

RESOLUTION

A RESOLUTION ADOPTING PLAN FOR DISSOLUTION.

WHEREAS, Lakemont Shores Property Owners Association, Inc. ("POA") was organized as an Oklahoma non-profit corporation for the purpose of maintaining the common areas and facilities in the Lakemont Shores subdivisions; and

WHEREAS, on November 14, 2018, the District Court of Delaware County appointed John Thomas as Receiver of the POA ("Receiver") via its Order Appointing Receiver filed of record on January 17, 2019. Since that time, the Receiver has carried on the day-to-day operations of the POA: managing employees and independent contractors, reviewing, maintaining, and managing all financial accounts, paying bills, inventorying assets (both real and personal) and debts, identifying tax (federal, state, and county) delinquencies, paying taxes when and where feasible, and carrying out all other necessary tasks, among other things; and

WHEREAS, the Receiver has sold various assets and has paid various debts including a portion of the liens owed to the Internal Revenue Service. The POA remains insolvent and owes the Internal Revenue Service approximately \$100,000; and

WHEREAS, due to the lack of services provided by the POA to its members, continued litigation, uncertainty of the POA's future, inability to bill and collect from the 16 sub-divisions which voted to deannex, decades of not enforcing the covenants and restrictions, basic mismanagement, and lack of funds, payment of membership dues and rents has dwindled to a mere trickle; and

WHEREAS, the condition of the POA's remaining assets are as follows, to-wit:

- a. Clubhouse - The clubhouse roof leaks causing mold and other problems. Inside the building, the public restrooms need new toilets, and the entire building needs new paint and flooring. Outside the building, the entire soffit needs to be replaced, as well as a portion of the siding. Renovation will cost multiple thousands of dollars.
- b. Tennis courts - Neither tennis court is functional. Both courts need new nets, cables, and cranks and need to be resurfaced.
- c. Basketball courts - The basketball courts need to be resurfaced and need new goals and nets.
- d. Playground - The playground equipment is probably more of a safety hazard than it is worth.
- e. Bathhouses - All bathhouses need to be at least re-painted.

WHEREAS, for all of the foregoing reasons, Receiver believes that dissolution of the POA is necessary and in the best interests of the POA and all owners of lots in the Subdivision.

NOW, THEREFORE, BE IT RESOLVED BY THE RECEIVER:

Section 1. Plan. The Receiver proposes to dissolve the POA and dispose of the remaining assets as follows:

- A. The remaining assets owned by the POA are common properties which were dedicated for the use of owners in the subdivision. The properties are shown on Exhibit "A". For the reasons set forth above, the improvements are in a state of disrepair and no funds exist to repair and maintain the common areas. Article III (g) of the Articles of Incorporation provides that the Association may sell or transfer any part of the common properties or facilities to any public or private agency for such purposes and on such conditions as may be agreed to by the members. The Receiver proposes to sell the common properties shown on Exhibit "A" and marked "RWD12" to Rural Water District No. 12 and The Nature Conservancy under the following conditions:
- i. The price for each property is shown on Exhibit "A"; and
 - ii. The property will be sold free and clear of the dedication of the property to and for the use and benefit of all owners in the Lakemont Shores subdivisions.
- B. The Receiver will file a Petition with the District Court of Delaware County and seek to vacate the dedication of the common areas on all of the common properties. Upon entry of an Order vacating the dedication of the common properties for the use of the owners of the Lakemont Shores subdivisions, the Receiver will sell the properties at public auction.
- C. Upon sale of the common properties, the Receiver will pay the remaining debts of the POA in accordance with the provisions of the Oklahoma Corporation Act and the Order of the District Court of Delaware County. If any funds are available, the Receiver will propose that those funds be distributed to Rural Water District No. 12 to be used for the benefit of the Lakemont Shores subdivisions.

Section 2. Court Approval; Meeting.

- A. Receiver will adopt a resolution calling for a special meeting of the members of the POA to vote upon the proposed dissolution and Plan.
- B. If approved by the members, Receiver will file an Application for Approval of the proposed dissolution and Plan by the District Court of Delaware County.

ADOPTED AND APPROVED THIS 19th DAY OF MARCH, 2024.

John Thomas, Receiver