

Restructuring Committee Meeting Minutes
Saturday June 14, 2008

I. Meeting was called to order at 9:10 am

Roll Call: Craig Manka, Nancy Egerstaffer, Donald Cain, Debbie Lessard, Bruce Meier and Dave Sonnenberg present. Tom Birch and Nestor Motluck were absent with notice.

Property owners in attendance: 6

II. Meeting Minutes for June 7th were approved.

III. Open Forum: Committee Chairman informed those present that Attorney Levine has indicated that membership in this Association has to be voluntary. The Association no longer has any governing authority over property owners without their consent, so how do we make membership attractive enough to recruit enough members to sustain the Association? Discussion:

- The Association could consider charitable ways it could give something back to the community (helping a needy family or child) similar to the Elks or Moose Club.
- The Association should have the beach clubs care for themselves. Allow the owners to take care of maintenance and solve their own problems, but if it is not kept up charge the owners to have someone come in and do it. However this Association cannot demand fees from anyone for any reason without the owner's consent.
- The veil of secrecy in the affairs of this Association must end. There should be no reason why member contact information should not be made available upon request. If the information is a matter of public record and all deeds are, it should not be withheld. There should also be more detailed accounting information in the monthly reports, break it down so members understand the costs involved in the operations of this Association.
- The Board of Directors has too much power to decide what can and cannot be done. Rather than the BOD selecting a Chairman, the Chairman should run for that position rather than as an area representative who is later selected by the board (not the voters) to represent the board rather than the people who elected him/her. Establish alternating terms for board members, so not all board members would be running for re-election in the same term. Should also provide a job description for board members.
- If this is a Not For Profit Corporation, how can we have \$200,000 in an account and still charge members the same dues? Not for profit does not mean you can't have funds on hand from year to year. In fact, reserve accounts are necessary for emergency and catastrophic events. The state now requires Associations to have a reserve account of about 12-13 % unless it opts out by declaring that emergency expenses will be assessed to the membership.

- This committee should get detailed accounting of expenses to project annual budget in order to determine what percentage of members are needed to keep this a viable Association.
- Also obtain a break down of the 80% of members who have paid dues to see who is most apt to be participating and the same break down of those who have opted not to pay their dues, so we focus our recommendations towards attracting the largest potential membership possible.
- Owners of multiple lots do not want to pay for multiple memberships. The association even charges for two memberships on lots that have been legally merged into one. The owner has only one legal parcel and gets only one tax bill and still they continue to pay the Association for two lots.
- Residents would benefit most from having greater architectural controls than the town of Rome requires in these covenants and nonresidents and seasonal residents could benefit greatly by having a voice in local politics, since they don't have a vote. The problem is if this representation is not reflective of those who are unable to be heard themselves than the voice of the voters present just becomes louder.
- The only way to get any kind of consensus from residents, nonresidents and seasonal residents to adopt new covenants is to address the concerns of all these property owners and find some common ground to agree on. The bottom line is if you don't like the rules of this association, you do not have to join it and you do not have to accept their rules or abide by them.
- Who would be adopting these new covenants? You have to be a member of the Association to have a vote in Association affairs. Since you are in essence creating a new Association you need to develop a procedure to do this, the old rules no longer apply.
- It is up to the members to decide how the common assets are to be regulated and whether or not there are enough members to financially support the affairs of this Association.
- This Association should continue to regulate the lodge, facilities and out lots, but the record owners of the beach clubs should take responsibility for their own maintenance and amenities. Association also owns an undivided fractional interest in all beach clubs and carries an umbrella liability policy on these properties.
- Restrict access to Association property by installing key cards for lodge, dump stations and boat launches.
- The problem in the past has been a lack of monitoring to insure proper use of these amenities. More economical to adopt a zero tolerance policy for unauthorized or improper use. Send property owners notice of new rules rather than issuing warnings and have violators ticketed for trespassing and/or their vehicle towed at owners expense. Security should devote their attention to monitoring those common areas rather than patrolling residential neighborhoods.
- Could recruit volunteers to monitor these sites rather than paying security or install cameras.
- People who don't use the dump station do not want to share the cost or the potential liability in keeping the dump stations open. How much does it cost to operate, maintain, insure and secure these facilities?

- The dump station should pay for itself entirely from user fees. Users would rather pay 10X the current rate than to not have this service and nonmember users should have to pay a higher rate than members. The dump station on Apache should be eliminated because it is not monitored and it wouldn't be that inconvenient for people to have to go a little farther to use the one on Leisure Lane and that one would be easier to secure and more cost effective to maintain.
- Charge higher rates for nonmembers to use the dump stations than you are charging the members of this Association. Charge the members \$100 for an annual permit and charge nonmembers \$150 annually or charge a service fee each time a nonmember uses it.
- This Association should require all property owners to install septic system and close both dump stations. The problem is owners who don't want to incur that expense will decide not to be members and so this solves nothing and eliminates many current and potential members who may have otherwise contributed to the financial support of this Association.
- Allow security to go on private property to inspect waste disposal conditions. The Association has already moved away from this by requiring permits to be posted roadside rather than on trailers. Security has no business on private property. Security personnel would be trespassing on private property. Even the police must have probable cause to search private property.
- If this Association is to remain a viable entity it must develop a kinder, gentler approach to governing. They no longer have the authority to impose their will on anyone. Association should make benefits attractive to all rather than perpetuating the conflicts between homeowners and campers. You cannot regulate campers out of your neighborhoods because local zoning permits this activity.
- The Association needs to provide full disclosure of its expenditures, detailed expense reports at monthly meetings, job costs for maintenance workers and income that is designated for specific purposes should be accounted for.
- Need more helpful, courteous personnel at the lodge if members are being disrespected and treated rudely they are not likely to continue footing the bill for maintaining and operating the lodge.
- The legal opinion from Attorney Levine needs to be posted on the website and at the lodge in its entirety just as soon as the BOD obtains it, unedited.
- The Association should be more diligent about spending money in order to keep the cost of membership down. Membership dues should cover the general expenses of the Association and user fees should cover any added amenities.
- The Association needs a better image one that's more open, friendlier and encourages the exchange of ideas and the participation of members
- This Association is recognized by the state and while it currently has a membership once new covenants are adopted they must be accepted by 100% of the membership. If these covenants are not acceptable to everyone membership will decline because those who do not accept the covenant may opt out of belonging.
- How many resident, nonresidents and seasonal residents who have paid their dues this year have asked for their money back?

- Off shore owners should check with their insurance agent and find out the cost of liability coverage on a multi-user beach lot. Association umbrella policy will exclude coverage of any owner who is not a member. If someone were injured, they could not only sue the Association, but also every other property owner not covered under the Association policy. Individual coverage may include deductibles and limits while this umbrella policy offers 100% coverage for members only.
- This new Association should require new membership cards and we should have a better map to define what properties are deeded to each of the beach clubs (more like a plat map). Consider changing the name to Lake Camelot Owners Association and developing a new mission statement as well.

IV. Old Business

- More work is needed on the survey in light of the legal opinion of Attorney Levine. We will need to meet as a group to conclude work on the survey and cover letter.

V. New Business

- Develop progress report for Annual Board Meeting

VI. Confirm Next Meeting

- June 21st is the Annual Board Meeting and since the Board has asked this Committee to provide a Progress Report at the meeting, there will not be a Committee Meeting following the Board Meeting.

VII. Establish Next Agenda

- Items to be determined by show of support received at the Annual Meeting
- With majority support in favor of establishing a “New Association” this Committee will continue to develop the recommendations requested by the members

VIII. Adjourn Meeting