

LAKE WALKILL COMMUNITY, INC.
MANAGEMENT COMMITTEE MEETING
MAY 26, 2012

TRUSTEE		OFFICERS			DISTRICT REPS	
Mike Curry		Bob Smith	President	*	#1 Norah Hill	*
Phil Capobianco	*	Carmel Grieco	VP Community Relations	*	#2 Phil Maggio	
Rich Koop	*	Terry Matthews Jr	VP Insurance /Safety	*	#3 Ellen Frank	*
Terry Matthews Sr	*	Bob MacLean	VP Lake Management		#4 Jennifer Costello	*
Lorraine Zagorski	*	Jeannie Nilsen	VP Public Relations	*	#5 Pat McGannon	*
		Lynne LaCarrubba	VP Security	*	#6 Frances O'Leary	*
		Eleanor McLean	Secretary	*	#7 Vicky Smith	*
		Terence Phalon	VP Operations	*	#8 Alexis Phalon	*
		Glenn Grieco	Treasurer	*	#9 Peggy Merck	
					#10 Richard Bohnsack	
		Manager, Brendan Jaeger		*		

* = in attendance

MINUTES OF MEETING

The Lake Wallkill Management Committee Meeting was opened at 10:30 AM by President Bob Smith in the Lake Wallkill Clubhouse.

A motion was made by Pat McGannon to accept the minutes of the March 24, 2012 Management Committee Meeting. Lynne seconded the motion and it was approved.

Treasurer Glenn Grieco distributed a Financial Summary Sheet which shows our expenses to date and the remaining 2012 Budget Allotment.

It also indicates predicted Additional Future Income

Glenn requested that any member who is responsible for a line item in the 2012 Budget adhere to the Budgeted amount.

Glenn and Bob discussed with the management committee some timing differences that will cause variances in the 2012 budget. Cash Flow analysis was distributed to the committee members that detailed the differences between the projected cash flow used to approve the 2012 Budget in November and the current projection. The comparison of these documents demonstrates that our

2012 YE cash projection will be essentially the same even as we experience variance in the 2012 budget account. Primary differences causing this condition include:

- The final Cosh bill from Irene was paid in January versus December (~\$25,000)
- Kelly Law money was received from Vernon for 2010 snow removal that was planned to be received in 2012 (~\$26,000).

Jeanne, as Chair of the Nominating Committee, introduced newly elected District Reps for District #2 and #4.

Dist.2 -- Phil Maggio Dist 4 -- Jennifer Costello

A motion was made by Phil Capobianco to allow the new Reps to have voting privileges immediately as members of the Management Committee
Lorraine seconded the motion and it was approved by all.

Jeanne reported that there had been a written challenge by candidate Fran O'Leary concerning the District Rep Election Procedure for District 6.

The Nominating Committee met to consider the challenge

The Committee reviewed and discussed the individual complaints.

Jeanne read the detailed report (which is attached to these minutes) from the Committee regarding each challenge.

The Nominating Committee Conclusion is that the results of the Election for District 6 stand .

Larry McGannon is the District 6 Representative Elect and takes office July1, 2012 in accordance with the term of office.

A motion was made to accept the report of the Nominating Committee that there is no basis for further Management Committee action and the Election results for district 6 stand.

Motion made by Vicki Smith. Seconded by Terry Matthews Jr. Motion passed.

There was one vote opposed to the motion and one abstention.

Bob Smith distributed Draft Version #2 of the Management Committee Rental Policy Proposal.

The First Draft to the changes in our current rental policy was presented at the March 24, 2012 Management Committee Meeting

At that time there were discussions about the provisions in the new proposal by members of the Committee and the membership in attendance at the meeting.

These comments and suggestions were given consideration and where appropriate incorporated into Draft #2.

Committee members and membership present at the meeting made further comments relating to the Rental Proposal..

Bob said that he would send our Attorney these additional comments for a legal review.

There is a vote scheduled for the Resolution of the Management Committee regarding the Rental Policy for Lake Wallkill at the next meeting of the Committee on July 1 ,2012.

A report from the Trustees was made by Phil. At their meeting on May 14th they discussed the request that Senior Citizens receive a discount for their dues payments

.The Trustees are not in favor of this request.

There also had been a request for a dues discount for early payment of dues

The Trustees are not in favor of this request.

Phil explained that the Trustees arrived at this conclusion as a result of our budget process. Any discounts provided to classes of members would have to be replaced elsewhere in the budget.

By Laws update---“The revised December 2000 by-law-package was given to the president for transmittal to our attorney. Upon receipt of legal’s comments, the by-law committee will reconvene

and take appropriate action to finalize the package for management Committee review and approval.”

Finance Committee— meets once a month –members : Phil Capobianco, Carmel Grieco. Lorraine Zagorski

They are available to assist any member who is faced with financial problems.

Phil presented their new pamphlet--- A Financial Plan Fact Sheet---with Questions and Answers regarding Financial Plans.

There are currently 15 signed agreements and 95% are paying on time.

Terence Phalon reported that Brendan has a new assistant-Jake Bush.

The work has been distributed earlier in the year which should allow for only one helper this year.

The roads are being repaired and improved at this time

There is a request for a VOLUNTEER DAY on June 30th to paint the office. More info will follow.

Lynne reported that Comet Security will again be at the Booth this Summer season.

They will also be covering the booth this Holiday Weekend.---Memorial Day

Please call Lynne with your concerns. It is everyone’s responsibility to provide for the safety of Lake Wallkill and its members.

There is a need for a Badge Checker. Norah Hill has resigned. Please submit resume to Lynne.

Two more cameras will be installed to monitor activities in the office and mail boxes area. The boardwalk camera was also fixed. One of the storms damaged the cable to the camera.

Jeanne said that there will be Group Septic pumping on the Saturday after Regatta.

Terry Jr. reported that we have the full compliment of Lifeguards and 5 substitute Guards.

Brendan Thompson will be the Sports Club Director..

Brendan Jaeger reported that the requests by FEMA – for the Lake Wallkill Community to recoup expenses caused by last Fall’s hurricane devastation---are EXTREMELY DETAILED and very time consuming. We must provide details for justifying every bill related to these expenses from Aug.28,2011 to Dec.2, 2011.

A Daily log is required for every person , machine,shovel ,chain saw, mason dump, back hoe ,trucking hours etc. Vernon is the applicant to FEMA. If FEMA falls short we will go after Vernon to recoup expenses. It is a long and tedious process.

Vicky reported that she was not able to work satisfactorily with the company which was to provide Garbage Can stickers for Members in Lake Wallkill She will research a local company for the stickers.

The Generator for the Clubhouse was installed in March. Golf Outing money helped covered the Cost.

Installing the steps at the monkey bars has been delayed because they have been backordered by the supplier.

There has been a temporary fix on the back porch closet doors.

The Trustees are reviewing legal guidance from our Attorney on hiring employees to determine if a Board policy is required.

The speed hump at the Police Booth has been modified.

There was a meeting to discuss a letter that had been sent to Management by a group of concerned members so that the issues raised could be resolved. Bob Smith said that the meeting was productive.

All Job Descriptions for the members of the Management Committee and Employees have been finalized. and they will be posted.

Carmel reminded all that the Retirement Party for Mary Ernst will be held on Sunday, May27,2012 at Michael's on Rte 23 at 2PM

There will be a catered luncheon for the Ladies of the Lake on the Saturday before the 4th of July .

There have been approximately 5 Bankruptcies in Lake Wallkill. We are in the process of following the proper paperwork to establish the Lake as a creditor. Once we are notified of the Bankruptcy we are prohibited by the Fair credit and Collections act from billing the member for back dues. We will be placing that amount in a bankruptcy account related to the property number. That account will be credited by any payments from the bankruptcy trustee and can remain as a property debt (versus the personal debt that is relieved in the bankruptcy) and can be collected if and when the property changes hands.

The business meeting was closed and the members present were asked for any additional comments.

Board member Ellen Frank informed the Committee that her family would like to make a donation to the Lake in memory of her recently deceased brother Peter Markey who was actively involved with the Lake Wallkill Swim Team. She asked the Committee to consider what might be an appropriate purchase. A dock was one suggestion made by a Board member. Ellen was advised that the Markey family's generous request would be referred to the Swim Team committee.

A request was made to consider posting the Lake Wallkill Management Committee Minutes on our Lake Wallkill website
It will be discussed.

Mr. Brusco—Lakeside Drive—offered to make a donation for the materials that will be needed for the VOLUNTEER Day- June 30th –when the Office will be painted because he will not be available to do any of the work. The Committee expressed their thanks for the donation.

There being no further business to discuss there was a request for a motion to close the meeting. Motion made by Lorraine. Seconded by Jeanne. All approved.
Meeting closed at 12:35 PM

Respectfully submitted.
Eleanor McLean
Secretary

Report from the Nominating Committee – May 24th, 2012
Subject: Fran O’Leary Challenge of the District 6 Election
(NOTE: Committee Findings are designated in **bold** type)

A Nominating Committee meeting was held on Thursday, May 24th, 2012. In attendance were the Chairperson, Jeanne Nilsen, Committee members Lois Capobianco, Rosemary DenBleyker, Janette Bez and Carmel Grieco. Lake Wallkill President, Bob Smith, was in attendance as an ex-officio member of the committee.

The committee met to consider the challenge to the District Representative Election for district #6. A written challenge was submitted, via E-mail, by candidate Fran O’Leary on May 17th.

The committee, having had the opportunity to read and understand the challenges submitted by Fran O’Leary began review and discussion on the individual complaints:

Regarding the introductory statements alleging irregularities relative to the number of votes received as well as accusations of ballot stuffing...even though this was not submitted as one of the three challenges to the election, the committee feels it is important to address these issues as part of their report. The committee discussed the ballot counting. Their recollection was that there were no irregularities with the ballot counting and no indication that anything but authentic valid ballots were counted.

The committee notes that there are procedures in place to safeguard the election process from the kind of allegations being made by Fran O’Leary, including numbered ballots and that all required procedures for counting the ballots were followed.

The committee concludes that the allegations and accusations contained in the introductory statements are unfounded and without merit.

Regarding the First Challenge:

The By-laws currently in effect set forth the time line for candidates to submit a resume to the nominating committee, a first step in the process

A review of the by-laws Article XII Section 4 requires that the resume be delivered to the Nominating Committee Chairperson (not “the committee”).

Question. Did my opponent’s resume get submitted to the chair of the nominating committee by the Labor Day weekend, the required cut-off date?

The Chairperson confirmed that a Resume for Larry McGannon was received on Monday September 5, 2011. The committee accepts this as meeting the deadline.

I am also asking **when** was it received and **how** was it received?

The Chairperson confirmed receipt Monday September 5th, 2011 delivered by E-Mail by Larry to the Chairperson.

When was it submitted to the committee?

The Committee finds that there is no reason to submit District Representative resumes to the committee as there is no selection process for District Reps as there is for Officers and Trustees. Any member residing in the district can submit a resume and will be placed on the ballot if they are a member in good standing.

Was there a vote on the suitability of that candidate by the committee?

The committee finds that there is no process for a vote on suitability. Any member that resides in the district can submit a resume and will be placed on the ballot if they are a member in good standing.

Why was there no report to the Management Committee about that finding by the nominating committee chair?

The committee finds that, as there was no vote on suitability and therefore no finding, there was no report necessary.

I am also asking for a copy of that submission, as per the By-laws.

A copy of Larry McGannon’s resume will be provided to Fran O’Leary together with this

Nominating Committee report addressing the election challenge.

Regarding the Second Challenge:

The prior chair person's practice was to request candidates to submit early in order for the Nominating Committee to meet and evaluate. At the July General Meeting announcements were made as to which positions were up for election and asked for candidates to submit their application to her on or before the Labor Day weekend. She reported at the November meeting which candidates were up for election and who were running unopposed.

That practice has held for years.

The committee disputes the assertion that resumes are submitted early to allow committee review as this is NOT part of the process. Any member residing in the district can submit a resume and is added to the ballot. Past practice by a Nominating Committee chair does not constitute a requirement under the by-laws. The November meeting agenda was published in advance, it did not include an agenda item regarding District Rep elections. IF a management committee member had a question about the upcoming elections they were free to ask that question at the meeting.

This Fall there was a single e-mail sent **after** the Labor Day weekend, to Board members, **before** the November Meeting, soliciting potential candidates for the position of District Representatives for the even numbered Districts.

The committee does not have any evidence of the alleged e-mail. Any solicitation of District Reps would have been limited to Districts 2 & 4 where vacancies occurred near or after the labor day deadline. The President advised the committee that Fran O'Leary was soliciting potential replacements for the vacant districts and making introductions during the Halloween Weekend at the lake in early October. This was considered a valid approach to finding interested members for Districts 2 & 4. Since the committee has already established that Larry's resume submission was valid this question is moot as it relates to the candidates for District 6.

Nor was anything was said by the current Chair person of the Nominating Committee at the November meeting about elections, much less about challenges, although she was in attendance and not otherwise occupied taking minutes.

The committee finds that there is no requirement for this information to be announced at the November meeting. IF any committee member had a question or curiosity they could have raised that at the November meeting.

Or was the notify date extended beyond the specified date, as indicated by the late fall solicitation of "anyone interested" message from Carmel Greico?

The committee finds that there was no extension of the date for District 6.

Who make the choice to list his name first, rather than mine as incumbent?

The committee inquired about the formatting of the ballots. This activity is completed by Michele Smith. Michele explained that she used the existing ballot from the previous election and added Larry McGannon's name to the top of the ballot in the position above Fran O'Leary. The committee notes that the District 6 ballot is listed in alphabetical order. The committee also made an assessment of the actual District 6 ballot which was provided to them. The committee finds that the ballot has a simple layout and that there is nothing inherent with the ballot design that would cause any confusion for a member casting a vote. Additionally, the committee confirms that there is no standard policy or procedure outlined in the by-laws dictating a certain placement of candidates on the ballot.

Regarding the Third Challenge:

The usual practice of sending ballots with the dues letter was, for at least District 6, not followed, as at least three properties' owners did not receive any ballot.

The committee acknowledges that the original mailing of ballots with the dues bills was deficient (ballots were reported as not included with the mailing) for at least three (3) property

owners from District 6. However, the committee received an explanation from the President, that upon learning of the ballot deficiency, a plan was immediately put in place to re-mail ballots to all District 6 property owners. The re-mailing included a cover letter explaining the reason for the new ballot and providing instructions for members to insure every member had the opportunity to vote. A different color paper was used for the alternate ballot to help insure ballots could be processed & counted without risk of double counting a property vote. An E-Mail was sent to Fran O'Leary on January 28th and provided to the committee, that demonstrated that Fran was consulted on the plan for new ballots and the cover letter. Fran's response to that E-mail was returned on January 28th and stated "Thank You. I expected no less from you and am gratified you are on it so quickly". The Committee notes that there was no objections to the alternate ballot from Fran O'Leary.

Notwithstanding a second mailing, certain rules, not set forth in the second mailing, were made without consultation with or approval of the management committee.

The committee finds that the second mailing was directed by the President consistent with his responsibilities outlined in the By-Laws specifically Article VII, Section 2. "The President shall be responsible for the administration and direction of all community affairs, subject at all times, however, to the By-Laws..." . As such, the second mailing and the instructions provided in the cover letter were not in violation of the By-Laws and did not require any approval of the Management Committee.

The Nominating Committee is charged with counting the ballots and reporting the outcome, and there were two unauthorized persons called to attend that meeting,

The committee finds that the By-Laws stipulate that the Chairperson selects the members of the nominating committee. For ballot counting there must be at least three (3) members of the Nominating Committee present to conduct the ballot counting. The By-Laws also require that members of the Nominating Committee be members in good standing. All of the people present for the ballot counting met the requirements for Nominating Committee participation. There were more than the required minimum of three (3) present. The Committee finds that there were no unauthorized persons in attendance at the Ballot counting meeting.

Summary:

The nominating committee concludes, that while there was an irregularity with the original ballot, that issue was remedied with a second mailing.

All of the other challenges were addressed as part of the committee investigation and detailed in this report. Each of these allegations was either adequately explained vis-à-vis the By-Laws or found to be without merit.

The Nominating Committee finds no basis for further action by the Management Committee and recommends that the results of the Election for District 6 stand. Larry McGannon is the District 6 Representative Elect and takes office July 1, 2012 in accordance with the term of office.