

RESOLUTION
of the
MANAGEMENT COMMITTEE
of
LAKE WALLKILL COMMUNITY, INC.

WHEREAS, Article II of the By-Laws as amended through May 2018, recites the purposes and objectives for which the Lake Wallkill Community, Inc. ("Lake Wallkill") was formed which, among other things, is to acquire, hold, own and provide for the care, maintenance and control of the common properties of the Lake Wallkill community; and

WHEREAS, Article V, Section 1 of the By-Laws, provides that the Management Committee is the legislative and policy making body of Lake Wallkill; and

WHEREAS, Article III, Section 1 & 8 of the By-Laws provides that membership in Lake Wallkill is automatically granted and the obligation to pay dues and assessments are effective upon legal conveyance of title to a property within the Lake Wallkill community; and

WHEREAS, Article X, Section 1 of the By-Laws provides that all property owners within Lake Wallkill share equally in the expense for maintaining the community; and

WHEREAS, the By-Laws were recorded at the Sussex County Clerk's office on August 8, 2018 at Deed Book 3488, p. 452, et seq. and indexed on all properties in Lake Wallkill; and

WHEREAS, The recorded Declaration of Covenants for Lake Wallkill, Article 4, specifically provides that unpaid dues and assessments are a continuing lien on the land and premises of the member for the amount due, as well as late payment charges and attorney's fees, which may be foreclosed in the same manner as a foreclosure of a mortgage on real property, which is consistent with statutory provisions governing community associations and *N.J.S.A. 2A:50-1 to -68*, which establishes the basis for foreclosure of mortgages. The Superior Court and Appellate Division Court have also affirmed that consistent with the Declaration and the By-Laws, all residents in Lake Wallkill are required to pay for the use of the community's resources, and the Management Committee was acting within its authority to require all residents be members of the association; and

WHEREAS, the Management Committee has taken action previously to encourage payment including the creation of a payment plan process and, in 2013, a program to provide discounts, these programs had limited success and additional action is required to compel payment. In 2014, the Management Committee initiated a Collections Program that resolved a significant number of delinquent accounts, however there are still a number of persistent delinquent accounts; and,

WHEREAS, the Management Committee recognizes the inherent inequity of non-paying Members using the private roads of Lake Wallkill that are maintained on the backs of paying members' dues payments; and,

WHEREAS, the Management Committee has determined that as a result of any member's failure to pay their dues and assessments, the present and future fiscal well-being of Lake Wallkill may be put in jeopardy and for the benefit of the community at large all available actions should be initiated to compel payment; and

WHEREAS, the Management Committee, upon the advice of counsel, has determined that it is in the best interests of Lake Wallkill, and the entire Lake Wallkill community that this Resolution be made to recommend an amendment to the By-Laws Article X Section 1, to authorize the Management Committee to direct Lake Wallkill's Attorney to advise and pursue remedy's including obtaining judgments through civil action, wage garnishment, bank levy, car levy and/or foreclosure action; and

WHEREAS, the Management Committee upon the advice of counsel, has determined that it is in the best interests of Lake Wallkill, and the entire Lake Wallkill community that this Resolution be made to recommend an amendment to the By-Laws to update Article XI, Section 1 to provide the Management Committee to timely disposition/sell property acquired by Foreclosure:

NOW, THEREFORE, BE IT RESOLVED by the Management Committee that proposed By-Laws Changes shall be implemented as follows:

1. Amend Article X, Section 1 (add the following Language at the end of Paragraph 2):
The Management Committee is authorized to take enforcement actions to compel payment of persistent Delinquent Accounts, those accounts that have been delinquent for greater than five (5) years; such actions may include: obtaining judgments through civil action, wage garnishment, bank levy, car levy and/or foreclosure action.
2. Modify Article XI, Section 1 (add the following paragraph to Section 1):
Property acquired through foreclosure or other actions related to Collections shall not be considered Community Property for the purpose of sale/disposition. The Management Committee shall make all efforts to sell properties acquired through foreclosure to minimize the cost of ownership and maintenance. The Management Committee shall propose a resolution and hold a Management Committee Vote to approve the sale of properties acquired through foreclosure or other Collections Actions as timely as practical; sale of property pursuant to this provision shall not require membership approval. Proceeds that result from a sale of property foreclosed for non-payment shall be deposited in the general fund.
3. Under this Resolution, the Management Committee is authorized to negotiate a change of terms with Lake Wallkill's Collection Agent to authorize the agent to research applicable law and to pursue remedies to the persistent delinquent collection accounts of Lake Wallkill. All efforts should be made to shield dues paying members from the cost of collections and costs to pursue actions detailed in Paragraph 1 of this Resolution.

4. Administrative By-Laws Change – The By-Laws include a definition of the 10 Geographic Districts of Lake Wallkill and reference the Lot & Block numbers from Vernon’s tax records. Vernon has updated the Lot and Block after the last town wide assessment and as such, the By-Laws will be amended to the New Lot and Block numbers. No change of any geographic district is expected with this administrative update. (Amended Block & Lot attached)
5. In the event this Resolution is adopted by the Management Committee, the Management Committee shall put the proposed changes to the By-Laws to a Membership Vote in accordance with Article XIII of the By-Laws.
6. In the event the Membership approves these changes to the By-Laws, the Management Committee shall communicate these By-Law changes to the persistent delinquent accounts to provide fair notice of the actions planned by the Community to compel payment of arrears.

ADOPTED this 3rd day of September, 2022 by the Management Committee of Lake Wallkill Community, Inc., in the presence of a quorum.

Peggy Merak for
Peggy Merak
Jennifer Costello, Secretary

**Definition of the Ten (10) Geographic Districts
By Lot and Block Numbers as Shown on the
Township of Vernon Tax Maps for Lake Walkill Properties**

DISTRICT I

Block	Lots
234	6,7,8
234	13-23
234	26-37
234	42-44
234	50-52
234	54-56

DISTRICT II

Block	Lots
234	25,41
234	45-49
234	57-72
234	74
234	83-95

DISTRICT III

Block	Lots
234	67-69
234	75,76
234	78-82
234	140-142
234	145-164
234	166-169

DISTRICT IV

Block	Lots
234	96-115
234	117-136

DISTRICT V

Block	Lots
266	2-11
266	13-15
266	17
266	36-44
266	46
266	48-52
266	54-57

DISTRICT VI

Block	Lots
266	18-25
266	27-35
267	1-5
267	7-11
267	18-25
267	27-35

DISTRICT VII

Block	Lots
267	61,62
267	64-75
267	77-91

DISTRICT VIII

Block	Lots
267	47-51
267	72
267	74-78
267	98-102
267	105-112

DISTRICT IX

Block	Lots
267	39-42
267	44-45
267	52-59
267	63-71
267	79
267	81-88
267	90-93
267	95-97

DISTRICT X

Block	Lots
267	13-30
267	33,34,36,38
267	113-119