

## **Lake Lorman Corporation Board of Directors Minutes January 21, 2008**

The Board had invited Don Seagrove, President of the Lake Lorman Utility District to bring an update and report of the state of the District to the Board regarding the Utility Board and its work. Don kindly came and brought with him, their CPA, their lawyer and several other officials and maintenance supervisors so as to be able to give updated information and to respond to any questions. They made an excellent 2 ½ hour presentation, complete with numerous questions and answers from our Board Members. The Utility District agreed to make their accounting information available each year to the Board and any other Lot Owners when requested, and the Utility Board requested that if any of us or any Lake Lorman Lot Owners encountered problems or difficulties or questions about the water or sewer system to call Don and Bear Creek promptly. The Board agrees with this and asks our Lot Owners to seek help within the "system" and try to work out problems internally first, as any reports or complaints prematurely given to DEQ or other state or federal bureaus only puts our Utility Board at risk of fines or penalties, and such fines are simply necessarily passed along to the Lot Owners as part of the cost of doing business. Therefore it is in the best financial interest of all Lot Owners to work within the system to resolve problems rather than "reporting" problems to outside people.

The official meeting of the Board was opened at 7 pm and all Directors were found present and voting. Six Lot Owners were present and were welcomed by the Board and thanked for their interest in coming.

The first item of business was a report from Gloria Lay regarding the Clubhouse renovation. It is anticipated that the one-time \$100 per lot assessment will yield about \$23,700 [237 lots @ \$100]. This special assessment will be in a separate trust account or specifically earmarked and set aside for the clubhouse renovation work only. Gloria plans to seek input from different contractors and decorators to get ideas and estimates of what we can or should do, to seek bids in order for the Board to assemble a concept of what we shall do, who the contractors should be, and the Board will keep the Lot Owners posted as this moves forward.

There was a discussion by John Grace about the interface between the Fishing Association and a soon to be formed Boating Association and how they can work together for the good of the Lake.

The next item was a discussion of changing the padlock on the boat launch gate at the Clubhouse. It has developed that since the padlock and key were not changed last year, some had failed to get a new boat sticker and/or not paid Dues, yet armed with a key to the padlock, these individuals had illegal and improper access to the Lake and to the outside bathroom in the Clubhouse. The Board asked John to seek out padlock and keys that are impossible to be duplicated, if this is reasonably possible. The expense to each Lot Owner for this will be in the neighborhood of \$5. The Board discussed the option of issuing a permanent sticker with the lot owner's Lot Number

[about 2" high] to be affixed to all boats, with an annual color coded sticker to be used alongside that, for better and easier identification of what boats are on the Lake.

Bill Cox reported that the 3 lawyer Lake Rights committee appointed in January had commenced its work on the Lake Rights issue as to one lot, and other informational and fact finding meetings were scheduled later this month. This Committee will report its findings of facts and law to the Board and to the Lot Owners in due course, and the Board will continue to update the Lot Owners on the progress of this matter.

The Board reported that since the election results for the December 2007 were not in the Minutes from the former Secretary, [but were in an email newsletter from Tom] the Board formally announced that the following were elected in the December 2007 Meeting: Tom Johnson, Margie Abel, Larry Foote, John Grace, Gloria Lay, and Bill Cox. Don Seagrove and Woody Holt were elected as "nominees" for the Madison County Board of Supervisors to consider as Board members for the Lake Lorman Utility District.

Next item was the matter of an outbuilding which reportedly is at variance from the approved plans. The Board President has investigated further and is advised that a medical condition of the owner has delayed the completion but completion according to the approved plans is promised. This has to be done by August 14.

It was pointed out that Lake Lorman Board should always require that ballots should be counted by those not involved in the particular Election. Also there was a discussion of a big hole on Lorman Lane and the Board pointed out that this had been discussed and resolved for action by Don Seagrove and his Board at our earlier meeting and that prompt action was promised.

John discussed the issue of adding lime or "liming" the lake and there followed a discussion about the DEQ inspection and approval of our dam. Tom advised that this was still on line and our engineer advisor was moving forward. A lot owner reported that she had been required to bulldoze a dam on other property when having problems with DEQ approval of that dam, nothing related to Lake Lorman's dam, but an insight into DEQ's powers.

There was next a request by Tony and Lisa Chiang to get Board permission to add a screen porch to the rear of their home at 111 Lorman Lane, which is away from the street and facing the lake. They presented a sketch of the two options they were considering, and were granted only tentative and qualified approval in concept only, subject to their furnishing to the Board, specifically the Secretary for further handling, a copy of a construction plan showing all details before they would have Official Board Approval for this proposed construction and addition. The Secretary will then present this to the full Board for final action on the request.

The matter of the Dues was next discussed. In our Covenants, there is a provision that an annual "maintenance charge" shall be paid by each lot and that if the

new charge for that year fails somehow to be approved, then the Dues or maintenance charge for the prior year shall be the new charge for the upcoming year. In 2007 the Lot Owners overwhelmingly approved a “one time” special assessment of \$100 for Clubhouse improvement. While the statement for the Dues as mailed out to Lot Owners plainly shows that the 2008 maintenance fees are only \$300 and that *in addition* there is the one time \$100 special assessment and that therefore there should be no confusion, nevertheless to absolutely avoid any confusion or question, and to make it crystal clear, the Board voted:

“Be it resolved that the regular 2008 Maintenance Fee or “dues” is and was set at \$300 per lot. There was also a \$100 special “one time assessment” for clubhouse renovation and improvement. Under the Covenants, Section I B, if no 2009 Budget [or later budgets] are for any reason not approved, then in such case, \$300 per lot is the “in effect” maintenance charge or the per lot “dues” for the year 2008. The \$100 special one time clubhouse assessment should not be considered in such case. ”

There being no further business the meeting was adjourned.

William H. Cox, Jr  
January 24, 2008