

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

June 21, 2008

9:00 A.M. – CLUBHOUSE

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

Pledge of Allegiance – Chief Umstead

Special Presentation – On behalf of the “South Side Renegades,” a Community Organization, Art Wright presented the Board of Directors and the Property Owners Association a check for \$400.00 to help the Recreation Committee refurbish the Putt-Putt Golf Course. President Nottingham thanked the group on behalf of the POA and the Board.

Approval of Meeting Minutes –

- Motion by Ryan Walker to accept the minutes of the May 17th meeting as amended. Seconded by Aimee Sharrett. **Motion carries.**
- Motion by Aimee Sharrett to accept the minutes of the March 15th closed meeting of the Board of Directors. Seconded by Gina Louise. **Motion carries.**
- Motion by Ryan Walker to accept the minutes of the May 17th closed meeting of the Board of Directors. Seconded by Richard Wainwright. **Motion carries.**

Treasurer's Report – On behalf of Wilson Scott, Stuart Nottingham reported the following:

May 31 2008 Status:

- Total beginning balance \$2,003,029.51
- Total Deposits \$ 317,184.75
- Total Interest Earned \$ 4,042.19
- Checks and Bank Charges (\$ 174,818.37)
- Total at month end \$ 2,148,428.19
- Increase \$ 146,408.68

President Nottingham noted that annual assessment collections were at 72% for the 2008-2009 season as opposed to this time last year when collections stood at 63%. He also mentioned some of the major expenses facing the POA during the fiscal year including repair of the spillway and dam.

Recreation Committee – Chris Schmidt reported the following:

- The Recreation Committee requests that the Board address lighting problems especially at the dock areas. A list of problem areas was provided.
- The Committee needs help with the newspaper publication.
- The Committee is grateful for the gift of a microwave oven for the clubhouse.

- Property owners are requested to pre register for all social events at the POA Office to ensure participation if the event is over subscribed.
- Coming events include:
 - July 4 Pancake Breakfast to generate funds for the Ball Field.
 - July 5 AMVETS Parade (floats gather at 9:30 a.m. and the parade starts at 10:00 a.m. The parade will be followed by a hot-dog sale at the Clubhouse.
 - July 5 Fireworks display at approximately 9:00 p.m.
 - July 19th Fish Fry at the Clubhouse at 7:00 p.m. Music by the Band “Avalanche.”
 - August 30th – Casino Night. More information to follow.

Finance Committee Minutes – Bill Wallace reported the following:

- Karen Voigt, Chairman of the Dam/Spillway Advisory Sub-Committee, reported that the Committee is reviewing three bids for the first phase of the work and will make recommendations to the Board of Directors at the May 18 Workshop.
- John Goodwin is installing and testing the new server.
- The General Manager reported that 100-180 new mail boxes had been installed. Notifications will go out to those on the waiting list by June 23.
- Regarding foreclosures, the General Manager reported that 623 are closed (either were paid, turned over to the POA, or sold); 78 are in the early stages of the process, 11 are scheduled for hearings, and 11 are noted for sale in Franklin County on July 30 and 31st. The Carriage Manor Bankruptcy Trustee is working to get a substitute buyer to avoid a new auction.
- T. R. O’Neill reported that 400 lien notices were mailed. The Staff has been training on the GIS software to be used by Nash County.
- The accordion walls at the Clubhouse have been installed and require only trim and painting. They are functional.
- The vehicle subcommittee met on June 9th and will meet again before presenting recommendations to the Finance Committee.
- A motion was approved to add funds to the budget for an added part time police officer using \$4,272 from the Emergency Fund.

Board of Adjustments – Delcie Wakefield reported the following:

At the May 15th Meeting:

- Twenty-five non-compliance cases were brought to the BOA. Two cases were withdrawn because violations were corrected. Six cases were deferred or tabled until the June 26 BOA meeting.
- Thirteen 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.
- Three cases were found to be out of compliance and both initial and recurring fines were assessed. Four property owners were cited for more than one violation.

At the May 22nd Meeting:

- One appeal for a variance was heard. The variance was granted by a 5-0 vote

- Twenty-six non-compliance cases were brought to the BOA. One case was withdrawn because the property owner had obtained the required building permit. Two cases were deferred for administrative reasons. Three cases were tabled until the June 26th meeting to allow property owners to come into compliance.
- One property owner requested that the case be dismissed so that it could be brought up as an Appeal to the BOA. The case was tabled until the June meeting.
- Four 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.
- Sixteen cases were found to be out of compliance and both initial and recurring fines were assessed for fifteen of the cases. In one case, only an initial fine was assessed. Two property owners were cited for more than one violation. One of these was a contractor who was cited for eight violations.

Building Committee – Ryan Walker reported the following for the Building Committee: Residential area – 1 boat house; 1 slip; 1 deck; 2 docks; 1 garage; 4 houses; and 1 shed. Total \$1,095.00. Mixed Structure Living Area – 2 decks; 2 docks; 1 porch; 1 roofover; 1 room addition; and 3 sheds. Total \$395.00.

President's Report – Stuart Nottingham

- Thanked the Board of Directors for their service, noting that it was the most involved Board that he could recall.
- Thanked the volunteers who served on Committees and the POA Staff.
- Noted that Lake Royale Police Officer Kenny Mangum had been cited by a Property Owner for actions that likely saved the life of a family member.
- Announced that the seat vacated by Bennie Franklin (Camping) would be filled in August. The deadline for nominations is August 8th.
- Reminded everyone that the Annual Meeting will be held on July 19th.
- Noted two examples of involvement that improved the Community: (a) The South Side Renegades contribution for the Putt-Putt golf repair, and (b) The service of five individuals in facilitating the issue of POA auto stickers.

General Manager's Report - Robert VanGraafeiland:

- Noted that weekly reports to the Board of Directors seemed useful.
- Thanked the South Side Renegades for their donation.
- Stated that 320 mail boxes had been installed in the West Mail facility.
- Reported on maintenance challenges with the Impala and that the purchase of the Police Durango approved in May would be delayed until a new State Contract was issued.
- Announced that ballots for the Annual Meeting had been mailed out and must be returned by July 11th.
- Stated that annual assessment collections were now at 76%.

Property Owners' Forum -

- Ray Creek expressed disappointment that only a few candidates for Board seats had bothered to submit biographies for the Royale Reporter or the ballot packages.
- Robert Styers asked why building Committee meetings involved closed sessions. President Nottingham noted that he would evaluate this practice.
- Steve Carlson asked for information regarding requirements for petitions and the source of that data.
- Missy Atkins discussed issues with the POA staff and her perception of unequal enforcement of Rules and Regulations.

Board of Directors Goals

- Stuart Nottingham reported progress on plans to develop walking trails at the Lake and on the audit management letter.
- Bill Wakefield reported some progress on identifying money for road paving.
- Richard Wainwright discussed plans for a Storm Water Management Committee meeting in September, and a trial of a silt pump that was on going
- Gina Louise reported progress on repairing the Putt-Putt Golf Course and asked for volunteers.
- Aimee Sharrett reported progress on establishing a second playground.

New Business –

- President Nottingham read the Building Committee recommendation that would allow, with restrictions, roofs on docks. Ken Smith noted that the report did not address temporary structures (i.e., gazebos) and asked that further work be done on this area. Motion by Bill Wakefield to approve the recommendation as submitted and read. Seconded by Ryan Walker. Motion by Richard Wainwright to amend the proposal to include thatched roofs. Seconded by Bill Wakefield. **Amendment Motion Carries.** After discussion, the question was called. **Motion carries.**
- The Board addressed the issue of Garages, Roof-Overs and Cottages. Ken Smith requested that each section of proposed changes to the Rules and Regulations be addressed separately.
- President Nottingham read the Building Committee recommendation (Section 8.7, Camping – Garage (Unattached)). Motion by Richard Wainwright to approve the recommendation as submitted. Seconded by Ryan Walker. Following discussion, a vote was taken. **Motion carries.**
- President Nottingham read the Building Committee recommendation (Section 8.8, Camping – Roof Over Camping Unit). Motion by Richard Wainwright to approve the recommendation as submitted. Seconded by Ryan Walker. Following discussion, a vote was taken. **Motion carries** on a vote of 5-1 with Gina Louise opposed.
- President Nottingham read the Building Committee recommendation (Section 8.4, Camping – Cottages). Motion by Richard Wainwright to approve the recommendation as submitted. Seconded by Bill Wakefield. Motion by Richard Wainwright to amend the proposal to clarify required footage for a structure on combined lots. Seconded by Bill Wakefield. **Amendment Motion carries** on a vote of 6-1 with Gina Louise opposed. Following discussion, the question was called. **Motion carries** on a vote of 5-1 with Gina Louise opposed.

- The Board discussed the Finance Committee recommendation to authorize expenditure of \$4,272.00 from the Emergency Fund to pay for an additional part time Police Officer. The remainder of the funding comes from savings associated with reduced manning levels at the Police Department during the current year. Motion by Richard Wainwright to approve the recommendation. Seconded by Ryan Walker. **Motion carries.**
- The Board considered the report submitted by the Dam and Spillway Subcommittee. Motion by Richard Wainwright to approve the contract submitted by H. G. Reynolds Company, Incorporated in the amount of \$241,117.00. \$120,000 will be drawn from the Reserve Account this year and \$121,117.00 will be drawn from next year's budget. Current plans do not call for lowering the lake level. Work will not begin until September. Seconded by Ryan Walker. **Motion carries.**
- The Board reviewed emergency acquisition of services by Alford Mechanical to repair/replace cooling units at the Clubhouse and the POA Rental complex. Motion by ken Smith to approve expenditure of \$6,550.00 to pay for the repairs. Seconded by Gina Louise. **Motion carries.**
- The Board considered a Finance Committee Report to release Reserve Account Funds for projects as follows: \$60,000 for Road Paving; \$30,000.00 for Park Equipment, \$5,000.00 to repair the Putt-Putt golf course, and \$5,000.00 for POA Office upgrades. Motion by Ryan Walker to approve the recommendations. Seconded by Richard Wainwright. **Motion Carries.**
- Motion by Aimee Sharrett to expend not more than \$1,000.00 from the Emergency Account to replace out dated pads for the defibrillators. Seconded by Gina Louise. **Motion carries.**
- Motion by Ryan Walker to limit Compliance Certification Inspections for POA Board and Committee Members to those serving on the Board of Directors, the Board of Adjustments, the Building Committee, and the Finance Committee. Seconded by Bill Wakefield. **Motion Carries.**

Adjournment

Motion by Ryan Walker at 11:25 a.m. to adjourn. Seconded by Aimee Sharrett. **Motion carries**

Meeting adjourned