

Minutes of The Springs at High Rock, Inc. HOA Annual Meeting
Saturday January 28, 2017
Southmont Fire Station, Route 8 South NC 27351

Following a half-hour social meeting President Roland called the annual meeting to order at 7:06 PM.

President Roland explained the evening's agenda. He also pointed out the committee sign-up sheets and encouraged members present to look them over and consider joining one or more. Our standing committees greatly help the board of directors govern our community.

President Roland then invited new members who have not been to an annual meeting before to stand and introduce themselves so that the rest of the membership could personally welcome them to our community.

At this point President Roland asked the board committee liaisons and/or the committee chairpersons to give a brief description of what their committee does on an ongoing basis and what it has accomplished during 2016.

- Architectural Review Committee (ARC): Director Charlie Ryan gave a review of the committee's responsibility of maintaining the construction standards for new homes in the community while at the same time, trying to maintain the unique natural beauty of our forested landscape. Ryan thanked retiring chairman Hugh Honeycutt for his eight years of service on this committee.
- Infrastructure and Roads Committee (IRC): Director Ira Matney gave a review of the IRC's responsibilities and listed two miles of road repaving, gully repair on Tranquility Lakes Road, rumble strip installation and several smaller projects as examples of the committee's work.
- Recreational Facilities Committee (RFC): Director Al Hoppensteadt asked chairman David Stephens to give a review. Stephens mentioned the clubhouse roof replacement and interior painting as well as repairing the pool swipe card reader as examples of accomplishments. Stephens made a special plea for volunteers to help with this committee, since its membership has dwindled in recent years.
- Security Committee: Director Ryan gave a brief report on the purchasing of security cameras for the front gate area. He hopes installation will be a reality in the coming months. Ryan gave special mention to Committeewoman Ruth Howard for maintaining the gate codes and keeping their validity up to date. He also made a plea for all members who come to The Springs to have a Springs' decal on their windshield. He further reported on a theft in the boat yard area. No one has been apprehended to date, but a stronger entrance chain and a new camera have been installed. He concluded that the pool gate card system has made the community much safer because intruders are not interested in trespassing if they cannot use the pool. Ryan also stated that this year road barriers will be installed at the front gate exit lane to prevent people from trying to enter the exit gate from the entering gate lane when the exit gate is open.
- Social Committee: President Roland thanked the committee for the wonderful work they did in 2016. Co-chairwoman Liz Roland asked for new ideas and volunteers, reminding everyone that the more people on the committee, the less work there is for each individual.
- Springs Beautification Group: Board liaison Curtis Ish asked committee chairwoman Patsy Johnson to give a review of the group's activities in 2016. She first encouraged members to make the committee aware of any new ideas and invited volunteers to sign up to help the committee to maintain its goal of improving the first impression visitors see when entering our community. The group's accomplishments in 2016 included planting annual and perennial flowers and more shrubbery plus installing decorative lanterns on the gate house building.

- Communications Committee: Board liaison Curtis Ish asked committee co-chairwoman Joyce Ish to give a review of the committee's goals and activities this past year. She explained the content of the committee's publications: the website, the newsletter, special notices and our community blog. Member Joanne Hessey asked the membership to give Joyce Ish and Judy Heffner appreciative thanks for the years of work and quality product that the committee has provided for the community. The membership agreed.
- Firewise Committee: Director Curtis Ish gave a review of the committee's responsibilities and answered questions about the fire tower emergency road and water storage tanks. Plans for 2017 include a possible meeting to go over the purpose of Firewise and the Emergency Fire Response and Evacuation Plans with the community.
- Finance Committee: Treasurer Al Hoppensteadt went over the yearly finance report. First, he talked about the operating budget, which has been building up over the years. From experience and because committees have stayed within their budgets, he was able to move \$250,000 of the operating budget into an interest-bearing reserve. Second, he credited the collection and record keeping of Cedar Management Group in helping him plan and keep track of our monies. And then he explained the status of our liabilities both major expected expenses and from owners who have not paid their assessments. He further reported on our reserve funds and their importance in keeping us in a good financial position. The budget for the 2017 year is \$294,884.00. There was no increase from in the 2016 budget. The 2016 board approved this amount so no further voting or action was necessary. Hoppensteadt then answered questions from the membership. Tom Shepler asked about the \$250 per month telephone bill to the community. Hoppensteadt explained that the HOA is considered a business, so the normal lower home rates cannot apply. The HOA needs three lines: one for the clubhouse entry security system, one for the pool emergency 911 phone and one for the front gate computer system to call home residences. Shepler raised the question that with a better camera system "do we need the clubhouse phone line?" The board agreed to monitor the success of the front gate cameras and consider its application for the clubhouse. There was yet another question about our bills for the street lamps and whether there was anything that can be done to reduce them. Hoppensteadt replied that we do not own the lights or control the amount of electricity that they use. We lease them and replacing them would be costly. President Roland interjected that the topic will be revisited when member Ken Vander Schaaf gives his report on better Internet service and how the light poles would be involved.

President Roland gave a report on topics not covered in the committee reports.

- Topic 1: President Roland gave a brief report on the 2016 board's decision to rewrite the ARC's regulations pertaining to a more liberal tree-cutting policy. Several members have voiced opinions and the 2017 board will try to address the new concerns especially where they may conflict with Yadkin's regulations.
- Topic 2: President Roland then gave credit to the Communications Committee for bringing our website documents concerning our Covenants, Restrictions and Conditions to its complete and original version. Roland then advised that the versions installed can be word (topic) searched for pertinent information.
- Topic 3: President Roland next gave a report on the front exit gate repair/replacement because of accidental damage. Originally the board was not going to upgrade the entrance side, but recent problems have caused the board to reconsider.

President Roland then gave a report on projects that the new board will have to face in 2017 and beyond.

- Topic 1: President Roland reported that the new 2017 board will ask the IRC to submit a list of repairs for the remaining 11 miles of community roads not yet upgraded.

- Topic 2: President Roland then reported that our tennis courts are deteriorating at a very fast rate and repairs are imminently needed. He predicted that the board will have to start doing some repair work this year and it will be expensive.
- Topic 3: President Roland next reported that the outside walls of the clubhouse will need restraining on the west and south sides. Bids are currently being sought.

President Roland then introduced former board president Ken Vander Schaaf to give a report on possible upgrading of our Internet service. Mr. Vander Schaaf stated that he has looked into two possible scenarios to solve the problem of poor or no Internet service in our community. First would be to receive a signal to a community antenna at the clubhouse or fire tower and distribute the signal from there to the community with a Mesh network (a series of smaller receivers mounted on some of the light poles at the higher peaks of our terrain.) This would be provided by Open Broadcast Band of Salisbury, NC. Energy United (EU), who owns the light poles, considered allowing this plan for a fee but reneged when they found out the light poles were decorative in nature and possibly not strong enough to support the receivers. Further investigation revealed that our contract with EU has expired. Vander Schaaf is in the process of new negotiations and possibly new poles that would allow a Mesh network. In the meantime, Open Broadcast Band will determine whether a Mesh system will work with their equipment.

The second possibility is that Time Warner Cable (Spectrum) may be taken over by ATT and if so, could possibly offer a better broad band service. Mr. Vander Schaaf did not think this is likely. Vander Schaaf closed his presentation by asking both the membership present and the board if they “would be willing to invest in some of the cost of setting up a high speed Internet service, if it got that far in negotiations.”

There was a question about the condition of our roads and both President Roland and Director Ira Matney gave a brief overview of what has been done and what needs to be done in the future. Matney is evaluating Yachtsman’s Point’s effort to seal major cracks in their asphalt rather than resurfacing. He plans to stay on the IRC and advise the board for us.

Julie Shadrack, representing CMG, advised the president that there were not enough attendees and proxies to satisfy the requirements for a quorum. As per NC GS 55A-8-04 the only business that can and must be done is the election of HOA board members for 2017.

President Roland called for elections for the 2017 board. He asked for nominations from the floor and there were none. The five candidates Tony Freeman, Alan Hoppensteadt, Curtis Ish, Alex Roland and Joel Shanus were elected by acclamation with no opposition.

A resident raised the question of who is responsible for Cedar Management Group’s title transfer fee for their master list, the seller or the buyer. The problem is that many times there is a title transfer and it is done without CMG’s knowledge. The board could not answer resident’s question and had no policy governing it. Julie Shadrack (CMG) said it is the responsibility of the buyer’s attorney and real estate agent to make sure CMG knows of the final transfer and to convey all Covenants, Bylaws and ARC regulations to the new owners.

President Roland closed the meeting by asking the membership to thank our two departing board members, Charlie Ryan and Ira Matney, as well as all retiring committee persons for their dedicated years of service to our community. This was wholeheartedly given.

President Roland adjourned the annual meeting at 8:51 PM.