

CSL/CA BOARD MEETING
APRIL 17TH, 2007

President Ralph Sadler opened the meeting with a silent moment of prayer for the families of the students and faculty members that were massacred at Virginia Tech.

PLEDGE OF ALLEGIENCE

ROLL CALL OF MEMBERS:

Ralph Sadler, president, Clifton Ross, vice president, Brad Rupel, treasurer, Sharon Cline, Andy Eder, Wendell Guerkink, Johnnie Vance, and Virginia Miller, secretary. David Maynard, Manager. Jim Bohannon excused absence.

MINUTES ACCEPTED: Johnnie Vance made the motion to accept the minutes of the Annual Meeting, April 7, 2007, seconded by Wendell Guerkink. Motion carried.

VOTING THE SLATE FOR LIAISONS FOR EACH COMMITTEE:

Jim Bohannon will remain liaison for Architecture
Virginia Miller will remain liaison for Clubhouse
Brad Rupel will remain liaison for Finance
Ralph Sadler will remain liaison for Judicial
Clifton Ross will remain liaison for Lakes
Wendell Guerkink as liaison for Membership & Election
Sharon Cline as liaison for Recreation
Johnnie Vance will remain liaison for Security
Andy Eder as liaison for Streets & Easements

Brad Rupel nominated Virginia Miller for secretary, seconded by Clifton Ross.
Wendell Guirkink nominated Clifton Ross for vice president, seconded by Sharon Cline.
Virginia Miller nominated Brad Rupel for treasurer, seconded by Sharon Cline
Brad Rupel nominated Ralph Sadler for president, seconded by Johnnie Vance.
All nominations were accepted by the nominees and passed unanimously.

MANAGER'S REPORT:

Dave thanked everyone for their attendance at the Annual Meeting. He said he had not seen a better Annual Meeting in all the thirty years he has been doing this type of work. It was a very fine meeting and a good turn out.

Chuck and Alice Winslow lost a family member this week. He asked Larry to pass the hat to help with the cost of the funeral with no insurance.

Dave explained the ballots for the gates that passed at the Annual meeting. The dues statements will be sent with the water marked ballots in one mailing. Johnnie Vance made the motion to send the ballots with the statements to the members, seconded by Andy Eder. Motion carried. It will take 51% of voting members to make the decision.

Dave reported that our annual insurance survey was signed off on and is going in tomorrow. For the first time, it is clean and should result in a much lower rate.

Dave stated at the Annual Meeting that we do have a loan commitment from Main Source Bank. It does have favorable rates and terms. They are not the most favorable rates and terms that may be available. After the annual meeting the board directed Dave to send out an invitation, because we are debt free for the first time and can do this, to quote rates, fees and terms for banking services to all local banks. That has been done. So far we have one response back. It is better rates and terms, including the redevelopment loan that Main Source offered. We are waiting on three others. Once we have those, the board will make the actual decision on financing, but in order to complete the process prior to financing, Dave has to do at least a summary of the redevelopment plan tonight for a public hearing. He will do that last.

Lakes committee has received a quote for signs at the Marina. We do have a proposal in that is about half of what we expected to pay. They will be replaced with 4 x 8 metal signs with vinyl lettering that should last 3 to 5 years minimum. Out front door signs and the marquee will be replaced also. ARI may pay a portion for his sign at the top.

The restaurant is open seven days a week. Starting a week from Saturday it will be open Saturdays nights with special dinner menus and entertainment. Be prepared for the changes that were promised, they are coming. Linda Sexton has started as a cook. If you aren't familiar with her desserts, Dave's understanding is that her desserts are the best in the area. She will be here on a regular basis also.

The Badger excavator that we purchased for \$8,000.00 a week ago is in the process of being completed with the minor repairs that were needed. The grader, however, is something of a problem. The one that we were looking at is not available now. As quick as we can get a grader in here, we will be ready to start the ditching. Target date was tomorrow morning, but because we have a personnel change that occurred, we are looking at May 1st. John Phelps left to take a job at a paving company, so we are in the process of finding an equipment operator.

We had a fire in here this afternoon. White's trailer and shed on Atkinson Circle was destroyed. The party involved in the clean-up program in here to get rid of these derelict trailers apparently had three fires going at the same time. One of them got away from him and set the trailer on fire and got the shed also. We apparently we are going to get our hands slapped on this because the party doing the clean up was working for us, even though he is did the damage and violated the law, we are liable for it. Kevin and Dave will be reviewing the procedures under which we do this. Who are acceptable contractors and under what degree of supervision the work gets done. It is not being taken lightly. We have agreed as part of our hand slap to put certain information on the web site and to do a community clean up program to try to get rid of some of the debris that is around. We already have a clean up program scheduled for this Saturday as a clean up for the road sides. There will be two dumpsters in the parking lot. Anyone wanting to help in the clean up of the neighborhood road sides can put items in these dumpsters free of charge. If it is household garbage, there will be a compacter truck in the parking lot from Best Way on a Saturday in about two weeks for a nominal fee.

This has been done in past years and we have agreed to do this again. Apparently some of our residents are burning items that are not supposed to be burned. IDEM used this incident as the excuse to come after CSL for what residents do on their own lots. We are having a lot of vandalism and fires. He is going to Security to do a watch program. This trailer was one that was scheduled to go properly, but Dave's concern is that how long it will be before it's a trailer living in it when it burns. Heavy garbage, tires, refrigerators, TV's are being dumped on the road sides and should be taken to the county site.

Buckingham will be one of the first streets where the ditching will be done because the residents in the area have taken it on themselves to clean up the area. County Health will be contacted for some of these messes and will be working with us more. Several residents cited areas in need of clean up and they will be checked on.

Several months ago Dave made a statement that we should not be giving our dues and assessments away every time some one says they filed for bankruptcy, foreclosure or on a tax sale. We had a ruling from one of the Title company attorneys yesterday supporting us. That makes two, the local title company and now Stewart Land Title. Their attorneys have both done a review of the statutes and have both agreed, based on the court decisions which modify the statutes. NO, our dues and assessments are not extinguished by the issuance of a Sheriff's sale. The only time it is extinguished is by a 'Quiet Title' foreclosure process in which we are specifically named, and the amount of dues lost is what is specified in the foreclosure papers. The second one is if the Judge issuing the tax deed specifically states what our dues and assessments are and states that they are extinguished. That also extinguishes them. With those two exceptions, our dues and assessments do survive. Consequently, starting tomorrow we are going after a raft of people who bought property on a tax sale and refuse to pay the dues. We now have enough opinions to justify. The ones who did the 'Quiet Title' foreclosure, which is the proper procedure they're supposed to do, are off the hook. But those that took the tax deed and ran, and refused to pay, we can take them to court, so we are going to start processing.

Dave briefly went over the Redevelopment Plan for the second hearing and a general vote to approve subject to completion of finances. The work to take care of the ditching and road work portion, which also includes part of the cost of the dump truck, all of the cost of the excavation machine and all of the cost of the grader comes to approximately \$750,000.00 on the preliminary budget. Final budget has to be prepared and negotiated with the bank based on actual cost estimates as of that date. There will be some variance, depending on how things work out on the actual cost. The work proposed for the Dams was \$130,000.00. As most of you are aware, part of that money was spent early out of the money that has to be returned to this years budget, which was to do Crestwood Dam, (which if had waited another two weeks probably would have washed out completely) and to take care of the Marina, the big rock and the out flow areas so that we would in fact be in compliance with the State and get those projects done. We saved approximately one-third of the cost by doing it in advance.

The swimming pool facility is tentatively set up at \$160,000.00 We are still waiting for formal cost estimates. Dave had hoped to have them for tonight, but he probably won't have them for another week to ten days.

That's \$160,000.00 preliminary estimate subject to the final estimates from the parties who proposed to do the work. Two parties have been requested to provide an estimate and a third party we have just located and have requested an estimate from him as well. The intent is to have at least three estimates or bids on everything. The swimming pool part of the work only goes ahead if there is money available. First priority is the Roads, the second is the Dams. The Dams have to go forward this summer unless we receive the grants from Emergency Services. If we receive the grants, they pay for the dams and that money is freed up to do the swimming pool. The swimming pool is third priority and only as funds are available. We should know on the grants this summer. If it comes through in time, the pool will be done this summer available for use next year.

On the cost for the roads, the intent on that is to do all of Squire Blvd. and the Manor, ditching first. There are five to eight streets that are in very poor condition that will be done immediately afterward. As soon as that initial work is done then we would put out a request for bids in order to have at least 3 -5 asphalt paving contractors come in and bid on the work to do repaving. Not everything on those streets gets paved, including Squire and the Manor gets paved. There is as needed gets paved. The side streets, if they are chip/seal, some of them are, will end up as chip/seal. There are some areas that are substantial load bearing asphalt patches, that is 2 – 2 ½ inches of asphalt. The intent is to make sure they are load bearing and is not going to break up in the future. The ditching has to be first so that we don't have the road undermined and wet and trucks break through again. If we are going to do this, we want to do it so it will last. What we are trying to do is sections at a time. This first one is general, the main roads and the several that badly need it now. The second section would probably be (subject to streets and easements and the board) starting in one area and working around the entire community. This is a two year project, it is not one season. Thirty four miles of road is impossible to do it properly in one year. If we try to do it in one year, we are going to screw it up. I'd rather tell you up front, some of you are going to have to wait until the second year. He said he would go to great lengths to try to make sure that every road is reasonably decent this year. He wants us to see first hand that the first batch of roads is done fairly quickly so you can see that it is worth the money you paid for it. Proposed funding for this is an 18 month construction loan. That means that we have present the bills to the bank demonstrating that what we did is within the scope of services and the budget provided for in this project. Only those things that are in that would be approved by the bank for payment. They pay us, we pay the bills that are approved, so there are controls on it to make sure that only what is supposed to be done and paid for from this money is done and paid for with this money. We can't go out and buy other things with this money after telling you it is going to be for roads and the swimming pool. At the end of the 18 month construction period, or before if we are done early, it then converts into a 10 year loan. Main Source Bank is a 10 year loan with an 18 month rate reviews, not a fixed rate loan. At least one other bank that has offered us a 10 year fixed rate loan at a lower interest rate. We have three more banks we are waiting for answers from. We will see who actually does the financing. One of the conditions is that it is a clean financing. That is to say that it does not come back on property owner's property or anything of that nature.

It is paid for by what is called a dedicated assessment. That means the money is raised for this project and only for this project. It has to pay for this project to service the loan. The day the loan is paid off the assessment dies. It does not continue beyond that point. It automatically goes off the day the loan is paid off. If it is paid off two years early, the assessment ends early.

The assessment that is proposed is \$25.00 per lot in the spring and \$25.00 per lot in the fall. That's \$50.00 total per lot per year. The reason that it is split it is to make it as reasonable as possible to pay it. One of the things we have done to make it easier for people to pay, is that we just started taking credit cards again. Visa and Master Card. The first \$25.00 will be on the statement that goes out with the gate ballot.

Dave asked for a show of hands of those in favor of the Redevelopment Plan. There was a very large portion of the audience in favor with two opposed. Dave was required by law to hold two public hearings because it exceeds \$500,000.00. With this hearing closed he asked the Board for a vote to approve proceeding with the Redevelopment Plan subject to completion of the financing. Financing has to come back to the Board for a special meeting vote to sign the papers when it is time. What you are doing with this vote is saying yes, you are prepared to go forward, subject to financing, so we can proceed to get the bank to finish the paperwork and get it ready to go.

Johnnie Vance made the motion to accept the Redevelopment Plan subject to the completion of financing, seconded by Andy Eder. Motion carried unanimously.

FINANCE: Brad Rupel reported John Schieble, lot 3073, has been approved by the committee as a new member to the Finance committee. Johnnie Vance made the motion to accept John Schieble, seconded by Wendell Guerink. Motion carried.

Brad reported there will be no year end financial statements until the February 28th adjustments are made and finalized. As of today, we have approximately \$60,000.00 cash in bank; March dues collected \$256,580.10; March sales \$3,164.67; April dues collected to date was \$51,412.05; April sales \$1,880.87; Bills are paid current and we have no debt. Our cash will not get us through the end of the year obviously. We will take out an operating loan before year end. That will be needed. We paid off that long term loan that we had outstanding and also the short term loan from last year, so we are moving forward.

OLD BUSINESS: Dave stated that we have done for you, up to this point, everything that is possible that we can do to start to renovate the community. You have asked a great deal of us and now it is time for us to ask for your help. We have a bunch of committee vacancies. Please look at the committees that are open. A lot of you have a lot of good experience and ideas. Please help us.

NEW BUSINESS: Wilma Thomas reminded volunteers not to touch needles or other paraphernalia when helping with the clean up. Always wear gloves and be aware of what you are handling. Your help is appreciated.

Sharon Cline stated the recreation committee needs five members. Come help and enjoy the fun.

Carolyn Phipps reminded everyone of the Community Yard Sale on May 26, & 27th from 9:00am – 4:00 pm. Register at the office if you want to be on the map. There will be a Luau in June. We need help and new ideas. Check the calendar for other activities during the year. Has everyone met the Rabbit? -- Clifton Ross.

Brad Rupel made the motion to adjourn, seconded by Johnnie Vance. Meeting adjourned.

Ralph Sadler, president

Date

Virginia Miller, secretary