

**LAKE ROYALE PROPERTY OWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING**

**May 17, 2008**

**9:00 A.M. – CLUBHOUSE**

**Call to Order** - The meeting was called to order. Present were: Stuart Nottingham, Ryan Walker, Ken Smith, Wilson Scott, Richard Wainwright, William Wakefield, Aimee Sharrett, Gina Louise, and John Goodwin. Staff present: Robert VanGraafeiland, Peter Engberg, T. R. O'Neill, Jarrett Umstead and Steve Mazarek.

**Pledge of Allegiance** – Sergeant Steve Mazarek.

**Approval of Meeting Minutes** –

- Motion by Bill Wakefield to accept the minutes of the April 19<sup>th</sup> meeting as amended. Seconded by Ryan Walker. **Motion carries.**
- Motion by Ryan Walker to accept the minutes of the April 19<sup>th</sup> closed meeting of the Board of Directors. Seconded by Gina Louise. **Motion carries.**

Consideration of Bennie Franklin's resignation from the Board was deferred to the June meeting.

**Treasurer's Report** – Wilson Scott reported the following:

April 30 Status:

• Total beginning balance	\$1,735,751.54
• Total Deposits	\$ 706,545.64
• Transfers In	\$ 1,633,204.63
• Total Interest Earned	\$ 3,591.19
• Checks and Bank Charges	(\$ 443,868.86)
• Transfers Out	(\$ 1,633,204.63)
• Total at month end	\$ 2,002,019.51
• Increase	\$ 266,267.97

A discussion of the categories of "Transfer In" and "Transfer Out" ensued. Since these categories reflect internal movement of funds between accounts, a decision was made not to list them in future reports.

**Finance Committee Minutes** – Bill Wallace reported the following:

- Dues receipts were good with 8% more lots paid at April 30 this year in comparison to last year.
- Karen Voigt, Chairman of the Dam/Spillway Advisory Sub-Committee, reported the RFP for dam/spillway repairs had gone out last month, and a bidder's conference was held on May 9 with three contractors.
- John Goodwin is working with the installation and set up of the server and the resolution of software compatibility concerns.

- The General Manager reported the East Mail Facility transition (locks & keys) had been completed, and there are about eighty boxes available there. Transition of the old front gate facility locks and keys has been completed and the boxes have been cleaned and removed. Four sections of these boxes will be added to the West Mail Facility and parcel boxes will be added to the East Mail Facility.
- Regarding foreclosures, the General Manager reported that 623 are closed (either were paid, turned over to the POA, or sold); 41 are in the early stages of the process, 26 are scheduled for hearings, and 27 are noted for sale. Hearings and sales are scheduled May 27 in Franklin County and sales on May 27 in Nash County. The next 50 properties are scheduled to start the process June 1<sup>st</sup>. Fifty to sixty properties are scheduled for auction at the Clubhouse on June 7. The Carriage Manor Bankruptcy Trustee has submitted a request to the bankruptcy court to set aside the previous sale and to schedule a resale.
- T. R. O'Neill reported that 1,833 late notices with liens were mailed and have already produced a lot of payment activity.
- A motion was passed recommending that the BOD approve the purchase of a Dodge Durango with equipment for the Police Department for an amount not to exceed \$30,000, to be funded by a transfer from Reserve to Capital.
- A motion was passed recommending that the BOD appoint a POA Vehicle Review Committee to study and make recommendations for all POA vehicles with at least one FC member to be included on the committee. This committee would concentrate on the details of use, repair, replacement, transfer, buy, sell, or salvage.
- The Finance Committee accepted the resignation of Bob Winters from the Committee.

**Board of Adjustments** – Delcie Wakefield reported the following:

- Thirty non-compliance cases were brought to the BOA. Seven cases were withdrawn for a variety of administrative reasons.
- Nine cases were found to be out of compliance at the time of the citation but no fines were assessed because the violations had been corrected.
- Six cases were found to be out of compliance and both initial and recurring fines were assessed. Eight property owners were cited for more than one violation.

**Recreation Committee** – John Setzer reported the following:

- The weight room has been closed because the floor did not meet minimum weight load requirements.
- The Recreation Committee Spring/Summer Brochures are now available.
- Time Warner Cable has agreed to be a sponsor of the Fall Triathlon. Chris Schmidt will apply to the Franklin County Tourism Development Authority for a grant for this project.
- The Community Clean Up conducted on April 26<sup>th</sup> was not well supported but the May 3<sup>rd</sup> Yard Sale was a huge success and generated \$504.25 for the Recreation Committee.
- The Committee selected Hale Artificer Fireworks, Inc as the vendor for the July 5<sup>th</sup> Fireworks display, the Avalanche band for the July 19<sup>th</sup> Annual Meeting Fish Fry, and the Casino Aces as the vendor for the August 30<sup>th</sup> Casino Night.

- Upcoming events include an Ice Cream Social on May 24<sup>th</sup> at the pool, a Gospel Sing on May 24<sup>th</sup> at the Pavilion, a Fishing Derby on June 7<sup>th</sup> at the Clubhouse from 9:00 A.M. to noon, and a Tween Karaoke Event on June 14<sup>th</sup> at the Clubhouse for ages 10-13 from 6:00 P.M. To 10:00 P.M.

**Building Committee** – Ryan Walker reported the following for the Building Committee: Residential area – 2 fences; 3 houses; and 2 sheds. Total \$740.00. Mixed Structure Living Area – 1 carport; 1 cottage; 3 decks; 2 fences; 1 gazebo; 3 porches; 2 room additions; 1 roofover; 3 camper enclosures; 1 hot tub; and 1 retaining wall. Total \$735.00.

**Beautification Committee** – Ken Smith noted the Beautification Committee’s concern with a significant Pine Beetle infestation at Lake Royale that threatens Lake pine trees and requested that the Beautification Committee submit an article to the Royale Reporter regarding the problem and suggested strategies to deal with it.

**President’s Report** – Stuart Nottingham:

- Thanked the Nominating Committee for its service.
- Acknowledged the passing of Dave Downey, a former Chairman of the Board and a strong supporter of the POA and the Lake.
- Noted that the summer season placed strains on POA employees and urged all to be patient in dealing with the Staff.
- Reminded all that we were in and the early stages of the hurricane season and urged everyone to be prepared.
- Reiterated the announcement of the May 24<sup>th</sup> Memorial Service at 11:30 A.M. at the Flagpole.
- Urged attendance at the Barbecue Chicken Plate Fund raiser scheduled for June 7<sup>th</sup> at the Lake Royale Club House to generate funds for treatment of 5 year old cancer patient William Bunn of Lake Royale.

**General Manager’s Report** - Robert VanGraafeiland reported that:

- The development of new retail outlets in Bunn will include a Pizza facility and a Chinese restaurant.
- There will be a new Arts and Crafts store opening in the POA Rental Complex.
- Stickers for Boats were available at the Clubhouse Dock from 1:00 P.M. to 3:00 P.M.
- Fifty to sixty properties are scheduled for auction at the Clubhouse on June 7.
- The Fishing Derby will be held on June 7<sup>th</sup> at the Clubhouse.
- The Board of Directors will meet on May 21<sup>st</sup> to consider appeals from Property owners.

**Property Owners’ Forum** - No Residents desired to speak at the Forum.

**Board of Directors Goals**

- Stuart Nottingham reported progress on plans to develop walking trails at the Lake.
- Richard Wainwright discussed formation of a Franklin County Storm Water Management Committee and an initial June 5<sup>th</sup> meeting at Forest lake Estates, and

noted that he was working with North Carolina DOT on the possible development of Bike Trails.

- John Goodwin discussed progress on the installation and set up of the server and document imaging capability.

### New Business –

- Motion by Ken Smith to approve purchase of a Dodge Durango Police Vehicle with equipment, funding not to exceed \$30,000 to be funded by a transfer from Reserve to Capital accounts. Seconded by Ryan Walker. A discussion ensued regarding reliability of vehicles. **Motion carries.**
- Motion by Ken Smith to strike the words, “to capital” from the previous motion. Seconded by Ryan Walker. **Motion carries.**
- The Finance Committee was directed to form a Vehicle Review Subcommittee to make recommendations regarding acquisition, use, and disposition of all POA and Police vehicles.
- Motion by Bill Wakefield to grant the POA administration authority to adjust the \$1 Million liability insurance requirements for contractors to a lesser amount for smaller contractors with the provision that in each instance the adjustment would be communicated to the Board of Directors by email. Seconded by Aimee Sharrett. A decision was made to defer action until further research on the issue was accomplished.
- Motion by Aimee Sharrett to place on the Ballot for the annual meeting a proposal submitted by petition from Lake Residents regarding temporary enclosures for porches. (The petition lacked the required number of signatures due to misinformation regarding requirements.) Seconded by Ken Smith. On a roll-call vote of 4-3, the **Motion fails.**
- Motion by Richard Wainwright to endorse proposed legislation to be presented by Lucy Allen to the State Legislature requiring burning permits for all fires with 100 feet of a Lake Royale occupied dwelling house (excluding campfires). Seconded by Bill Wakefield. A discussion ensued regarding enforcement authorities. **Motion carries (unanimously).**

### Adjournment

Motion by Ken Smith at 11:00 a.m. to adjourn. Seconded by Aimee Sharrett. **Motion carries**

### Meeting adjourned