

Cedar Point Property Owner's Association

Board of Directors Meeting

Saturday, January 14, 2017

Board members present were Robert Corder, Fred Garland, Pete Yurgensen, and Ray Niederhofer. There were 32 members in attendance. The meeting was called to order at 10:00 am.

Secretary's Report- Robert Corder

- Minutes of October 14, 2016 Board of Director's meeting were presented and approved.
- The new website interfaces work. The look and feel is slightly different.
- Deed restrictions project - Hope to have a side-by-side comparison of the current vs those proposed by the committee mailed out by late February, followed by an open discussion in March.

Treasurer's Report – Pete Yurgensen

- Financial status year end 2016 - We finished 2016 with a favorable cash position. Contributing factors were collection of many delinquent accounts, renegotiated fees with ProStar, and booking some depreciation that had been missed for prior years.
- Collections / Foreclosure status -
 - To date we have collected \$70K of road fees billed.
 - The balance is due by the end of February.
 - To date we have collected \$138K of \$338K maintenance fees billed. The balance is due by the end of January.
 - We wrote off \$71K of delinquent accounts. Due to reserves that had been set up for this, the P&L impact was only \$18K.
 - We have collected \$61K of delinquent fees.
 - There are 27 accounts on pay plans that will end in February.
 - There are 22 accounts totaling \$31K with our attorney. To the extent those actions are not successful, decisions will have to be made whether to foreclose or write them off. There are several other small ones we are working on in house.
 - We have filed \$78K of liens. These are released as amounts are collected.
 - There are 13 properties in stages of foreclosure. We don't know when they will get before a judge.
- Jack Carpenter requested information about the change in some line items between 2014 (not in the current report) and 2016. That will be researched and answered.
- He then congratulated the Board for consistently signing reports, noting that had not always been done in the past.
- He also questioned 1.5% interest mentioned in the December financial recap. Pete responded that was on a CD which has since been cashed.
- Nancy Ward said she felt that charging interest on pay plans was not proper. Jack said it appears to take advantage of the people who cannot afford to pay. And stated that pay plans are on time and not late. Lee Bacon asked why it is being charged now. It was noted that a 10% interest for late payments was in the 1984 deed restrictions and in the current deed restrictions, so must be charged. The due date is defined as January 31. Our attorney brought this to our attention. Lee commented that we have never been

able to change it. R.J. Etter noted that it can only be changed by a vote. Pete noted that it requires 67% to pass. R.J. confirmed that.

- Glen Price asked if the budget forecast was based on billed or expected maintenance fees. Pete responded it was based on expected.
- Discussion turned back to the deed restriction project.
 - Lee asked why Robert said he doubted we would get rid of one vote per lot. Robert said he doubted it would carry.
 - Several people felt the one vote per owner should be in the proposed deed restrictions.
 - There were a few comments about an 80% straw poll support of that provision, but there was no offering of what proportion of the community that 80% represented.
 - Robert repeated that we are starting with a draft from the committee, and the March meeting is for review of that and to gather comments.

Gate Operations- Fred Garland

- Gate staffing level is good. Our one resignation has been filled.
- Resident stickers have been available and will continue to be available. Old stickers will not be honored after January 31.
- New stickers for renters are on order. Once they arrive, old stickers will be honored for another 60 days.
- In 4Q16, 6 trailers and 18 vehicles have been voluntarily removed in response to violation letters. 3 other members are trying to find economical ways to remove their trailers.
- In 4Q16 about 30 letters were sent asking people to clean up and/or fix up their properties.
- In 4Q16 about 40 letters went out asking people to mow.
- Positive action in response to letters had been very high.
- Since July, there have been over 250 recorded dump violations. The majority were minor, like leaving items on the ground. They will receive warnings. The more serious violations (large furniture, construction trash, etc) will receive fines.
- Fred will propose a slight liberalization in the types of items that are allowed to be dumped.
- Glynn Price asked if anything could be done about the "natural state" lots. He felt the sum total of the trees, brush, and weeds was an eyesore we should address. Nancy noted that once a lot was sold, it was "developed" and had to be maintained. R.J. confirmed that. Fred will research the topic further.
- Jack asked if stray dogs were a problem. Fred said they were. Jack offered to provide a machete. Fred noted that would be illegal.
- Jack asked if police patrolled the community. Pete responded yes, occasionally.

Maintenance Report- Ray Niederhofer

- We purchased a new tractor.
- The old Kubota tractor will go up for bids. We have an estimate of the work needed to bring it up to par.
- Acie questioned the size of a culvert pipe that was replaced. Ray replied it was done to state requirements.
- Acie asked if the equipment is being maintained. It is.

Old Business

- ACC requested that the Board review and change the fee structure for projects. A revised schedule was proposed and passed.

New Business

- The 2017 Board election will be in May. We need candidates to run. There will be an open forum at the club house on February 11. The current Board will be available to discuss job duties.
- Pete spoke with the TCEQ last week and was assured that the inspector who told us our dump facility is not up to standards was not her to review us. That was just a passing comment, not any sort of official statement. He was in the process of reviewing several dumping companies and ProStar was one of them. We are not on any schedule to be reviewed. Before any review is done, we will be notified in writing. The Boards position is we will take no action until such time as we instructed to do something after actually getting inspected.
- Lee asked about Glen stating a cost. It would be irresponsible to wait until receiving a short notice to comply before researching costs. The cost to comply was researched and documented so if we ever do get confronted with a compliance demand, we can quickly move to a vote of the members to decide how to proceed. There is no current cost we need to fund, and as already noted, we will take no action until an actual inspection leads to a demand.
- Sharon Talbot requested confirmation whether we currently have any fine liability. We do not.
- Acie noted the dump walls need some repair work.

The meeting adjourned at 11:45 PM

There were no topics for an Executive Session.

Respectfully submitted,

Robert Corder, Secretary

APPROVED:

Glenn Noble, Board President