

**Summarized Minutes of The Springs at High Rock, Inc. HOA Meeting, August 22, 2018
Community Clubhouse, 233 Tor Court, Denton, NC 27239**

Workshop meeting, Finance Committee chair, Al Hoppensteadt, invited:

Directors in attendance: Tony Freeman, Curtis Ish, Joel Shanus, Linda Shoaf, and Karl Svatek
Finance committee chair, Al Hoppensteadt.

President Freeman called the meeting to order at 3:32 PM.

Motion by Shanus, seconded by Shoaf to accept the minutes of August 2, 2018, HOA workshop meeting as submitted. All in favor, motion passed.

President Freeman called for committee reports:

Finance: Committee chairman Al Hoppensteadt gave the report for Treasurer Joel Shanus. Hoppensteadt reported that interest rates are finally worth putting our reserve moneys into CDs and there would be no penalty for an early withdrawal. The banks will be providing the committee and board with a monthly statement which would help verify that our money is where it should be..

Motion by Ish, seconded by Shanus, authorizing the financial chair, Al Hoppensteadt, to set up a brokerage account with Morgan Stanley exclusively to invest The Springs at High Rock's reserve funds in FDIC insured Certificates of Deposit. All in favor, motion passed.

At the August 2, 2018, HOA meeting Hoppensteadt had asked the president and secretary to consider signing a procedure document allowing Cedar Management Group to file liens against members behind in their assessments when directed by the Finance Committee or the HOA board. President Freeman and Secretary Ish signed the document. A copy of the document is a part of the minutes (Appendix 1). Hoppensteadt further reported that filing a lien is still not a good financial move since it will cost the HOA \$200 to \$300 to file, and the lien will only be good for 3 years. However, occasionally a property that can be easily resold and does not have a large mortgage comes available. In that case, the committee would like to sell the property to someone who will honor his assessments. Hoppensteadt will ask Cedar Management Group to keep a list of the delinquents, and the committee will report to the board every 6 months with recommendations on any actions to take.

ARC: Board liaison President Freeman reported that there are no problems with the current constructions, and the Rocky Cove Lane home has obtained its CO.

IRC: Board liaison Karl Svatek reported that the committee has enough money in its budget to put another layer of gravel down on the fire tower emergency road. Director Ish suggested that the committee wait until we see how effective the new culvert drains work and, if they can control heavy runoff for the next couple of years, we consider a gravel and oil coating. The board agreed to wait on any additional gravel application, and the IRC will go ahead and install pole reflectors on the emergency road. Next, Svatek advised the board that he is getting quotes for three paved, handicap parking spots on the north side of the clubhouse driveway. Svatek said he has gotten two quotes so far, the least expensive will be around \$4,000. The board asked for written quotes before further action can be done.

RFC: Board liaison Linda Shoaf reported that committee chairperson Liz Roland has placed Dick Getz's community map on the clubhouses outside display board. President Freeman reminded the

board that Dick Getz also has a map with the light pole numbers on it and coordinated it with EU's GPS location numbers.

Security: Board liaison Joel Shanus reported that everything is working well. For the board's information, Shanus explained that if we have to change the front gate remote's code or get tired of using the remotes, the new front gate computer system has the ability to store individual car sticker bar codes. The readers for this system upgrade would be \$6,000 to \$7,000. Shanus emphasized that this was an upgrade option if our remote system starts failing.

Social: Board liaison Linda Shoaf reported that the next social event will be the Oktoberfest on Saturday, October 6. It will be held in the clubhouse. The committee will advertise the event in an upcoming newsletter.

Firewise: Board liaison Curtis Ish reported that The Springs at High Rock has been awarded a \$4,000 Firewise grant to remove any wood debris this fall. He will write an article for the newsletter advising the community. Ish explained that the grant guarantees 80% of the \$4,000, and the community can work off the remaining 20% with tree removal work hours or any professional tree service costs removing dead trees during the contract period.

Motion by Ish, seconded by Svatek to accept a \$4,000 2018 Firewise Communities/USA® grant/contract to reimburse the expense of removing wood debris collected by homeowners. All in favor, motion passed

SBG: Board liaison Curtis Ish asked the board's permission to dye the first pond at Tranquility Lakes area. He expects the cost to be \$75.00, and the money will come out of the SBG's budget. The board approved this project.

Communications: Board liaison Curtis Ish read the committee's monthly report of 3 special notices sent concerning the pool/well, Land Trust meeting, and the nonoperational exit gate. There were updates to our SmarterMail account for the new board liaison assignments. The committee advised the board that emails sent to committees via the "Contact a Committee" form on the website can now include attachments. They hope that with the addition of the attachment function, applications for the boat yard or clubhouse reservations will be easier for everyone involved. There are 384 newsletter subscribers and 149 blog members.

Long-Range Planning Committee: Board liaison Karl Svatek reported that the committee met to discuss how to publicize the comments mentioned in the survey. Svatek said there were approximately 60 responses, but as the survey was presented, it was difficult to determine what financial expenditures would provide good results for the money spent. Svatek reported that he was going to ask local realtors who have been in The Springs with many clients what the positive and negative comments are. There followed a general discussion on future plans including the Cascade Creek area. A committee report will be sent to the board.

President Freeman called for old business.

- Present Freeman reported that a new owner who purchased a home that previously had Windstream Internet could not take over the service. Several directors reported that Windstream was phasing out of the Internet service using land lines.
- President Freeman reported that the new clubhouse well and pump are working as hoped. We are currently waiting for a NC potable water quality certification. When received, we can uncover the drinking fountains for general use.
- The RFC recommends that the pool season be extended two weeks because of the forecasted 90⁰+ temperatures through the Labor Day weekend and beyond.

Motion by Shoaf, seconded by Shanus to close the pool and hot tub Sunday, September 16, 2018. All in Favor, motion passed.

- Action List (items not already discussed in the committee reports)
 1. Lighting at the water storage tanks: Director Shanus suggested that after comparing costs, letting Energy United install the light with an on/off switch would be cheapest. He will notify EU and hope they will be responsive to our needs in a timely manner.
 2. Snow plowing: IRC board liaison Karl Svatek reported that resident Dan Parsons will have a truck and snowplow. He will plow all roads in the community with the exception of the Cascade Creek area and Tranquility Lakes Road. Mr. Parsons will charge the HOA the following rates: less than 3", no plowing; 3" to 6", \$450; 6" to 9" will cost \$900; 9" to 12" \$1,350 and \$100 per inch above that. There would be no salting and sanding. The board asked Svatek to get the proposal in writing

President Freeman called for new business

- The secretary asked the board to choose a first and second choice for an annual meeting date at the Southmont Fire Station. The board suggested the first choice, January 26, 2019, and a second choice of February 2, 2019. The secretary will ask SVFD for availability.
- President Freeman asked Director Ish to have Shaun Smith limb up the trees on the south side of the entrance along route 8.
- The board asked the secretary to invite regional wildlife biologist Rupert Medford to our next closed HOA meeting to advise us on our worsening deer population problem.

President Freeman made a motion to adjourn, seconded by Ish. All in favor, meeting adjourned at 5:58 PM.

The next scheduled workshop meeting is for September 27, 2018 10:00 AM.

Respectfully submitted, Curtis Ish, Secretary HOA

See below: Cedar Management Group lien procedure document is on the following page (Appendix 1.)

The Springs at High Rock Lake Homeowners Association, Inc.
Administrative Resolution #1: Delinquency Policy

8/22/18
Enacted: XX,XX 2018

9/11/18
Effective: XX,XX 2018

WHEREAS, Article II, Sections 6 and 7 of The Springs at High Rock Lake Homeowners Association, Inc. Declaration of Covenants, Restrictions and Conditions grants the authority to the Board of Directors to establish late charges to defray the cost of late payment and to record a lien against any lot to secure payment of assessments that remain unpaid. Because the Association's economic well-being relies on the timely payment of assessments and other allowable charges and because it is the Board's duty to use its best efforts to collect funds owed to the Association,

NOW, THEREFORE, BE IT RESOLVED THAT these collection procedures shall be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, rules enforcement fees, repairs to the common area that are an owner's responsibility, legal fees and other costs associated with collection of funds on behalf of the Association.

2. PAYMENT SCHEDULE. The regular assessment for homes is due on the 1st of January, April, July, and October of each year. Fees not received within 30 days of the due date will be considered past due.

3. NSF & INTEREST CHARGES.


- A late fee of \$20.00 per quarter that the account remains delinquent.
- Late interest charges of 18% per annum
- A \$25.00 NSF (Non-Sufficient Funds) charge will apply to any returned check.

4. ORDER OF CREDITING PAYMENTS. Payments received shall first be applied to violation fines and late penalties, then to collection expenses, and then to assessments owed.

5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances that are not received by the due date, the following notification process applies:

- **FIRST NOTICE:** First Notice of Past Due Charges including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by First Class Mail to an owner whose balance is past due. Notice will be mailed thirty-five (35) days following the due date.
- **SECOND NOTICE:** 15 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner whose balance is sixty-five (65) days past the due date. This Notice will recite intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 15 days. Attorney actions include but not limited to filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.
- **LIEN AND FORECLOSURE:** If balance greater than \$400.00 remains unpaid after ninety (90) days, with the majority approval of the Board of Directors, the delinquent account will be forwarded to the association's attorney for lien filing and collection action. HOA Foreclosure action will only be initiated with a majority approval and signature of the Board of Directors.
- **PAYMENT PLANS:** Payment plans made with written request to the board of directors via the management company will be accepted on a case by case basis.

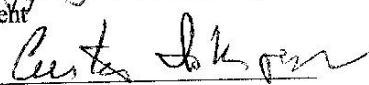
If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and related costs in accordance with the Covenants Conditions and Restrictions. Once an account is sent to an attorney for collection, the entire unpaid annual and special assessments shall be accelerated and declared immediately due and payable.



President

8/22/18

Date



Secretary

8/22/2018

Date