

**LAKE ROYALE PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
FEBRUARY 18, 2006
10:00 A.M. – CLUBHOUSE**

Call to Order – The meeting was called to order. Present were: Tim Gabriel, Ronnie Pierce, Ann Marie Dellamorte, Ray Robinson, Tom Nichols, Stuart Nottingham, Joe Brooks, Richard Wainwright. Staff present: Robert VanGraafeiland, Tim Medlin, Sgt. Mazurek, T.R. O’Neil.

Pledge of Allegiance – St. Mazurek led pledge.

Approval of the November Meeting Minutes – The minutes were approved pending the correction of the names as follows: The opening is in the BOA, not the BOD.

Minutes on Closed Session – Motion was made and passed to accept these minutes.

Treasurer’s Report – Ann Marie Dellamorte reported the following for the November bank summaries:

• First Citizens Operating Acct. Balance	\$42,682.52
• First Citizens Payroll Acct.	\$ 6,712.02
• North State Operating Acct.	\$53,015.86
• North State Money Market Acct.	\$785,287.17
• North State Emergency Acct	<u>\$252,484.53</u>
• Total Balance	\$1,140,182.10

Finance Committee Minutes – Mr. Wallace reported the following:

- Financials were reviewed and discussed. The Financials are showing marked improvement.
- The BOD changes to the '06 -'07 Budget were reviewed. The FC concurred with the changes and approved a motion to recommend the passage of the '06 – '07 Budget.
- The FC approved a motion to recommend to the BOD to make the gate entrance design work, included in the new budget, be raised to a top priority status for action.
- Robert reported no change in the resolution of dues for the 89 adjoining lots billed.
- Three bids have been received for the Bighorn Cove riprap project. A motion was passed to recommend the bid of \$7,879 by the R&B Group for approval by the BOD.
- TESI has reneged on their previous commitment not to charge the POA the \$24 annual availability water fee on unusable properties. A recommendation was made to copy the NC Utilities Commission in on all correspondence with TESI to build a case for the lack of cooperation.

- Two applications for FC membership out of four that were expected have been received at meeting time and three of the four applicants were able to be present. FC passed a motion to table the recommendations until the next month when all the applications could be in hand.

Board of Adjustment - Met last month. They had five fining cases and fined those cases. One of those has been cleared up since the meeting. The other four are moving forward. Four variance applications; one was approved and the other was determined that there was no need for a variance. And the other two were not approved.

- It was brought up to have these minutes in writing.

Building Committee – Dale Dodson reported the following:

- For residential: 5 house; 1 roof over; 1 boat slip; 2 dock; 1 fence; 1 boat house for \$1,255.00
- For camping: 1 shed; 1 carport; 1 roof over; 1 room addition; 1 deck, porch, roof-over pkg. for \$340.00 and a grand total of \$1,595.00.

President's report - Reminds everyone that elections are coming up in July and if you want to be on the Board, applications need to be in so you can be interviewed in the month of March. Coming up for vote this year are: Chairman, Vice Chairman, two camping representatives and two residential.

- The nominating committee has been appointed which will be Ann Faison as Chairperson; Dorothy Bliss; and Sandi Mayer.
- Executive Committee did have a meeting on the 6th of February about the proposed town homes near Carriage Manor. The committee voted to have a public hearing in reference to this. It will be March 11 at 11:00 a.m., here at the lodge.

General Manager's Report –

- Robert talked about the collection rate that has been cleared for the fiscal year, which is 74.5%.
- Annual bills will hopefully go out in the next two weeks upon approval of the budget and the dues amount.
- Carriage Manor has filed bankruptcy. It will set our judgment aside for the time being. This property may be able to be sold at the courthouse steps free and clear of the timeshare owners.
- Police Department and Maintenance Department have been working on noting a number of properties for dilapidated trailers.
- The culvert work scheduled and delayed should be getting back on schedule. Got permission from the State.
- CAI, Community Associations Institute, you can get information for all Board Members.

Hearings -

- Hearing **0506-38**, Lot 653 reported for Nuisance. It was cited as a nuisance on December 14, '05. It is current in assessments. Motion made by Mr. Gabriel to find non-compliant and seconded. **Motion carries.** Motion made by Mr. Gabriel that the property owner be not in good standing and seconded by Robinson. **Motion carries.** Motion made by Mr. Gabriel for the property owner be sent to the BOA for fining and seconded. **Motion carries.**
- Hearing **0506-39**, corrective measures needed on the property. A timeline has been established in which the property owner will correct these items.
- Hearing **0506-40**, Nuisance. Property owner is delinquent in assessment for a number of years. Assessed value of property is \$1,000. It was cited in October of '05. Motion was made by Mr. Gabriel to find non-compliant and seconded. **Motion carries.** Motion made to send to the BOA by Mr. Gabriel and seconded. **Motion carries.** Mr. Gabriel also recommended that the maintenance people tear down the shed and let the lot revert to its natural state. Mr. Robinson recommended it be put on the foreclosure list.
- Hearing **0506-35 Nuisance.** Motion made for non-compliance by Robinson and seconded by Nottingham, opposed by Smallhorn. **Motion carries.** Motion made to be found not in good standing by Dellamorte and seconded, 2 opposed. **Motion carries.** Nottingham made motion to send to new business. **Motion carries.**
- Hearing **0506-41**, Withdrawn. Will be cleaned up and billed to the property owner.
- Hearing **0506-42** – met with owner this morning and will get it corrected. A timeline has been established. This is being set aside.
- Robert went through the status of the other unresolved, non-compliance hearings. Three are delinquent on their payment plans. A motion was made to foreclose on the delinquent accounts discussed and seconded. **Motion carries.**

Property Owners Forum –

- Phil Anzalone – Talked about Carriage Manor, rules and regulations
- Lee Robinson – Talked about the collections; trailer being stolen; Bob Winters running for County Commissioner.
- Ann Faison – Terms ending in June and wants people to run for the Board.
- Richard Wainwright – Builders paying to use other builders' licenses; trailer or boats going out; security cameras going in and out.

Old Business -

- BOD- There is an open seat on the BOA(alternate, term expires 1/1/09). Motion made by Nottingham to expand by one alternate seat and the term to expire 1/1/09 and seconded by Robinson. **Motion carries.** Nottingham moved that Elsie Wakefield be able to continue in her position as a regular member; Alice Hicks, Blake Cliff and Patricia Phillips all be appointed to the

alternate seats that are open, all terms to expire January 1, 2009 and seconded. **Motion carries.**

- CC&R Inspector – Consider restructure of current compliance position. Motion was made by Mr. Gabriel and seconded. **Motion carries.** Nottingham makes amendment that position not be filled until after the appointment of the – approval of the budget and that it not be approved until the appointment of the compliance committee so that they have some input into the individual and knows who he will be working with and seconded. **Motion carries.**

New Business –

- Finance Committee recommendations, 2006/2007 budget and dues. A dues increase is necessary and a 10% increase is recommended. A motion was made to approve the 2006/2007 budget by Mr. Gabriel, no second. **Motion dies.** A motion was made to increase the dues by 10%, but hold final approval of the operating budget until such time we have the opportunity to go through that and seconded. **Motion carries.**
- Motion was made on the approval of the Bighorn Cove contract to the low bidder and seconded. **Motion carries.**
- Motion made by Mr. Gabriel to refer to the FC for further study on TESI and seconded. **Motion carries.**

Meeting adjourned.