

**Cedar Blue Property Owners Association
Board Meeting Minutes
May 16, 2015**

1. **Board Members Present:** Wendell Kluge, Delton Yoder, Clyde Kluge, Maggie Thompson, Ken Brown, Dewayne Denwalt, Tom Elliott, Ronnie McGee
2. **Board Members Absent:** Gerry Batt
3. **Property Owners Present:** The owners of 20 lots were present.
4. **Call to Order-**
The Board Meeting was called to order at 11:08 am by Wendell Kluge, President.
5. **Moment of Silence-**
A moment of silence was observed.
6. **Change in Board**
Tonya Glasgow was hired as the Sr. Office Manager and therefore had to resign from the Board. Tom Elliott was appointed to the Board to replace Tonya. There was also a change in the officers. President – Wendell Kluge, Vice-President – Delton Yoder, Treasurer – Clyde Kluge, and Secretary – Maggie Thompson.
7. **Approval of the Meeting Minutes for April 18, 2015**
A motion to accept the minutes as written by: Tom Elliott
Seconded by: Dewayne Denwalt
The motion passed unanimously.
8. **Committee Reports-** All lot owners were asked to hold their comments and questions until the end of the meeting.

Committees have been created and implemented to oversee different areas within the Park. Each committee has authorization to take care of certain actions and will present a written report every month that will become a part of the minutes. You will see that there are times when more than one committee can be involved in a project. If you would like to volunteer to be on any of the committees, please email/contact any board member. Cedar Blue welcomes your help, ideas and suggestions. These committees and its members will be posted on the website.

Environmental Committee

Chairman: Ken Brown

Members: Ronnie McGee, Delton Yoder, Dewayne Denwalt

Committee Report read by Tonya Glasgow. See report below.

Financial Committee

Chairman: Clyde Kluge

Members: Delton Yoder, Maggie Thompson, Gerry Batt

A summary of the committee report was done by Clyde Kluge. See below for the full committee report. \$54,888.83 was received in ordinary income in April.

Properties in Foreclosure: Another owner has paid so we are down to 5 lots in foreclosure. Total outstanding on these is \$12,235.25

A new list of accounts receivable has been developed minus the properties in foreclosure. These total 89 lots. Total owing is \$54,220.68. The process of filing liens will be started on these.

A motion to approve the April 2015 financials by: Clyde Kluge
Seconded by: Ken Brown
The motion passed unanimously.

Infrastructure Committee

Chairman: Delton Yoder
Members: Dewayne Denwalt
Tom Elliott
Wendell Kluge

Security Committee

Chairman: Ronnie McGee
Members: Ken Brown
Maggie Thompson
Gerry Batt
John Thompson

No report was turned in.

Insurance Committee

Chairman: Ronnie McGee
Members: Gerry Batt, Wendell Kluge

Committee report read by Tony Glasgow. See report below.

Maintenance Committee

Chairman: Ken Brown
Members: Dewayne Denwalt, Tom Elliott, JW Mann

Committee report read by Tonya Glasgow. See report below.

Ken Brown noted that putting tree limbs and brush in the roll offs costs the park more money. Owners were asked not to do this.

Wendell Kluge commented on how nice the pipe fence by the office looked.

ODEQ Committee

Chairman: Clyde Kluge
Members: Ken Brown, Ronnie McGee, Dewayne Denwalt

Clyde has spoken with the engineer twice this past week and he has committed to get us the calculations we need by early next week. These are needed to get a good estimate on the cost of doing the lagoon work. The most expensive part of the project is in the haul dirt that is needed to be brought in to build the new walls. See report below.

Personnel Committee

Chairman: Wendell Kluge, President
Members: Delton Yoder, Vice President
Clyde Kluge, Treasurer
Maggie Thompson, Secretary

Wendell Kluge covered the highlights in the report. See the full report below

Covenants & Bylaws Committee

Chairman: Tom Elliott
Members: Maggie Thompson, Gerry Batt, Wendell Kluge

There was not written report. Tom Elliott reported that we have spent time at the courthouse and only found one recorded change dealing with an audit provision which has some errors regarding where it is supposed to go in the covenants which we are dealing with. The Committee is also looking at a 2001 judgement and weigh it against the Covenants and Bylaws to make some proposals to the Board to create a basis to build from.

Activity Committee

Chairman: Peggy Wright, President
Members: Julie Gillum, Treasurer
Sandy Kluge, Secretary

Sandy Kluge reported they spoke with Jay Hayes about the July 4th weekend. The CBFD is planning a hot dog fund raiser by the Park office and they plan to have a band in the evening. They can also do the fireworks if the CBFD does not pay for them. The Activities Committee is going to have a golf cart parade as well. Ken Brown suggested that the hot dog event be done at the Family Center rather than the Park office as it usually is attended better.

If the Fire Department buys the fireworks then they have to have a certified person to shoot them off which they don't have. Jay offered to shop to find the best deal on fireworks and bring that information back to the Activities Committee for them to purchase. It was noted that often some vendors will donate fireworks if a certain amount is purchased.

Clyde Kluge noted there is \$1,000 in the budget for entertainment and he was willing to allow that to be used for the fireworks.

Ken Brown made a motion to ban all fireworks and Clyde Kluge seconded it. A discussion was held about whether or not to allow personal fireworks. Some felt that personal fireworks should not be allowed because they are set off all night and in all areas of the park. Others like the fireworks. Following discussion Ken withdrew the motion. The park rule is that personal fireworks is only allowed in the ball field at the front of the park. No personal fireworks is allowed anywhere else in the park and quiet hours are to be observed. It was suggested that the Board review a penalty for setting off fireworks in areas other than the ball field. It was also recommended that signage be posted about where they can be fired and that everything is at everybody's own risk.

9. **Fire Department Report** – Report is same as Activities Committee above.

10. **Sonshine Community Church** – No report

11. **Old Business-**

a. **Golf Cart Meeting**

A group of Board members met on 3/15/15 to further discuss the outcome of the golf cart meeting with the lot owners. They have started work on the registration process. Tonya reported there are 96 carts registered at this time and after a drive around the park she found 323 golf carts that were visible. The group is looking at annual registration and requiring all visitors golf carts to be registered in the same manner as owner carts. They plan to require the owners to sign an agreement to hold the Park harmless should any damages or injuries occur. Golf carts without lights will be allowed but will have to be off the road by the official sunset time. The group will probably setup a special date to help register carts as well. The group was originally looking at July 4th but this may be a bit ambitious. The group needs to complete the entire process of drafting the new policy before instituting anything. The group is also looking at whether to use different colored stickers each year or just something that changes the year. The group is also looking at hiring a security guard with the proceeds of the golf cart registrations. All of this process is taking some time.

b. **Office Assistant Position**

The Personnel Committee is meeting following the Board meeting to discuss this.

c. **Letters to lot owners to clean up lots and mowing**

Nine (9) letters went out to owners about noncompliance and the need to clean up their lots. If not done by a certain date they will be fined daily and their proximity cards will be deactivated.

With all the rain the lot owners were encouraged to get their lots mowed. Sometime in June letters will go out to owners whose lots need to be mowed.

d. **Office incident update**

We have continued to follow-up with our attorney weekly and still have no response officially him. This is now going on about 3 months. Tom Elliott spoke to the Sheriff this past week and was told he cannot do anything until he is given the case from the DA. He did not know what the status was with the DA.

e. **Cell Tower**

Delton Yoder reported that ATT was considering various sites. They are not going to expand their coverage out in this area so there will be no cell tower going up. The contract was for two years and if they didn't install the tower in that time the contract became null and void. The Park received one \$800 payment.

12. **New Business-**

a. **Past due accounts and deactivating proximity cards:**

This year the owners who are past-due on assessments will receive letters notifying them they are past-due, the amount owed, and that their proximity cards will be deactivated by June 15, 2015 if not paid.

From this point forward, beginning May 1, 2016 any owners that are past-due on May 1st following the April 30th deadline will have their proximity cards deactivated with no further notice. This will restrict them from driving their vehicle into the park. The Park can restrict them from use of the common areas which includes the roads for nonpayment of assessments. We are hoping to cut down on the expense of pursuing collection of past-due accounts.

b. **Storm shelters and siren**

The Park staff will be responsible for keeping a watch on the weather during the work day. Should they learn from the local weather forecasters (i.e., KFOR, KOCO, KWTW) that there is a slight risk or higher for the Sulphur area of high winds, hail, and/or tornadoes during the day or evening, they will open the storm shelters and leave them unlocked throughout the night. They will remain open until the risk is over and locked up during the next business hours.

As a reminder, these shelters cannot be left unlocked all the time as they get vandalized. Owners have the ability to get approval via a construction permit to install their own shelters.

The siren located by the Fire Department was installed by them as best as the Board recalls. Wendell will follow-up with Jay Hayes on this. In the meantime the Park has no way of sounding the siren.

c. **Gate not working**

Recently the gate quit working following a lightning strike. The circuit board went out and the gate had to be left open until it could be repaired. It is now repaired and working. The gate is working well and helping us track transactions. The Board discussed what to do in the future should the gate quite operating. The options are either to man the gate, which is a large expense, or leave the gate up. The company that installed and services the system is in Oklahoma City and they were not able to come to the park for about a week as they had many service calls following the storms in the city in the past week. The Board decided in the future to leave the gate open when is not working and hope it won't take a week for the repairs to be made.

d. **Pool hours and days of operation**

The pool will be closed on Wednesdays for maintenance. The pool hours will be 10 am – 10 pm. Currently there are pumps not working. The hope is to have these repaired in time for Memorial Weekend.

e. **Penalty for breaking gates and equipment:**

If a vehicle and/or individual(s) intentionally break a security gate arm or security gate equipment and the vehicle and/or individual(s) can be traced back to a specific lot, the lot owner will be assessed the cost of replacing the gate equipment (including parts and labor). In accordance with Sections VIII and XII of the Covenants, a \$200 fine will also be assessed the lot owner for the first offense and \$400 for the second offense. If the fees and fine are not paid by the date indicated in the notification letter, all of the lot owner's cards will be deactivated. These charges will be added to their account and will be treated as part of their annual assessment. If they remain unpaid, the Park may seek legal action to collect them by filing a lien on the property and possible foreclosure action as allowed in Section VIII B and D of the Covenants.

Peggy Wright (CN-067) asked if the Covenants and Bylaws needed to be changed. Discussion was held and it was noted that the Board has the right to institute rules and penalties for the rules without changing the Covenants and Bylaws. It was also noted that vandalism is a crime and should be reported to the Sheriff's department. Peggy felt the penalty for breaking the gate should be much higher. It was also noted that if this type of vandalism becomes a problem the amount of the fine can be revisited.

13. Property Owner's Comments

John Thompson (GL-054) – He asked about the fireworks done by the CBFDF. As he understood in the past the CBFDF purchased the fireworks and had the certification to do this. Clyde Kluge indicated that in the past the CBFDF purchased the fireworks and they were reimbursed by the park. A new law has been put in place that if the CBFDF purchases fireworks for a commercial display they have to have a certified person to set these off and the CBFDF has nobody certified. His question really deals with

liability. Is the park liable for any injuries incurred by fireworks? Clyde Kluge suggested that the individuals who choose to attend have an option of attending or not attending so by choosing to attend they hold the liability. Wendell Kluge said that after the hot dog fund raiser is over they will rope off the area where they will be handling the fireworks. There is risk with this. John felt like the attendees have an expectation of safety when they attend a display that done by a fire department. He suggested that attendees should be informed that they attend at their risk. Ken Brown suggested posting signs that say enter at your own risk. See further discussion under Activities Committee regarding this.

Gavin Wilson (CB-210) – Three weekends ago he was leaving CN and returning to his place. He saw a minivan chasing some golf carts and it almost hit one of the golf carts. He described the incident. He was asked to meet with the Board following the meeting.

Jesse Wright (CN-067) asked what all the stuff in the laundry room is. After review it appears that somebody has done some cleaning at their lot and left things for free in that area.

Peggy Wright (CN-067) – She asked if we could put a sign at the gate about the fine for vandalism of the gate.

14. Adjournment-

A motion to adjourn was made by: Ken Brown
Seconded by: Wendell Kluge
Motion carried unanimously.
Board meeting adjourned at: 12:15 pm

Environmental Committee Report May 2015 Board Meeting

Chairman: Ken Brown

Members: Ronnie McGee
Delton Yoder
Dewayne Denwalt

Permits for approval:

There are two (2) building permits submitted for approval when this report was generated.

Goal for 2015:

The committee is in discussion to begin an update to the current Environmental guidelines that are being followed at this time.

Signed
Ken Brown
Environmental Committee Chairman

Cedar Blue Property Owners Association

Finance Committee Monthly Report

Members: Clyde Kluge, Chairman, Maggie Thompson, Delton Yoder

For Month of Apr. 2015

1. Accomplishments:

Reviewed the Financial Reports for Apr 2015.

1) Operating Account

For the month of Apr 15 the Park received \$54,888.83 in Ordinary Income (primarily Annual Assessments). This brings the total Ordinary Income for the FY15 year to a total of \$345,783.66. This is approximately 92 % of the total expected income of \$374,000. Expenses for the month of Mar 15 were \$20,459.70. Bank charges are over budget by \$487.83 primarily due to an increase in the number of credit card payment we are processing. We have spent approximately \$1,172.82 in credit card charges this FY to date to obtain approximately \$34,650 in assessment income. This is an item the Finance Committee will be looking at to see what we may be able to do to recoup these costs. The Office Expense was \$994.91 over budget which is primarily due to the acquisition of a new PC and the purchase of a cloud service to backup all of our data offsite. These items were acquired a couple of months ago. With the addition of the electronic gate, having this data backed up offsite has become more critical. The payroll expense is over by \$957.72 and this is due to us paying the gate staff in Sep and Oct 14 and the budget was set as though these personnel were gone on 1 September 2014. This may eventually work itself out over the remainder of the year and is down from being over by \$2,286.83 last month. The balance in the Operating Account is \$2,708.01 and the Money Market Account is \$318,449.74 for a total of \$321,157.75. The total balance for last month was \$286,538.79.

FY15 Operating Expenses				
		Cum Year to Date Budget	Cum Expenses to Date	Cum Year to Date (Over)/Under Budget
Account Description	Account Number			
Bank Charges	60100	\$ 800.00	\$ 1,287.83	(\$487.83)
Computer and Internet Charges	60210	\$ -	\$ -	\$0.00
Fire Department	60220	\$ -	\$ -	\$0.00
Fuel	60240	\$ 6,333.33	\$ 3,283.25	\$3,050.08
Insurance	60260	\$ 27,000.00	\$ 8,352.63	\$18,647.37
Interest Expense	60270	\$ -	\$ -	\$0.00
Legal and Professional Expense	60280	\$ 5,333.33	\$ 5,235.00	\$98.33
License Expense	60300	\$ 864.83	\$ 31.50	\$833.33
Lien and Deed Fees	60320	\$ 333.33	\$ -	\$333.33
Office Expense	60340	\$ 1,666.67	\$ 2,661.58	(\$994.91)
Postage Expense	60345	\$ 1,200.00	\$ 976.10	\$223.90
Payroll Expense	60360	\$ 61,952.80	\$ 62,910.52	(\$957.72)
Property Taxes	60380	\$ 1,598.00	\$ 1,598.00	\$0.00
Repairs and Maintenance	60400	\$ 31,666.67	\$ 20,608.65	\$11,058.02
Travel Expense	60420	\$ -	\$ -	\$0.00
Entertainment Expense	60430	\$ 666.67	\$ -	\$666.67
Utilities	60440	\$ 65,200.00	\$ 54,026.05	\$11,173.95
Uniform Expense	60550	\$ 2,333.33	\$ 1,939.26	\$394.07
Federal Taxes	99000	\$ -	\$ -	\$0.00
Land Payment	16900	\$ 11,400.00	\$ 11,336.27	\$63.73
Furniture and Office Equipment	15250	\$ 333.34	\$ -	\$333.34
		\$217,848.96	\$ 174,246.64	\$43,602.32

2) Infrastructure Account

For the month of Apr 15 the Park received \$4,008.00 in Infrastructure Assessments. The Account paid out \$0.00 in expenses. The Infrastructure Account has a balance of \$194,732.71.

Total of all Accounts is Operating Account of \$321,157.75 plus the Infrastructure Account of \$194,732.71 equals \$515,890.46.

b. Delinquent Accounts:
No change from last month.

Please see below by lot, balances due. The amount owed may consist of yearly assessments, special assessments, late charges or other fees. This listing is as of 4/17/15. All balances were due 5/2/14.

Lot #	Amount Owed
CC-056***	\$ 2,858.62
CN-095***	\$ 1,898.00
CR-027***	\$ 3,767.16
DP-015***	\$ 953.00
GL-041***	\$ 2,758.47
GL-046***	\$ 1,073.00
Total Outstanding	\$ 13,308.25

*** These 6 properties have been turned over to our park attorney Phil Hurst for foreclosure proceedings on these dates December 2014 & March 26, 2015. Legal paperwork has been filed with the Murray County court April 16, 2015 with the exception of GL-046. The Property owner of GL-046 has been given until 4-30-15 to pay this account in full. If payment is not received by this date, property will go to foreclosure proceedings.

The Properties going into the foreclosure process have decreased from ten (10) to six (6).

SUMMARY:

Total outstanding balances as of 5/9/14: \$77,290.12

The above total consists of the following totals:

- Liens filed on 46 properties:
- \$65,048.47 + \$ 5,198.00 (lien filing fees) \$70,246.47
- Statements sent to 15 properties: \$ 7,043.65
- \$77,290.12

Total payments received as of 4/17/15: \$63,981.87

Balance Outstanding: \$13,308.25

c. Office Irregularities.
No change from the last report.

The following table is the current status and impact to the Park

Supplier	Date	Cost	Suspect Charges	Status	Comments
Wal-Mart	11/22/14	\$730.84	\$445.02	Paid	Suspicious charges
CBPOA, Inc.	Various	\$4,500.00	\$4,500.00	Paid	Cash payments to the Park and cash is missing
Amazon	11/4/14	\$225.41	\$225.41	Paid	Suspicious charges
Pay Pal	11/23/14	\$151.02	\$151.02	Paid	Suspicious charges
USCC	11/24/14	\$458.44	\$458.44	Paid	Suspicious charges
Ice Sales Cash	1/31/15		\$8,181.00	Paid	Cash is missing
CPA Fees	11/17/14	\$650.00	\$800.00	Paid	This is the actual cost incurred by the Park CPA to investigate this matter.
Total to Date		\$6,715.71	\$14,760.89		

Shaded boxes indicate changes from previous month

2. Future Activities

- a. Continue to monitor, manage and investigate the above noted issues.
- b. Support discussion with attorney and law enforcement agencies.
- c. Prepare action on handling of Credit Card charges.
- d. Encourage cost savings.

Clyde Kluge

Finance Committee Chairman

Finance Committee Addendum Report

For Board Only at This Time

This addendum report is to answer questions and provide some questions asked as they may impact the Parks finances and Not-for-Profit Status. This information is provided based on discussion with the Park CPA. There are two potential impacts: 1) Not-for-Profit status and 2) our tax return.

1. Golf Cart Fees – Question pertains to assessing the fees being discussed as part of the revisions to the golf cart rules. These fees should not impact the status of our tax return or our Not-for-Profit status. The CPA sees these fees as similar to the washing matching money we get – part of doing business of managing the Park and the services provided.
2. Website advertising – this pertains to selling space on the Park website to those vendors that may be providing services, etc. to our owners or want to let our owners know they are in the area and provide services, amusement, etc. This could be problematic and the CPA was going to have further discussion with his POC at the Oklahoma Tax Commission. His immediate response was that this could affect our tax return as we would have to treat this like “ordinary income” and not have the income fall under our Not-for-Profit filing. All would still be done as a single return but we might have to show this differently. I gave him some scenarios to have the POC consider. More to follow.

Insurance Committee Monthly Report May 2015 Board Meeting

Chairman: Ronnie McGee

**Members: Gerry Batt
Ken Brown
Wendell Kluge**

Planned Tasks:

All insurance policies have renewed and installment payments have been made to each carrier. This includes: work comp, the officers & directors liability and the commercial package plan for the park.

The Insurance committee met in March to review and discuss our current policies with another local agent. He will be sending Ronnie quotes for comparison. Upon receipt the committee will review and make a decision either on staying with what insurance plans we have currently or making a change.

Signed

Ronnie McGee

Insurance Committee Chairman

Maintenance Committee Report

May 2015 Board Meeting

Chairman: Ken Brown

Park Liaison: Joe Bonham
Staff Supervisor: Tonya Glasgow

Members: Dewayne Denwalt
Delton Yoder
JW Mann

ACCOMPLISHMENTS:

Jerry, Warren and Joe have been working very hard. The fresh water sample was taken by Joe to Ada on the 11th of May.

Staff cleaned up area at the maintenance shop, trimmed trees and hauled the trimmings to the limb yard. Everyone has been raking and burning leaves. Jerry & Warren have replaced four (4) in ground water valves this past month. Warren & Jerry unstopped a sewer clog in the CB area. Jerry, Warren & Joe have been mowing and weed trimming all around the park, working diligently around the welcomed rainfall. Within the past couple of weeks, the recorded amount of rain from our gauge has been approximately 9 ½"- 10 "of rain that has fallen. Warren & Joe applied the first coat of paint to the pipe fencing at the office and front gate area before the rains began. When the sun and warmer weather returns, they will finish the project. Jerry has been cleaning the swimming pool with bleach by hand and applying pool patch. He has put much effort in to keeping on schedule for Memorial Day weekend. Jerry & JW Mann repaired the ceiling in the women's bathroom at the Family Center. Jerry cleaned out the drains on both sides of the low water bridge in the Cedar Creek area. Jerry dug out the dirt build up and packed leaves from the existing drain behind the baseball diamond by the CCC area.

REMINDER TO ALL LOT OWNERS:

PLEASE do not throw tree limbs and brush in the roll off dumpsters.

We have a great staff and appreciate all the hard work they do for our park! Please let them know their hard work is being noticed.

Signed
Ken Brown
Maintenance Committee Chairman

Signed
Tonya Glasgow
Staff Supervisor

Cedar Blue Property Owners Association

ODEQ Committee Monthly Report

Members: Clyde Kluge, Chairman, Ken Brown, Ronnie McGee, Dewayne Denwalt,
and Wendell Kluge

For Month of Apr 2015

1. Accomplishments:

Discussed with the Engineer the estimated completion date of the final calculations for “haul dirt” so we can proceed with getting estimates on the lagoon work. ECD is 5/23/15

2. Future Activities

- a. Review the estimates on the lagoon work when they are received.

Clyde Kluge

ODEQ Committee Chairman

Cedar Blue Property Owners Association

Personnel Committee Monthly Report

President, Chairman, Treasurer

Vice-President, & Secretary

For Month of May 2015

1. Accomplishments:

- a. During the past month the Committee communicated via telephone, email, and text.
- b. We (Tonya Glasgow or Wendell Kluge) followed-up with our attorney, Mr. Phil Hurst, each week on the status of legal action against former employee. Since we have not received a decision back on the possible action by the Sheriff and DA we have requested a meeting with Mr. Hurst. We are awaiting a response with the date and time.
- c. With the Senior Office Manager in place we will now concentrate on hiring another part time Office Assistant to insure the Park Office will be covered each day. This person will be working about 24 hours a week.
- d. We continue to monitor the performance of employees, changes in staffing, as well as assignment of duties and responsibilities.

2. Future Activities

- a. The Personnel Committee has a meeting scheduled for Saturday afternoon, 16 May 2015. Items to be discussed include:
 - (1). The Employee Handbook
 - (2). Hiring of an Office Assistant
 - (3). Possible other employee needs
- b. Once we meet with our Attorney, Mr. Hurst, we may need to request a meeting with the Sheriff and District Attorney.

Wendell Kluge

Chairman Committee Chairman