

Springs at High Rock HOA
2013 Annual Meeting Summary
January 31, 2013

Southmont Volunteer Fire Station
Southmont, NC 27251

The meeting was opened at 7:00 PM by President Hessey. President Hessey introduced the current board members that were in attendance. Their terms are due to expire at the end of this Annual Meeting. Present were Carlson, Hessey and Kelley. Absent were Ish and Hoppensteadt (due to a family medical emergency).

President Hessey gave a list of Board accomplishments during 2012:

1. Clubhouse repairs done with reserve monies for that purpose. This included repairing and rebuilding the clubhouse fountain, repairing cracked siding, painting, updating the security cameras and computer storage, repairing and power-washing the decking, repairs to the hot tub, buying umbrella bases and installing removable clubhouse directional signs for use during rentals.
2. Installing concrete rumble strips on abused roadside curves between the front gate and Pinnacle Trail. Their effectiveness will be evaluated for eventual installation on other sites.
3. Preliminary meetings with road consultant David Black who advised short term maintenance recommendations for our roadways after the danger of freezing has passed in 2013 and at that time establish a long term protocol plan for the HOA board.
4. Posting of 25 MPH signs on Sierra Trace Road.
5. Repairing potholes on Plateau Lane.
6. Filling in the perpetually leaking upper pond in the Cascade Creek community property. The newly formed Springs Beautification Group will be responsible for developing the area into a community park coexisting with the fire pit and cookout areas.
7. The 3rd dock pathway was cleared of trees, exposed tree roots and realigned onto its easement right of way. (Newly elected director, Ruth Howard wishes to note for the record that the pathway has been removed from 04-88 but still encroaches on adjoining lot 04-87)
8. Rip rap was added to the 3rd dock landing under the dock ramp itself.
9. The 2nd dock pathway was mulched.
10. Benches were built at the tennis courts.
11. The Tranquility Lakes ponds and dams were evaluated by Mr. Andy Miller, Director of Davidson County Soil and Water Management. Several recommendations were made including keeping the water level at least 18" below the level of the earthen dams on the two largest

ponds. He suggested 6" drainage pipes to do this plus allowing a secondary outflow for overflow drainage. Natural outflow areas were cleared of cat tails and other debris. Other suggestions to maintain the health of the dams and ponds were also followed.

12. Foreclosed and obtained title to a private property in The Springs.
13. Hosted a theoretical emergency fire drill with representatives from several local fire departments. It is hoped that this will lead to a federally funded actual fire drill.
14. Firewise received a 22K grant for building a 30,000 gallon water storage in two phases.
15. Established a new committee, the Springs Beautification Committee (SBG) to implement and oversee horticultural projects in our community.
16. Updated the pool and tennis court rules. (Director, Ruth Howard wishes to note for the record that the tennis court rules have not been approved by a board yet)
17. Obtained legal opinion on who controls voting rights on buildable lots controlled by the HOA (the majority vote of the HOA does)
18. After consulting with Mr. Andy Miller (see 11. above) the board decided against spending any money repairing or replacing the fountains in the four smallest ponds since according to him they only served as a decoration. The microbial health of the water was keeping enough light out to prevent algae growth.

Financial Committee Report:

A financial review was prepared by Treasurer Al Hoppensteadt and given by committeeman Larry Kerns. Mr. Kerns explained the 2013 budget which showed no increase from 2012. President Hessey explained that for the first time money held in Reserve Funds were used. She explained how much was spent and what they were used for. A resident questioned whether the Cascade Creek retaining wall was enough and where the \$25,000 for the Cascade Creek upper pond project came from.

Candidates for election to the 2013 HOA Board of Directors

Each candidate had the opportunity to introduce themselves and give a few words.

Ed Carlson	Jim Kelley
Tony Freeman	Walt Kruger
Ruth Howard	Charlie Ryan
Curtis Ish	David Stephens

Appointment of a Nominating Committee

The discussion of a nominating committee and difficulties involved with the cumbersome By-laws led to a long discussion of the terms of the directors and their election.

[Editor's note: this has been discussed with previous boards and a legal opinion obtained through Cedar Management. The problem is there are no length of term limits in the By-laws and some confusing language to boot. However, NC statutes governing private communities clearly states that within each succeeding year an election should be held for all Directors. Any deviation from this policy could be challenged and would probably lose in court.]

Bill Dunn and Lynn Ramsey volunteered to be on a nominating committee. It was decided to not form the committee at this time but put the topic on the Action List for the new board to work on. A volunteer sheet was created for those interested in serving on this committee.

Jim Kelley thanked the current HOA board members for their efforts in serving on the board.

Q&A Period

What action is taken when a homeowner doesn't pay their dues? President Hessey answered that Treasurer Al Hoppensteadt normally works with the homeowner to come up with a payment plan that will work for the homeowner. Eventually we may have to foreclose, but that has only happened one time. Another question was why isn't a lien filed on the property? Someone clarified it was unlikely that we'd collect any funds and the legal fees would outweigh the amount received, if any.

There was a question raised regarding the water tanks.

Questions were raised about the proposed water tanks. President Hessey and director Ed Carlson answered the best they could but advised that absent director Curtis Ish should be the one answering the questions.

What will be done with the lots obtained from Waterfront Properties?

President Hessey responded that no decision had been made.

Why has the common area deteriorated and what can be done to improve these areas?

Many folks chimed in with comments regarding blowing the leaves from common areas to encourage root growth, cleaning out pipe culverts, putting down lime and mulching. Mr. Kelley mentioned that Dr. Ish had the soil tested in several locations and there wasn't a need for lime this year. Ms. Hessey reported that there was not money budgeted for removing the leaves. She checked our records and the only time the leaves were blown was December, 2010. She noted that it is very expensive each time it is done.

How often is Shaun's [Shaun Smith, landscaper] contract renewed? Is everything being discussed included in the contract?

President Hessey explained that it was based on an hourly rate. Our current contract goes through 2014. Termination can occur given 90 day notice.

How much do we spend on street lights?

Mr. Kelley reported that we have 178 street lights in the community. We could cut off lights, but who wants their lights disconnected? If you want them connected back, it will cost \$33/light. Kelley suggested reevaluating the lighting contract every few years. A resident mentioned blacking out the top of the lights so we can enjoy looking at the stars. Kelley hates the light that we currently have but if we want new globes we might mention that when negotiating a new contract.

Quorum achieved, announcement of the 2013 Board of Directors

Mr. Hartshorne of Cedar Management announced that the number of members present plus the proxies submitted constituted a quorum for conducting elections and business.

A resident asked for clarification on how the blank proxies received (30) by Cedar Management were handled in regard to voting for the new board members. The concern was whether the board could submit a vote for the blank proxies. After much vigorous discussion, Mr. Hartshorne (Cedar Management) was consulted on what the proper procedure should be. He read from the proxy which stated that if the proxy was returned to Cedar Management signed and dated it would count towards the necessary quorum needed and any voting conducted would be cast by the majority decision of the current directors. Mr. Kelley reassured everyone that there had been no discussion on how the board would vote.

Mr. Hartshorne and residents Bill Dunn and Lynn Ramsey witnessed and tallied the counts. The five top vote getters that will serve as HOA Directors until the next Annual Meeting in 2014 are:

Ruth Howard
Curtis Ish
James Kelley
Walter Kruger
David Stephens

President Hessey then adjourned the meeting. Motion by Hessey seconded by Carlson, all in favor

These minutes have been redacted by HOA secretary Curtis Ish from notes taken by members Judy Heffner and James Kelley. Heffner and Kelley have approved this final version.