

CSL Manager/Receiver Report May 18th, 2016.

My name is Mike Miller and I was appointed by the court as Receiver of CSL Community Association in May of 2015. Since that time I have had the opportunity to meet most of you face to face in the office.

For those of you who I have not had the opportunity to meet, a brief description of my duties as receiver are as follows:

- Management of community assets
- Collection of dues and assessments
- Care and maintenance of facilities and common grounds
- To communicate to you what is currently transpiring that will have an affect on your ownership of property within CSL

Our mission is to improve the environment and living conditions for all CSL Community residents and bring back property values in the process. This will benefit not only CSL but the Jennings County community as a whole. In the future we aspire for CSL to be thought of as Clean Safe Living!

There have been a lot of comments and questions with regards to who I report. As a court appointed receiver I file a financial report with the court monthly. Quarterly I attend a hearing in JC Superior Court to review any major financial dealings or changes to our operating structure. Quarterly I also meet with an advisory committee made up of one Jennings County commissioner, a representative from Mainsource Bank and a member from the past CSL board. At this meeting all financials and programs are reviewed.

WE HAVE A NEW WEB SITE

Please visit our website often for the latest updates. We also have contact information for the office staff on the web.

Office Hours

In an effort to hold down cost, the office will remain closed on Monday's and open Tuesday thru Friday 10:00 am to 3:00 pm. Messages can be left at telephone number 812-346-7841 or via email at the web page. FOR SAFETY REASONS, PLEASE NOTE THAT WE CAN NO LONGER ACCEPT CASH AT OUR OFFICE. CHECKS OR MONEY ORDERS ONLY AT THIS TIME.

Banking Status

As of today's writing we have \$744,063 in the bank.

Our bank loan has been paid down from \$580,000 to \$265,000. Final payment will be made in Oct 2018. There are NO plans of borrowing any further monies.

Expense budget for 2016 is \$682,000, including \$120,000 for demolition (more on that later).

Estimated bank balance at year end is \$350,000. This estimate is based on anticipated results from increased collection efforts. More on that later.

2015 independent compiled financial statements will be posted on the web site once we receive from ENSIGN CPA GROUP.

Collections

All owners who have past dues need to know that there is a concerted effort to collect back dues. We have two law firms actively pursuing these dues and over the next couple of years intend to bring to court all owners with dues that are late. There is a lot of misinformation that dues no longer have to be paid. This argument has been taken all the way to the Indiana Supreme Court and it ruled that dues have to be paid regardless of the condition of the amenities. It is my obligation to collect back dues for the benefit of all HOA members. There is no such thing as a free lunch. We encourage you to make arrangements with us for catching up payments before you end up in court which adds cost to both of us. I promise you all monies will be well spent to bring CSL back to Clean Safe Living.

Cleanup

In my previous update to the members I noted that we were in the process and getting approximately 1,100 lots that had been on the Jennings County tax rolls turned over to CSL. The purpose of this activity is to gain access to the lots for clean up without the expense of going to court to obtain permission. Approximately 110 lots that were on the tax rolls are in need of cleanup of which 55 of those are major cleanups. We have put a cost estimate of \$94,500 to clean these lots and work should start in late June once all the paper work is complete.

We have submitted over 200 other locations to the JC Area Plan Commission for violations. We are working closely with their team and as of this writing there are 10 that have cleared the court system and are now ready for cleanup. The APC is currently in the process of getting quotes for the cleanup.

We have had ongoing meetings with the JC Board of Health and Indiana Department of Environmental Management looking for other resources to help with our task of cleaning up CSL.

Amenities

The process to start replacing amenities has begun as the budget will allow. The first step was to refurbish the Atkinson Circle Beach. We have made the following improvements:

- Beach graded and new sand brought in
- Shelter house refurbished
- Grill refurbished
- Fence and drainage repaired
- New ropes and buoys

The North Beach has been closed indefinitely.

Along with over a 100 volunteers aided by a \$2,500 grant from the JC United Way and support from CSL, there was a day of caring at CSL in early May at the playground area at the old pool location. The work is still in process and should be complete by end of May.

We purchased 7 new NO WAKE buoys for the big lake. We have some very helpful CSL volunteers working to get them in the water. The program is 1/2 complete and expected to be completed by June 1st.

Lake Committee

We have formed a lake committee with CSL volunteers. To get a lake sticker you must be current with your dues. We now issue two stickers (one for the boat and one for the trailer). Our new method is not to approach anyone in person but to monitor the parking lots to check for stickers on the boat trailers and boats being put in the lake. If we find a trailer or boat without a sticker, we collect information about the vehicle and trailer and advise the violator with a written warning attached to their vehicle. If we should see their vehicle again it will be towed at their expense. It's trespassing and the law backs us up. So far we have not had to tow anyone.

Contracts

Mowing: We were able to reduce the cost of mowing by \$19,000 annually.

Insurance: We reduced annual cost by \$6,000.

Cost Avoidance: While the restaurant was a nice gathering place, we have avoided approximately \$15,000 in annual expense based on past agreements with private operators. We have turned this into a place for local and state police to work from and it's been a major success.

Roads

As many of you have noticed we attempted to patch many of the potholes that were present at the end of last year. We again are back at the project and should finished by June. Along with patching roads we are attempting to clear ditches that are clogged that cause water to run over the roads adding to the quality issues. If you have a culvert that is clogged or damaged, it is your responsibility to repair or replace the culvert. Please help us with the project.

The long term plan is to turn over the roads to Jennings County. Today it maintains approximately 15 miles of our 34 miles. They can only accept roads that are in acceptable condition. This is going to be a big hurdle for us to overcome in the coming years. I have had several meetings on the roads with suppliers, commissioners and county engineers trying to formulate a plan to get the remaining 19 miles into the counties inventory. In the meantime we will continue with patch repair.

We now have approval from INDOT to open the Queensville gate on Hwy 7 during time of high water. We can only open the gate when BOTH the low-water bridge and the dam on CSL lake are overflowing. We have a light at the gate and at the main entrance to CSL on Hwy 7 that will be turned on when the gate is open. This should assist owners from driving all the way to the dam or low-water bridge to find it closed.

Junk Cars

We have numerous vehicles on our properties that are not plated and appear to be in non-working condition. If you need help in removing a vehicle from your property, call Mary Hoevener, Compliance Manager, and she can assist getting it removed for you at no charge.

There may be some limitations but in most cases we can get this done with no charge. Our goals to make CSL stand for Clean Safe Living will take years to accomplish. I realize that all who live here with the daily headaches would like to see it move faster. It took twenty years to get in this shape and will take several years to return it to living condition that we all expect. Your patience is appreciated. Lastly I want to send a big thank you to our Jennings County Sheriff's department along with the Indiana State Police for their concerted effort to bring crime in CSL down and do their part in making CSL stand for Clean Safe Living.

If you have any thoughts or suggestions that could be useful in achieving our goals, please contact me at mikecslrec@gmail.com.

Respectfully,
Michael T. Miller
Receiver