

LAKE CAMELOT PROPERTY OWNERS' ASSOCIATION
APRIL BOARD MEETING
UNAPPROVED APRIL 19, 2008 MINUTES

1. Call to Order. Ystad called the meeting to order at 9:08 AM.
2. Roll Call. Ystad asked Lemke to call the roll:
Brain, Budjac, Lemke, Lipski, Newsom, Schroeder, Schneider,
Wickersham, Ystad were present. All board members were present.
3. Approval of March 2008 Minutes. Wickersham moved approval of
the minutes, Lipski seconded. Passed.
4. Treasurer's Report. Lipski. Presented the March 2008 treasurer's
report.
5. Speak Your Peace. Lipski presented the "Speak Your Peace" message
to the members attending.
6. Environmental Day. Budjac announced a meeting for the furtherance
of the message of Environmental Day would be held at the Lake
Camelot Lodge at 11:00 AM. All in attendance are invited to attend.
7. Membership Comments/Statements. Deferred. The meeting is
devoted to the Appeals Court ruling regarding the LCPOA and the
Barkers and the Gypsy Moth spraying, this item is delayed until later
in the meeting.
8. Committee Reports. Deferred to May.
9. Old Business. Deferred to May.
10. New Business.
 - a. Discussion of recent Court of Appeals ruling regarding LCPOA
Covenants.
 - i. Background. Ystad explained the background of the court case
involving the Barkers and LCPOA. The Barkers refused to

pay their dues with the theory the covenants were not properly renewed in 1999 and, therefore, lapsed and are invalid. The Barkers claimed they could not be forced to pay dues since there was no mechanism to require payment and penalties could not be accessed. Over the course of some years, the Barkers never paid dues owed the LCPOA. The Barkers filed suit against LCPOA holding the LCPOA could not access dues, fees and penalties against them. The trial court ruled against them and stated the covenants were valid and in force and enforceable against them. The Barkers then appealed to the Court of Appeals. The Court of Appeals ruled that the Covenants were never properly extended in 1999 and went out of existence at that time. The Barkers will not have to pay their dues in arrears. Fees and penalties and will receive the money back the money they placed in escrow to proceed with the court case. They did not pay dues and will not receive any money back except what they placed in escrow in the event they lost the case.

- ii. Attorney Bertz provided an explanation of the Court of Appeals ruling. This ruling is what is called a private letter ruling in that it was not published and is of limited use to others and cannot be used as a precedent. The Court of Appeals ruling only excised the Covenants. The non-profit corporation, the LCPOA, continued to exist as a legally chartered Wisconsin corporation. The By-laws also continued to exist as specified in the Articles of Incorporation of the LCPOA. Any rules and regulations promulgated under the authority of the Articles or the By-laws also continue to exist. Only the Covenants were declared invalid by the Court of Appeals.
- iii. Lipski explained the effect the Court of Appeals ruling has on LCPOA. LCPOA is still in operation; contrary to recent newspaper articles saying the LCPOA is dissolved. The board also continues as the governing body of the LCPOA. The Articles of Incorporation and By-laws exist and continue to provide the governing framework of the Association. The LCPOA exists and will continue as the legally recognized governing body for Lake Camelot property owners.

- iv. Ystad explained the options open to LCPOA as a result of the Court of Appeals ruling. The Association can dissolve itself, become a purely voluntary organization like the Lake Sherwood association, or reconstitute itself as a mandatory association. The board feels it is up to the property owners to decide what type of association they want. We would like to see a membership committee formed to determine the direction the Association should take and formulate rules and regulations in accordance with their choice. We will pass around a sheet for volunteers who would like to take the opportunity to help shape the future of the association. Later in the meeting, Mr. Craig Manka, a Lake Camelot property owner, offered his application to serve on the committee since he has extensive experience managing associations like ours. Ystad asked if he would be willing to chair the committee. Mr. Manka accepted.
- v. Wickersham explained the board expected members would pay their 2008 dues. The Association has to pay groundskeepers, manage the Firewise program, pay for Gypsy Moth spraying, upkeep of the lodge and the properties the Association owns, the upkeep of the outlots, common areas, and beach clubs and many other expenses. Most of members' dues are spent during the year with very little, if anything, carried forward to the following year. We do have contingency funds in the bank but they are needed for emergencies. For example, we will have to spend more than planned for the Gypsy Moth spraying since two applications will be required. We will draw the additional moneys for this from our contingency fund. We will only ask property owners to pay the \$18 spraying fee.
- b. Gypsy Moth Spraying. Wickersham. We expect to conduct the spraying in May. Ysted stated 2 sprayings would be needed. Brain explained why we had to go to an additional spraying because of the less effective material the State will allow in populated areas. Brain moved that we conduct 2 sprayings for Gypsy Moth this year. Schneider seconded. The board voted yes with no nay votes.

While the discussion talked about price and there would be no further assessment against the members, no specific dollar amount

was included in the motion. The board would make up any shortage from reserves.

- c. Open Discussion. Ystad. We want to allow an opportunity for all members of the Association to present their opinions regarding the Court of Appeals decision and where we, as Lake Camelot property owners, want the Association to go from here.

Over 57 members presented their opinions to the board and the other members and property owners who were present. The following were some of the major comments made during the discussion session:

- i. Remain a property owner's association and make people join.
- ii. Organize a committee together to consider and present changes and plans.
- iii. Restructure Covenants to treat all property owners equally.
- iv. Make the Covenants less restrictive.
- v. Communication from members is necessary. Organize a method to allow easier input from members.
- vi. More communication from Board about LCPOA issues.
- vii. Ask the members what rules they want.

We thank all those who spoke at the meeting for their input and suggestions.

- d. Ystad said we will consider all the suggestions made and we will be appointing a committee headed by Craig Manka of about 7 to 11 members to consider the direction the Association should move and recommend what course of action to follow to make necessary changes.

11. Adjourn. Ystad declared the meeting adjourned. General acclamation by board.