



*CSL Community Association, Inc.*

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**ANNUAL MEETING REPORT  
OF THE CSL COMMUNITY MANAGER  
April 5, 2008**

Welcome to the 2008 Annual Members Meeting. Thank you for taking the time to come and learn for yourself what is actually happening with your community association. FY2007 was a very exciting, productive and eventful year.

For the first time in the history of the CSL Community Association since it assumed self control of Country Squire Lakes at the end of 1994, we exceeded 80% of current year budgeted collections. To date, we have collected 70% of the FY2007 Dues and General Assessments. We also collected 75% of the Dedicated Assessments. For a community association that barely survived FY2006, these are remarkable milestones.

However, collections without clearly evident accomplishments in the redevelopment of our community would be meaningless. In FY2007, we took out a \$ 950,000 Redevelopment Program Loan with our long standing financial partner, Main Source Bank. With those funds, we completed in one year nearly all of the work planned for the first two years of the Redevelopment Program. The total cost of the entire Redevelopment Program is likely to exceed \$ 2.5 million dollars. The time frame to complete the work is expected to be a minimum of five years. With the rapidly rising costs for asphalt and construction materials in general, even these numbers are overly optimistic. However, as we have already learned in this project it is not a matter of worrying the project to death, it is a matter of will power and determination.

In 2007, we completed work on many of the more seriously damaged roads. Those that could be saved by minor repairs, and either structural paving or by renewed chip seal surfacing, were finished. Those that were beyond the point of no return were ground up and the material graded back into the base material of the roads to improve what was already there. Some of these were successfully completed in

large part, or in whole, with just this process – and are now ready to be finish graded and paved. Others, such as Ellingsworth were so far gone that nothing short of full reconstruction can restore these roads. The underlying problem for most of these roads was the failure to maintain the ditches in proper working condition over the years. We still have many residents who believe that is reasonable and their right to fill in the ditches to make their yards easier to maintain. I sincerely hope that they are finally coming to understand that filling in the ditches simply destroys the road in front of their homes.

As promised at the 2007 Annual Members Meeting, we have attempted to complete the work on the worst roads first, but not until we restored the pavement surfacing on Country Squire Boulevard and Country Manor Drive. We have one road that we did not get to in 2007 that I believe we did fail to keep our promise to address the need. That road is Almond Avenue which is one of the worst roads in CSL at this time. Almond Avenue will get substantial attention in 2008. The roads that were returned to gravel will get fully repaired in 2008 in anticipation of paving as soon as funds allow. The roads where the potholes were not patched and the cut outs for the base material repair that were not repaved in 2007 will be completed in 2008. The several places where culverts under the roads were not completed in 2007 will also be completed in 2008. These culverts include Eddington, Coveyshire and Foxmoor. A number of other culverts are being evaluated for future work, as needed.

We also had to deal with work on the leaks in the Big Lake and the repairs to the dam that have been deferred over a period of many years. This work was completed in 2007, but a new leak in the lake bed appeared just before Christmas. This leak will have to be repaired, but it is our intent subject to state approval, that this leak will be repaired during the latter part of September into October. This would allow a substantially normal lake recreation season in 2008. The Board, the Lakes Committee and I are committed to doing everything in our power to assure that our Big Lake will continue to provide our community with the first class recreation asset that it was intended to be.

The Low Water Bridge was damaged in 2006 and 2007 by large logs and other debris washing down from up stream properties outside of CSL. We are working with a free engineering service provided by the pipe manufacturer for the several types of slip culverts available that could be used to repair the Low Water Bridge center culvert at a much lower cost than would be involved with opening the road to make the repair. This is a high priority project that is necessitated by safety concerns for those driving across it. Funds for both this repair and the lake leaks repair is included in the FY2008 Budget.

We have also taken on the very difficult task of cleaning up the derelict trailers in CSL and beginning the job of cleaning up our community in general. All of the people who have been involved with these tasks have done an amazing job and have made greater progress since fall of 2006 than I had believed possible. Although we have no complete record of every trailer that has left CSL, either by pulling it out of here or by demolition, we know that the number exceeds 65 to date. These numbers sound great, but what have we done lately?

Our Architectural Inspector, Kevin Spine, has worked closely with the Jennings County Area Planning Commission to assure that the appropriate legal actions are taken by APC first, and then we proceed with the demolition or removal of each trailer. In the past month, he has been directly involved with the removal of an additional several trailers and one double-wide, along with several out buildings.

In the immediate future, we hope to see in excess of 40 trailers – perhaps as many as 60 trailers, leave here by being towed out of CSL to be relocated to Muscatatuck to be used in an Urban Tornado Disaster Training Exercise. Preliminary work is completed on this project application and we are now only waiting for final approval to begin removing these trailers – at no cost to CSL. This would provide for a huge impact over a period of just a few weeks time.

What are our limitations? So far in FY2008, we are faced with the very real probability that we will not see many account payments from our largest property owner and his investment partners or clients. This represents nearly \$ 266,000 of our annual budget, plus FY2007 dues of an additional amount of \$ 54,000. At this point, I have good reason to believe that we may actually receive about \$ 100,000 of these accounts. If so, it will allow us to proceed with much of the work described herein. However, to contain to maintain the forward momentum of the Redevelopment Program, we have had to begin to make very substantial budget cuts already. The first substantial cut was to reduce our Security Staff to five guards plus a part time Chief. After a great deal of thought, I have replaced CSL Chief of Security Shannon Grunden with our new CSL Chief of Security Gary Foster. This action was not taken lightly, and should not be construed as reflecting badly on Shannon Grunden. The decision was a very difficult one made together by the CSL Board of Directors and the Community Manager. At the same time, Gary Foster was asked to establish a First Responder and First Aid training program for our Security Staff. All of our Guards have now completed their training and I would like to have Chief Foster call them forward for their certification ceremony. As a result of this training, any of our Guards who happens upon the scene of an emergency medical situation now knows what is required to be done while awaiting the arrival of an ambulance. It is my strong belief that this will save lives and help to limit the extent of injuries our residents sustain.

There are not a lot of other opportunities for large savings. The only ones readily available would be to cut the work from the FY2008 Budget that continues our Redevelopment Program. This would be an easy target, just as in the past. However, when I stood before you at last year's Annual Meeting, I promised that we would continue to make progress in this program. I have asked the CSL Board of Directors to give me as much opportunity as we can justify to keep the Redevelopment Program moving forward. We will continue to make incremental progress. It is the only way that the program will ever be completed.

Where do we stand today? We sent out the Annual Statements on January 2, 2008. Since then we have collected over 40% of our current accounts. We have also collected a considerable amount of accounts in arrears. To put this in perspective, if our largest property owner and his partners had paid their accounts in full, our collections to date would exceed 67%. What this means is that an unusually large number of our property owners have paid in full prior to our Annual Meeting – far more so than in nearly any other year.

In addition, Delinquent Accounts are coming in at an all time high. Those who can't pay it all up front are simply entering into substantial payment agreements to avoid court collection actions. All evidence to date indicates that we will collect a large amount of the delinquent accounts in 2008. However, we don't count our chickens before they have hatched. We need to see a strong effort continuing in the pursuit of the Delinquent Accounts, both on a friendly basis where possible, but also on a court collections basis when friendly attempts fail to produce results.

FY2007 also saw a renewal of the Board Wars where there are constant attempts to remove members of the CSL Board of Directors by Recall Petitions. A number of changes were proposed and adopted to amend our By-laws to strongly discourage this process. It is absolutely necessary for the stability of our Boards, our Association and our Community that these recall petitions come to an end. We cannot make progress if we are continually at war with ourselves. It is my great hope that you have ratified the changes to the By-laws.

The remaining areas that need to be addressed in this report have to do with the day-to-day services that our Association Staff provide to you, our Members. In the CSL Administrative Office, we now have a professional and fully committed staff who are doing everything in their power to provide the outstanding services required to demonstrate professionalism and integrity. We are still cleaning up the sins of the past. Just as with the Redevelopment Program, we do so on an incremental basis. By doing so, we are making great strides forward while avoiding the kinds of difficulties and service breakdowns that would otherwise become the norm.

Our Maintenance Staff have just finished a very difficult winter storm season. During the past six weeks, we got to see just what kind of stuff they were made of. I am proud to claim these men as our Maintenance Staff. They kept our roads better than any local government in the area. They also have performed extremely well every task I have asked of them, including some that I seriously doubted were within their ability to perform. Please recognize them for a job well done.

Finally, we come to a very difficult and sore point for all of us here at CSL. Our restaurant facility has gone through a terrible roller coaster ride of openings and closings over the past twelve years. Now, it is on the verge of re-opening again under lease to Myrna and Lee Percifield. As the final work is being completed in the restaurant itself, Myrna and lee are negotiating a final lease agreement with CSL. I believe that they will pleasantly surprise all of us with the restaurant service they provide. I also believe that they will be long term operators of the restaurant. Please join me in welcoming them as our new Restaurant Lessees.

Thank you for listening. Are there any questions?

David A. Maynard  
CSL Community Manager

**Presentation of the Bob and Jeanne Phillips Memorial Service Award:**

Jeanne Phillips – Plaque and Flowers

Fred Snyder – for Fred and Darlene Snyder

Robert Trulock for Judy Trulock

Bill Collins

Betty Hutt