, lodge and the POA office.
- The police department has been reconstituted and is fully staffed. The closure rate for the department in terms of solving crimes is greater than any other police force in the county. Even more can be done if/when all members get involved in reporting and correcting problems.
- FEMA has finally cleaned the ball field. This sets a precedent for the future involvement by FEMA when emergencies occur.
- Equipment purchased during the year includes tractors, a street sweeper, 2 vehicles, and equipment for the police department.
- The collection rate of dues has improved, and needs to continue to improve.

- The Board of Directors has accomplished a great deal during the year.
- In order to do more in terms of paving roads, a loan of up to 1.5 million dollars was secured from North State Bank. With this in hand, every road in Lake Royale that needs attention will have some kind of work done on it. Some roads that are less traveled will be covered with "chip and seal," the same kind of paving that is on Sledge Road.. The roadwork will include grading of shoulders, grass seeding, painting of lines, and reflectors. Also, pipes that were originally installed under the roads are being located and cared for. Owners who want their driveways paved can get these done at a modest price while the contractor, Barnhill, is working in the community
- Asplundh will continue to clean up road sides.

The president's report was given by Bob Winters.

- Mr. Winters thanked all who have come to attend the annual meeting. He thanked those who have served on the Board of Directors this past year, and expressed appreciation for their election of him as president.
- He mentioned some of the important achievements accomplished during the year, such as paving of the roads, improved gate security, clear policies for renters and guests and a budget with an increase of only 6% from the previous year.
- He recognized and gave awards to a number of individuals who have given significant service to the community:
 - ◆ Stuart Nottingham has supported, advised and led in a number of ways.
 - ◆ Paul Hershey has done an outstanding job as general manager and the result is a better community and increased property values.
 - ◆ All members who have served as volunteers on the committees and in other ways was recognized with appreciation.
 - ◆ Hib Affleck, was singled out for his determined efforts as chairman of the Covenants and By-laws committee.
 - ◆ Louise Rogers was recognized for her untiring efforts in beautifying the community.
 - ◆ Leo Bretton was named as a person who has served on almost every committee and is now serving as compliance officer. He is untiring in his efforts to improve the community.
 - ◆ Bill Wallace was singled out for his advice and his work in improving the community in many different ways.

In a raffle drawing sponsored by the Beautification Committee, a Shepherd's Cross complete with flowering plants was won by Paul Barabasz and a potted fern was won by Anna Wall.

Announcements were made by Ms. Hyatt.

- ◆ New directories have been prepared by Suzy Schartz, Pat McAdams and Marge Newlin. A free copy can be picked up by each owner, and additional copies can be purchased.

- ◆ Rose is selling Lake Royale Tee Shirts for \$10.
- ◆ Owners were urged to sign up to serve as volunteers on the various committees.

Paul Hershey presented the Employee of the Year Award to Jarrett Umstead for his outstanding work as chief of police.

Stuart Nottingham called attention to the work of the Safety Committee. He recognized the section chiefs as our first line of assistance during an emergency. We are expecting a \$10,000 from CERTS for needed equipment and training.

During the Open Forum, Leo Bretton spoke of the need to register and vote. Ann Faison thanked the many people who have helped improve the community this past year.

The results of the balloting were presented by Paul Hershey, with thanks to those who assisted in counting them.

BY-LAWS BALLOTS

1. Ballot One (to restrict the number of lots that can be combined with only one set of dues) Failed, with ??? voting yes, 451, no and ???not voting
2. Ballot Two (To decrease the number on the Board of Directors) Approved, with 566 voting yes, 168, no, and 65 not voting
3. Ballot Three (to allow special assessments) Failed, with 250 voting yes, 487, no, and 63 not voting.
4. Ballot Four (To authorize voting during the annual meeting) Approved, with 587 voting yes, 149, no and 66 not voting.

COVENANTS BALLOTS

1. Ballot One (no clear cutting of lots for new construction) Failed, with 475 voting yes, 314 no and 39 not voting.
2. Ballot Two (requiring paving of driveways for new construction) Failed, with 381 voting yes, 392 no and 36 not voting.
3. Ballot Three (requiring a minimum of 1400 square feet for new houses) Failed, with 463 voting yes, 290 no and 57 not voting.
4. Ballot Four (restricting the materials used in unattached buildings) Failed, with 462 voting yes, 294 no and 54 not voting.

ELECTION RESULTS FOR POA BOARD OF DIRECTORS

Chairman: David Downey, 679 votes (unopposed)

Vice Chairman: Jimmy Tanner, 641 votes (unopposed)

Residential member: Tim Gabriel, 612 votes (unopposed)

Residential member: Ann Faison, 592 votes (unopposed)

Camping member: Jean Gause, 350 votes (lost)

Camping member: Larry Holland, 473 votes (won)

Camping member: Tom Nichols, 529 votes (won)

The new Board members (except for David Downey, who was absent) were sworn in by Marian Hyatt.

There being no further business, the meeting was adjourned.