

BOARD OF DIRECTORS MEETING
LAKE ROYALE PROPERTY OWNERS ASSOCIATION

August 21, 2004 – SATURDAY

10:00a.m. – Clubhouse

Call to Order - The meeting was called to order. Present were Ray Robinson, Tom Nichols, Ann Faison, Tim Gabriel, Bob Winters, Bill Wakefield, Brenda Gregory, and Tony Antonelli. Staff present was Robert VanGraafeiland, Tim Medlin and Jarrett Umstead. Jim Tanner and Richard Wainwright were absent.

Pledge of Alliance – Brenda Gregory led the pledge.

Mr. Winters reported that a closed session was held this morning regarding foreclosures. Currently these are listed with a local realtor. However, the realtor has suggested that they be auctioned off.

Approval of the July Meeting Minutes – Mr. Robinson moved to approve the minutes as submitted. Mr. Antonelli seconded. Motion carried.

Treasurer's Report – Mrs. Faison reported the following for July:

- Total Deposits: 289,865.05
- Total Payable: 245,712.48
- Income vs. Expense: 44,152.57

Finance Committee – Mr. Wallace reported the following:

- Terri Sharpe of Bunch & Co. presented the audit report in detail with minor corrections.
- Carriage Manor has refused to pay dues and our attorney has prepared a notice of suit.
- Stuart Nottingham reported the balance of \$1800 from the first CERTS grant for Emergency Management was not spent as the requirements of the grant had been met. He is awaiting clarification whether these dollars must be returned.
- FC moved to recommend to the manager that a policy be set for returned checks as follows: “The signer is to be notified to pay by certified check, credit card, or cash including \$25.00 NSF fee within 14 days. If no response, appropriate legal action is to be taken.”
- All of the 173 County foreclosed lots sold by the County have been billed for dues, 78 have settled their accounts (62 have paid, 16 are adjoining lots) and 10 are making payments. 88 lot owners bills for the dues but have not paid.
- Of the 13 who received lien demand notices one has paid in full, one has indicated they would pay, and response from the others is expected soon. An additional 20 lots are in process for liens and demand letters.

- Review of the current 2004-2005 Budget was started and will be completed in September.
- The Finance Audit Sub-Committee has met twice and laid out plans as how to proceed.
- The Lake Royale Christian Ministries has set aside funds up to \$2000 to purchase the first AED (defibrillator) for the POA. The acquisition is to be pursued by Emergency Management leaders.
- The number of dues paying lots has been adjusted from 5211 to 5194 with the continuing evaluation of adjacent lots. (Reminder: the budget for dues income was based on 4800 lots.)

Building Committee - Mrs. Faison reported the following building fees for July:

- Total Residential: \$1,175.00
- Total Camping: \$ 250.00
Total: \$1,425.00

President's Report - Mr. Winters reported the following:

- Lake Royale dodged Hurricane Charlie. However, our CERT Committee was ready. This served as a good drill.
- General Manager was commended for first six months of his efforts.
- Regarding 47F – the POA Board will enforce the covenants and will place fines judiciously.

General Manager's Report - Mr. VanGraafeiland reported the following:

- Foreclosures are moving forward.
- the updated By-Laws & Covenants have been registered with the counties.
- Ordinances have been approved and are in place.
- Commended CERTS.
- Police Chief has obtained a siren for the community from Zebulon police.
- Richard Revels will provide wired installation for DSL.

HEARINGS

Mr. Nichols moved to open the hearings. Mr. Gabriel seconded. Motion carried.

- Hearing BOD 0405-03 *Hearn property building without permit*
Mrs. Hearn was present.

Results of Hearing BOD 0405-03

- **Mr. Nichols moved that the member is out-of-compliance. Mr. Gabriel seconded. Motion carried.**
- **Remedy is for property owner to get a building permit within 30 days. Mr. Nichols moved to accept this remedy. Mr. Robinson seconded. Motion carried.**
- **Mr. Robinson moved to suspend decision as to whether property owner is a member in good standing for 30 days. Mr. Antonelli seconded. Motion**

carried.

- Hearing BOD 0405-04 Property owner has applied for proper permits. This hearing has been tabled for next meeting.

Property Owner's Forum

Phil Anzalone suggested that the Board of Adjustments review hearings of non-compliance and determine fines.

Jane Moore explained a drain problem in her yard. Mr. VanGraafeiland said maintenance is working on this.

Richard Revels reported that Sprint will begin their DSL program in November and he hopes to provide an attractive affordable alternative.

Lee Robinson commented on the increased population on the lake and the need to follow the Covenants and By-laws..

Hib Affleck spoke about the need to remove signs on utility poles.

Old Business

- Vacancies on the Board of Adjustments were filled with Frank Webster (camper section) as a regular member and Dick Merryman (residential section) as an alternate position (5 votes).
- Status Log – General Manager reported the “Committee Books” are completed and the Ordinances have been presented to Nash County.
- Chief Umstead reported that CPR training for certification will be held October 30th.

New Business

- 1) *Mission Statement* – **Mr. Wakefield moved to accept the Mission Statement as stated. Mrs. Faison seconded. Motion carried.**
- 2) *Resolutions* – **Mr. Wakefield read the resolutions and moved to accept the resolutions as stated with the exception of the last resolution in regards to the Utilities Committee. Mr. Robinson seconded. Motion carried with a vote 6-1.**
- 3) *Code of Conduct* – **Mr. Gabriel moved to accept the Code of Conduct as stated. Mr. Wakefield seconded. Motion carried.**
- 4) *Making Lot 1561C into a Greenway* – **Mr. Wakefield moved to record Lot 1561C as a Greenway and that the General Manager precede with action. Mr. Robinson seconded. Motion carried.**
- 5) *Committees of the BOD* – **Mr. Robinson moved to approve Committee lists (with the exception of the Board of Adjustments) presented by the respective committees. Mr. Antonelli seconded. Motion carried.**
- 6) *United Way* – BOD will continue to look for a volunteer to represent Lake

Royale.

- 7) **2003-2004 Audit – Mr. Nichols moved to refer audit report discussion to the next workshop. Mr. Robinson seconded. Motion carried 5-2.**
- 8) **Procedures for fining – Mr. Gabriel moved to refer the discussion of this procedure to the next meeting. Mr. Robinson seconded. Motion carried.**
- 9) POA Properties –
 - Mr. Wakefield moved to limit guest to the POA swimming pools once 75 users are signed in during a given time. Once the pool is at 75 users, no more guest are allowed until it drops below 75 users and guest cannot make the current users exceed 75. Mr. Gabriel seconded. Motion carried 6-1
 - Mr. Wakefield moved to limit the registration of guests for POA Functions to 2 per property owner until 24 hours before an event, after which time a property owner could register additional guests. Mr. Gabriel seconded. Motion carried.
 - Mr. Nichols moved to adopt the rule that POA Facilities are NOT to be used for profit or gain by property owners or businesses. Mr. Gabriel seconded. Motion carried.
- 10) **15K for gate staff – Mr. Wakefield moved to accept Finance Committees recommendation to approve \$15,000 for gate staff. Mr. Gabriel seconded. Motion carried.**
- 11) **Mr. Robinson moved to direct the Compliance Officer to remove literature from utility poles at Lake Royale. Mr. Nichols seconded. Motion carried.**
- 12) **Mr. Gabriel moved to reconstitute the Utilities Committee with Tim Gabriel as Chair. Mr. Wakefield seconded. Motion carried.**
- 13) **Mr. Nichols moved to have Finance Committee move \$6,000 from the Capital fund to the Operating Fund for police supplies. Mr. Antonelli seconded. Motion carried.**

Meeting adjourned.

Bill Wakefield, Secretary