

**CSL/CA BOARD MEETING
MARCH 20TH, 2007**

Meeting was opened by President, Ralph Sadler at 6:10 p.m.

INVOCATION: THE LORD'S PRAYER

PLEDGE OF ALLEGIENCE

MEMBERS PRESENT:

Ralph Sadler, President, Clifton Ross, Vice President, Brad Rupel, Treasurer, Johnnie Vance, Bob Phillips, Sharon Cline, Jim Bohannon, Virginia Miller, secretary. Don Riddle excused absence. David Maynard present.

Bob Phillips made the motion to accept the minutes of the February 20, 2007 meeting, seconded by Clifton Ross. Motion carried. (With corrections: Ralph Sadler was present, but Don Riddle was absent)

Bob Phillips made the motion to accept the minutes of the March 3rd, 2007 meeting, seconded by Johnnie Vance. Motion carried.

MANAGER'S REPORT:

Dave said it seemed kinda nice to see a different arrangement of the room. Our maintenance crew did a very good job removing the carpet and finishing the wall. (clapping)

Dave introduced Michelle Evans, the Jennings County EMS Director, working for Jennings, the State, and for Homeland Security, and Country Squire is top of the list. One of the things we are going to be working on, and she needs help from everyone here, is getting the Dams straightened out, the Low water bridge, and some other things done here, possibly even the roads and some signage. She has a grant application going. It is going to be for a few million dollars. Hopefully, with a whole lot of luck they will see it our way and we'll get everything done that we need done. She warned us that this is not a fact process. We are dealing with the Federal Government. Another thing we will be working on is the Storm Watch, Storm Warnings, Tornado Warnings, and Tornado Watch with the gates all open. It is necessary for everyone to be able to get out of here safely. She is working on five to seven sirens out here to warn the residents. Kevin has flyers and applications for anyone that wants to help with the volunteer work. It is going to take all of us working together to get this done.

Dave asked her how sure a thing is the grant funding. We have been found eligible. The application goes in then we have to wait for the answer to come back. Michelle said she has written \$386,000.00 worth of grants since May 25th 2006. She personally has never been turned down for a grant. It takes a lot of writing, going through some inspections with Homeland Security and what we are trying to do for CSL. They know there is a problem and they are helping to push it along. She sees it as an emergency status and she is hoping that FEMA sees it the same way. If that is the case, we could get it through very quick.

Every time there is a flood in Jennings County, she is out here, because she inspects and found things she didn't like and turned them in. Then she talked to Dave and Richard Schneider, a commissioner who asked her to get involved. She said it is not a problem. She is here to work for Jennings County. CSL, even though in the past it has been treated like it's own little thing, is part of Jennings County. Dave said she could not have said anything that would make the people happier than that last comment.(Clapping)

Michelle was questioned about the roads. She said the roads would be considered after the work on the Dams is completed. She has approximately one year to get done what needs to be done. All inspections have to be done and sent to the Federal Government for finalization. It will go in stages. Army Corp of Engineers will come down for the final report. FEMA will determine the amount we will get to work with.

Dave said this is the pre-planning process. It is not a sure thing. Even if it is awarded, it's probably going to be a case in which they pick and choose from the things that we throw at them. Don't count on every single item. Michelle said this community has to be united in every way and we must show that it is needed. If they do pick three out of seven, we can reapply later. This is done for the county all the time.

Dave thanked Michelle for coming out and we will look forward to having her back soon with an update.

The mowing contract bids were opened a week ago last Saturday with a group of committee members. The Board reviewed everything at executive session on Tuesday night as far as contract bids. They determined they wanted to return it to Dave and staff to review the bids, conduct the interviews and make a recommendation back to the board. It was a difficult process. It was the best set of bids he has seen in many years. We did narrow it down as to what was proposed for equipment, personnel and cost. Those were the three principal factors we looked at on paper before we looked at interviews. We wanted a contractor with sufficient equipment of the appropriate type to do the job right. We wanted enough personnel clearly stated in the bid and committed to at the time of interview. We narrowed the field down to three companies, Steve Lovelace, Lawncare Services, Always Sharp Lawncare, Brian Groventer, Hardwick Landscape, Rick Hardwick. We interviewed them this morning taking into consideration what we could see of the equipment today. Kevin Spine, involved because he takes care of Contract two items, Steve Young, oversees the general lawncare services in Contract One, and Dave overseas all of it and was there on behalf of the Board. Each party was asked the same identical questions regarding their equipment and what they were willing to commit to. The recommendation is awarding the Contract One and Contract Two to Rick Hardwick in the amount of \$52,000.00 Bob Phillips made the motion to award Contract One and Contract Two to Rick Hardwick, seconded by Johnnie Vance. Roll call vote was held. Unanimous vote. The President of the Board and our Manager will sign the contract and a notary, Cadie Mathis notarize it..

Cadie wanted everyone to know that Rick Hardwick came in and mowed the lots for the Clean-up Committee this summer. It was very much appreciated.

The Manager and some others will be in Indianapolis looking at a 1995 International Dump Truck for \$10,500.00 We will also be looking at a Gradeall for use in the ditches.

Dave received a letter from our Attorney Scott Andrews regarding the question as to whether or not to open the gates in CSL. Ballots to open the gates to read: “Yes” to open the gates or “No” do not open the gates, or the members direct the Board of Directors not to send ballots to the members. There is a requirement that all of the members have to vote on this issue, because it is a private community in the way it is set up. The question of whether or not this can have a “I do not care” or “I do not oppose” issue, there is a letter that includes in it a paragraph as such. We would suggest taking the third option out of the ballots due to the confusion. It appears there could be confusion regarding individuals choosing the third option. By leaving only a “Yes” or “No” vote, it is very clear how people are voting. Consequently that third item on the ballot for the Annual Meeting is no longer there. There has been a request by the Board “Yes” OPEN ALL THE GATES, QUEENSVILLE, FOXMOUR AND THE MAIN GATE. It makes no sense to open one or two, but not all. (Explanation) The following pertains only to the result of the ballot to be mailed to the members if the vote at the annual meeting is sufficient to direct the Board to send out the ballots. The response period shall provide for a presumption of three days for the mail to be delivered, plus thirty days response time for the ballots to be returned. (ie. Received) In the event, the ballots are to be sent, the members are to be advised that a vote of “Yes” open all the gates will result in the gates being open from 5:00 am – 9:00 pm. each day of the week. At such point as CSL completes training and appointment of sheriff special deputies, of its chief and at least four other CSL security officers, the Board may choose to open the gates around the clock seven days a week. A “NO” DO NOT OPEN THE GATES VOTE, WILL RESULT IN CONTINUATION OF EXISTING GATE POLICY, OPEN FOR SCHOOL BUSES, EMERGENCIES AND ACCESS NECESSITIES ONLY. “ I DO NOT OPPOSE OPENING OF THE GATES” has been removed. If approved by the Board, the ballots will be mailed to those requesting an absentee ballot.

Johnnie Vance made the motion to accept the special vote, seconded by Brad Rupel. Motion carried.

Dave said we have been working since back in November with the subject of an annual Budget. He started off all the committees with a statement that even though our budget, in terms of what is billed to the members, is approximately just under \$1,000,000.00, reality, based on what was going on at that time in the fall, we should only consider an operating budget of \$750,000.00, coming from the dues. He has been quoted and miss-quoted many times since then relative to that statement. To clarify what that specifically means: If we bill everybody, those parties who are at the various stages of bankruptcy, foreclosure or tax sale, that continue through the process and do not actually pay the dues and we loose them for the year, would have amounted to enough to reduce our budget to \$750,000.00 available funds. Since that time, because there is a renewed optimism in terms of this community turning around and starting to rebuild itself, there have been a large number of tax sale lots that have been redeemed. That changes that number quite a bit. He does not believe in being overly optimistic. What he has done is take two alternatives for the Board. The Board is aware of this. The Board has to make a decision this evening as to which of two alternatives they need to look at in terms of adopting a budget.

The first alternative looks at \$750,000.00 available in collectible dues. \$36,100.00 in all other revenue sources combined. No more than \$786,100.00 would be available for operating expenses this year. OPERATING EXPENSES: If you look at \$786,000.00 in operating expenses, you basically have to look at how you get under that number and have a viable budget that will do the things that need to be done without guaranteeing you are going to overspend your means. Dave proposed to the Board for the operating budget under Alternative 'A' \$776,850.00; that's \$10,000.00 short of what that proposed reasonably assured amount of money is. That leaves a little flexibility for those unexpected things that always happen. You never avoid them and you never side step them. In addition to that amount of money, we have two loan pay-offs. For those of you who have had a serious problem with the loans over the years because they keep rising, our operating was paid off last Friday a month early. It saved several thousand dollars by doing so. We are tentative scheduled to pay off our five year loan on April 3rd. It is absolutely dependent on one property owner, Tony Baumert, closing the sale of a property in Florida that is scheduled on March 31st. If that happens, we will receive all of his dues in one lump sum, at which point we will pay off that loan. Yes, we will still have to take an operating loan at the end of the year in all likelihood, but he would rather borrow \$100,000.00 (example) for three months (at current rate) than to pay on \$200,000.00 for a whole year at a higher rate of interest. Pledged against it is a \$100,000.00 CD that is earning only 3.6% interest. In other words, we are loosing money for the privilege of that loan. His intent is to pay off this loan. In doing so, we save approximately \$54,000.00 in extra cost we would have paid out this year to service that loan as we make monthly payments on it. By doing this, and also the Risk Reduction program that he discussed several weeks ago, we will save money on our insurance as well. We don't have the final figures and won't have until May. He adjusted by 50% of the change that we're expecting, not all of it, just half of what we are expecting. Again, conservative. End result is, \$776,850.00 operating expenses, \$196,000.00 loan payoffs, the \$100,000.00 CD is converted against the loan, so we don't show it as a receipt or an expense. That is adjusted at the end of the year by the auditors when they do the annual audit. There is also an allowance for non-collectible dues of \$220,000.00. The end result is an expense side of the budget of \$1,192,850.00

Alternative 'B' is for a higher amount. It is for \$855,500.00 operating expenses, with the same \$196,000.00 for loan payoffs, but he took the entire amount, including the \$10,000.00 difference as non-collectible allowance, for a total of \$230,000.00. A bottom line total of \$1,281,500.00. That is approximately \$76,000.00 difference. So what does that represent?. We have a vote that's going to be taken at the Annual Meeting, questioning whether or not to open the gates. He has had numerous people come in and say "so you're going to put the money in the budget and spend it any way for something else"?. His answer was that the Board gets two options.

Alternative 'A', The lower amount is without the third guard who mans the front gate. Alternative B, which is \$76,000.00 higher, is with the guard that maintains the front gate. The question is, if we are going to close the gate at night to keep crime as low as possible, there needs to be a guard at the front gate.

The only significant difference in the two budgets is whether or not there is a guard around the clock at the front gate. (Clyde Whitehead asked where the third guard is, only two guards) Dave said he screwed up! Honest enough to admit it!

What we have, because of the change in people's expectations out here, is not only have we had a large number of tax sale reductions, but we suddenly have approximately half the number of tax sales coming up this spring that we expected. When Dave did the \$750,000.00 calculation, it took into account the tax sales that had already happened. Most of which were not redeemed in the past. For the first time, a lot of them were redeemed. It took into account the number that would be reasonably expected this spring, based on what had been happening. That has substantially changed. If you take those things in consideration, what we get in return is the ability to fund the budget at the higher number.

Alternative 'B'. Dave said his understanding that this has never been done before and he doesn't understand why. If a budget is balanced, you have to have income that offsets expenses. What has been done here is the receipts account for 3,570 dues and assessments billed raising \$981,750.00, the lease on the Restaurant, the lease on the Bait House, Clubhouse income, vending machines (which is reduced). The board gave Dave permission to have those machines removed, because they were causing more conflicts and upset with the people than the income they produced for us.

Interest earned \$3,000.00; We've never done something here that most businesses do, including private communities, towns and cities. Every day you have excess money in your primary checking account. We as individuals don't have enough to do anything with it, but businesses and communities do. For a large part of the year, we have a large amount of money in the checking account not earning any interest. What you do with it under normal treasury functions of a community, is to open a "Sweep Account". You put your money into the sweep account when the business day closes for the Bank. The Bank purchases an overnight federal certificate, that at the moment earns 3.46%, and over night it is earning interest. The following morning at 9:00 a.m. it goes back into your account to pay whatever bills have come in the meantime. Looking conservatively at what we've got for a cash flow, that would earn approximately \$3,000.00 On the high side, it could earn as much as \$5,000.00. In the budget, he took account for \$3,000.00, in anticipation of the board's approval of opening the sweep account. The board has already discussed it previously and gave Dave permission to proceed with setting up the sweep account. The only thing that is required of that is a quick vote by the board authorizing him to file the papers. Everything is set up and ready to go. Bob Phillips made the motion to authorize Dave to set up the Sweep Account to gain the advantage of interest on the account, seconded by Johnnie Vance. Motion carried.

We also have the miscellaneous account with boat decals, stickers, boat storage, judicial fines, and other small items each year. Those together without dues and assessments total up to \$36,100.00. The dues and assessments \$981,750.00 Total amount \$1,017,850.00 How do we get from that to a balanced budget? Dave said he knows this is going to upset everybody! We are doing exceptionally well on collecting the delinquent accounts! Well enough to justify putting in the budget, delinquent account collections in the amount of \$175,000.00, projected for this year, and he is projecting conservatively.

We have had a lot of people coming in doing payment agreements, people paying in full, and a lot of sales taking place. When a sale takes place, with the closing through a title company, we get our money, so we are collecting a great deal of these back accounts. He stated he has held off going to court because we usually get 100 cents on the dollar when we work with people. If we take them to court, past history is 30 cents on the dollar. History within the court itself with people in general is about 54 cents on the dollar. That involves a lot of extra collections costs as well to get that, so for the moment we are still doing this. We also are waiting tomorrow morning on an answer on a Merchant account. Most of you remember at various points we have taken credit cards for dues in here. Tomorrow morning we will find out whether or not our credit has improved to the point where we are reinstated for credit card purposes. If we are, we'll be able to take Visa, Discovery, Master card next week. There is a large number of people with delinquent accounts that have said if we just took a credit card they could pay their account off. They pay the fee for the use of the credit card, so we still get the 100 cents on the dollar. Dave discussed it with the board and they indicated it was a management decision and if he felt it was in our interest to go ahead and do it. That is done.

Back to the Budget: We just added \$175,000.00 bringing it up to \$1,192,850.00 on Alternative 'A' minus a guard. On Alternative 'B', it requires \$263,650.00 and that is very near the upper limit of what Dave had projected as reasonably able to be expected to collect in delinquent accounts. We are presently showing just over \$700,000.00 due, and out of that he personally estimated that approximately \$200,000.00 is non collectible. We will never see that money. It should have been pursued in a timely manner when it became delinquent. Some of these accounts are as much as ten years old, and they were never pursued or if they were, it was never done effectively. Bottom line, his recommendation to the Board needs to be the budget with \$1,281,500.00. That should be page 3, "Annual Budget Receipts A" and the balance of it goes with it. The "B" page is simply pulled out and disposed of. When this is made available to the membership and put on the web site, if you vote the "A" version, the "B" pages will be removed. If you vote the "B" version, the "A" pages will be removed.

Ray Thie questioned who would be the dispatcher if no one is at the gate. Dave explained that the guards have portable telephones and the person in charge would have the telephone that would have the CSL security number on it. Clyde Whitehead stated that every elderly person should think about the guard being taken off the gate. If there is a break-in and R20 comes through that gate, and don't know where they are going, no one is on that gate to lead them in. The guards are the residence means of survival in emergencies with a serious health problem. At the moment, Dave and his family are living in here and he hears some of the problems on the security radio that he carries and he appreciates Clyde's concern.

Dave had one last comment before he asks the board to vote on the budget. It would take several hours to go through the budget in detail and explain it the way that many of you would understand so you would know all the answers to all the questions you will have tomorrow. Right now you don't have any, but tomorrow you will.

What you should know is, Dave went to great lengths not to cut out anything of substance that a community is normally use to and expects. It made it incredibly hard to balance this budget, but he went to great lengths to try to maintain services and make sure that people were taken care of properly and that money is in here to continue doing what we've been doing up to this point, which is incremental progress. Unless the Redevelopment plan is reviewed and the public is supportive of it at the Annual Meeting and the new board, whoever is on it, approves it at the next meeting, unless that happens, the major projects will not occur. This assures that the incremental progress will continue to be made. That is how the budget is set up. The Redevelopment progress is what allows us to jump forward, or erase 10 to 12 years of deterioration that has piled up over that period of time.

Dave recommended the Alternative 'B' to the board. President Ralph Sadler asked the board for a motion on Budget A without the guard. There being no motion, President Ralph Sadler asked for a motion on Budget B in the amount of \$1,281,500.00 Johnnie Vance made the motion to accept Budget B in the amount of \$1,281,500.00 seconded by Clifton Ross. Unanimous Roll Call vote. Eight to Zero.

Dave brought up the issue of 'write in' candidates at the annual meeting. The question was whether or not Section 10, Titled Meetings and Summaries, Item two, affected the ability to have write-in candidates at the Annual meeting. It reads (All candidates for Board of Directors must submit their resume to the CSL Association office, addressed to the Membership and Election committee by January 31st of each election year.) Does this mean that write-in candidates cannot run or be considered for the board because they did not submit a resume before January 31st? Dave questioned our Attorney. His response was, when you look at the By-laws and the Membership & Election package as to what they provide for, there is a clear provision for absentee ballots and write-in candidates provided in the By-Laws. Consequently, there is no issue. Write-in candidates are eligible to be considered at the Annual election or any special meeting election. They cannot 'campaign' as such, but they can be written in on the ballot, so that issue is resolved. Betty Hutt mentioned that they must be members in good standing and will be verified with the records in the office before the votes are tallied.

Another ongoing discussion is very preliminary and it is based on the fact that he promised he would keep us informed. Looking at the Redevelopment Plan, one of the issues has been, why aren't we doing all three major things that need to be done, the streets/roads, the Dams and the pool. There is an unusual amount of upset right now that the pool was not expected to be included. We have a preliminary answer back from the bank (our credit has drastically improved over the last six months), subject to final approval of the loan committee next week, they are prepared offer a loan of \$950,000.00 spread over a period of ten years for re-payment based on \$25. in the spring and \$25. in the fall. A total of \$50. per year dedicated assessments. Contrary to the rumors that have floated for months around here, it is not seventy five, it is not one hundred nor one hundred fifty dollars, it is the same fifty dollars that Dave projected when we started this. The way it will be structured has already been resolved, if the loan is approved, and if the board, after the Annual meeting hearing, decides to go forward with this. It will be initially done as a construction loan and has a period of no more than two years to be completed.

It is a huge project that may take two years. He hopes it could be done in one year, but he would be very surprised. If it takes two years, no problem, it's a construction loan. Interest rate is very close to the same. Why a construction loan? Construction loans are very restricted. It is not an open-end loan. Many people have asked what is going to happen to the money, is it going to get piddled away, here, there, everywhere, for everything but what it is supposed to be? NO! A construction loan, this specific one, is being set up as a construction loan initially. It has to be done in draws, based on actual bills that are presented that have to be against a project budget. Each of the items is approved at the outset. The only bills that can be paid out of this are the ones that are actually against those items. You can't suddenly put something for the clubhouse in there because you had an emergency and that was the easiest place to get some money from. It can only go towards the things related to the streets, such as chip-n-seal, asphalt, any out of pocket expenses for ditching, culverts, and additional base materials, such as gravel. It is a very structured, restricted loan. It cannot be used for anything but what it is supposed to be used for.

On the Pool side: Dave has located, finally, after a great deal of effort, a commercial pool company that uses the rhino lining coating like what is in your pick-up truck, except it is a different type that is used for residential and/or commercial pools. There is a type for trucks, another for industrial coatings, inside of water tanks, another type for private residential pools and another type that has proven itself for many years overseas and for the last five years in this country that is now being used effectively to rehabilitate damaged swimming pools. Dave is waiting for the gentleman to get here, probably this next week. Preliminary guesstimate is we may be able to rehabilitate the pool, not for the \$400,000 to \$500,000 to replace it, not for the \$250,000. to \$300,000 to build a new pool inside the existing one, but to rehabilitate what we have and put it back in service with a good life expectancy, we are looking at \$150,000 to \$175,000. He has not been here to inspect it on site. That could change, but if it can be kept under the \$200,000. there is a real possibility that it can be part of the redevelopment project. If the grants are awarded that Michelle talked about this evening, that would make it possible to do the streets and the pool really correctly, the way they should be.

We had a couple of computer problems over the last week and a half. Two things that Dave is missing is the new employee manual and the other is the initial write up of the Redevelopment plan. Finance reviewed it and recommended to the board to approve it and send it to the annual meeting for a review with the membership. \$950,000.00; \$650,000.00 Street work, \$130,000.00 for the Dams, and the balance for the swimming pool. Details will be in place before the meeting with no problem. Once it is presented at the annual meeting, it will be put on the web site for everybody to see and posted on the boards as well. There was some discussion with various persons speaking about the money. Brad Rupel explained that the \$50.a year is an investment in your property and improve the value of the properties in the community.

Dave recommended to the Redevelopment Plan be presented at the Annual Meeting as a fixed rate construction loan. Bob Phillips made the motion the Redevelopment Plan be presented at the Annual Meeting as a fixed rate construction loan, seconded by Brad Rupel. Unanimous approval. Brad stated it was unanimously approved by the finance committee.

Dave reported the work at the Marina is completed. There was more material removed than was expected and it is down to one inch of the rock bed. The large rock was split and scattered in the area creating more habitat for the fish.

We do have to pay for the work on Crestwood Dam, the Marina work, and lowering that rock shelf for \$25,627.12 to Brooks & Earl Construction. Brooks & Earl going to clear out some of the rocks in the low water bridge area free of charge after they completed the contracted work. Courtesy of some people in here who are bound and determined that they cannot allow anything positive to happen without having to chew it up. Some people harassed Brooks & Earl and they simply loaded their equipment and went home. If you are aware of these people, let them know they are hurting the community. Maybe it will do some good.

There has been an ongoing debate about of a trailer at 682 Beech. An application was made on November 30th, 2006, an inspection sheet done on December 15th, 2006 which is the inspection sheet required by Architecture, a photo copy of certificate of title, and two exterior pictures, and three inside. We have, courtesy of Ray Meador, a copy of a vehicle search done with the State, an inspection review from the County and a further search relative to the VIN number by the State. On December 19th, 2006 a permit approval signed by Kevin Spine. Immediately following a review and a signed authorization by all committee members for the trailer to come in, it was brought in on about December 28th, 2006. Ray Meador thanked Dave for working with him on that situation and gave his explanation of the situation. Dave said that once a home is on the lot it is considered set. Our Attorney has reviewed all of Mr. Meador's findings and this is his answer. (Further, with regard to the mobile home placed on lot 682 which was approved by the architecture committee on or about December 19th, 2006, it would be our office's opinion that the board deny any request to remove the mobile home based on the age. This opinion is based on several factors including, (1) the fact the history of the architecture committee was to approve a mobile home based on the number of years from date of title, not date of manufacture. (2) Section 8, 2B, expressly indicates that age to be determined by title and such action could be read therefore into Section 8, 2A, (3) The architecture committee has previously approved this application as being within its guidelines and it was brought in on that basis.) The verbal comment that went with it is, even though Mr. Meador is in many respects correct, the problem is that 'correct' is what is defined by a court of law. Mr. Herr has already indicated his intent to sue if ordered out and our attorney advises the board based on probability of outcome in court, not on the basis of the dictionary. Mr. Meador is in a large part correct, Dave made that clear. The problem is the court defines what is correct, not Webster. Precedence determines the outcome of court cases. Mr. Meador was assured that he would be paid for his mileage and out of pocket expenses and he has given his receipts to Dave to reimburse him in the amount of \$150.00 from his manager's account. The Board did not object.

Mr. Meador mentioned that a trailer was set up on lot 2629 that didn't come through the committee. Dave said it would be handled in the same appropriate manner. We should not have rules in this community (and we have some) where they are worded in a way where they can be read in several different ways and applied differently to different people. We need to straighten them out based on what we do, not what we say we do, but don't do and enforce them.

Andy Eder suggested that all trailers be better scrutinized from now on by the inspector and the committee members. There was more discussion on other problems.

Dave reported that the Board rejected the bids for the stripping and waxing of the Clubhouse floors. They requested that anything brought in since the meeting. We have a bid from Out Source Partners in the amount of \$2,801.00 for all Clubhouse floors. Ron Pershing stated that with some help he would volunteer to do the floors. Wilma Thomas said the floors were stripped last year, but have not been maintained. It takes a lot of man hours to do the work. The men did the floors last year and did not get paid as they were told they would. Brad made the motion to reject the bid on the floors and authorize Dave to purchase the materials and work with Ron to do the floors, seconded by Johnnie Vance. Motion carried.

IRA's lease is ready for him to sign tomorrow. Before he will be allowed to sign the restaurant lease, we will be discussing the commitments he made for renewal of this lease and whether his schedule for being open will be honored. Clyde Whitehead mentioned that if 90% of the people would let the man run his business, he would do a better job.

The board stated at the last meeting that twenty five copies of the minutes and financial statement. The financial statement is a draft, not the final statement. The copies are made.

Earl Lamb questioned Dave about the Sluice gate cleaning. The night before the divers went into the water, the lake finally rose to the level where the head pressure against the leaves and silt that had built up against the pipe and it blew it out. When they went down in the morning, it was cleaner than it had been for years. The 'V' channel had been full of leaves and silt for years, but when it blew there was so much pressure behind it that it cleaned out the channel and the culverts all the way down through. They found everything was in excellent condition. The state expressed some concern about the size of the pipe. The State has us under a watch program and Dave doesn't have a choice but to lower the lake when there are signs of a major rainfall. That is how Michelle Evans can declare it an emergency.

ARCHITECTURE: Jim Bohannon, liaison, reported one new member for the committee. Robert Bridges, 3051 Dorchester, was accepted by the committee. Jim gave the Inspector's report.

CLUBHOUSE: Virginia Miller, liaison, had nothing more to report on the Restaurant. She thanked the maintenance men for all their hard work on the new walls in the main room. It looks wonderful!!

FINANCE: Brad Rupel, liaison, reported Cathy Moore was accepted as a new member to the finance committee. Brad made the motion to accept Cathy Moore as a member of finance, seconded by Jim Bohannon. Motion carried. Finance recommended approval of the Budget and the redevelopment plan. At the end of February, we had \$189,184.31 (including the \$100,000.00 CD that we cannot use) The accounts receivable at the end of February were \$1,525,618.00 At that time, we still had our long term loan of \$192,000.23 still outstanding and our line of credit was \$99,600.00 Now for the good news! As of today, we have approximately \$85,000.00 cash in bank, the \$99,000.00 operating loan (which turned into \$100,359.44 with interest added) was paid off on March 16th.

So that loan is gone and paid! (clapping) Our February dues collected was \$107,917.83 Our February sales collected was \$2,053.44: March dues collected through the 20th was \$103,463.82; March sales \$890.54 We expect to collect from a large property owner approximately \$140,000.00 by the end of the month along with anyone else that hasn't paid. Time is here for everyone to pay without penalty. Once that is collected, we expect to take the \$100,000.00 CD along with other collected money and pay off that long term loan. We expect to be debt free by April 1st. (clapping) That will pull our cash down, but we do expect to collect past dues. We will need to obtain a short term operating loan at the end of the year, that's part of the deal, but we won't be paying approximately 9-9 1/2 % interest on a long term loan. The interest savings will be almost 6% difference on that money. It is a good plan and we will work with anyone that will work with us.

JUDICIAL: Ralph Sadler, liaison, stated that all cases have been delayed until the April meeting of the panel. New procedures have been adopted by Security. Ralph stated that the verbal warnings are being done away with. The panel met with the security liaison and they adopted a new procedure for the tickets. Johnnie Vance said that when the guard writes a ticket he will put the hearing date on the ticket. This does away with the 14 day letter. Ralph has designed a new form letter that will apply to all situations for notifying all persons.

LAKES: Clifton Ross, liaison, reported that Dave reported most of the lake work progress.

MEMBERSHIP & ELECTION: Sharon Cline, liaison, reported the committee members have been busy preparing the agenda and securing gifts donated by area merchants and others for prize drawings for the Annual Meeting. Voter registration is from 11:00 a.m. to 1:00 p.m. here at the Clubhouse. The committee members strongly encourage all association members to attend and vote in this election on Saturday, April 7th, 2007 Sharon publicly thanked Andy Eder for building a ramp for her husband making it easier for her and one other person to help him into their home.

RECREATION: Don Riddle, liaison, was absent. Carolyn Phipps and the committee will be stuffing eggs for the Easter Egg Hunt on April 1st.at 1:00 p.m. Courtesy of Rick Hardwick, the VFW will donate for the Easter Egg Hunt. Carolyn also thanked those that helped with the food being taken to the home of Tom and Judy Trulock

SECURITY: Johnnie Vance, liaison, reported the recommended amendment to the Security packet with the appropriate adjustments to the Judicial packet regarding stray dogs. CSL SECURITY, ARCHITECTURAL INSPECTOR and/or the community Manager may take a photograph of any stray dogs (defined as dogs running without restraint) in the street or clearly crossing different owner's property. These photographs are to be published on our website.

If identified by two or more residents or property owners, a ticket shall be issued to the resident or property owner so identified in the amount of \$25.00 (1st offense), \$50.00, (2nd offense) subsequent offense by either CSL Security or the Architectural Inspector.

In the event that the dog is disclaimed by the owner, Jennings County Animal Control will be requested to dispose of the dog.

Mr. Vance also gave the Security activity report.

STREETS: Bob Phillips, liaison, reported the committee accepted two new members. Bob made the motion to accept Robert Bridges and Harold hawk as members, seconded by Johnnie Vance. The committee needs more members. Dave previously mentioned the new dump truck.

Johnnie Vance made the motion to adjourn, seconded by Bob Phillips. Adjourned.

Ralph Sadler, president

Date

Virginia Miller, secretary