

The Crossings
Home Owners Association Board Annual Meeting
June 12, 2007

Visitors

Hawthorne Management Representatives
Community Residents approximately 16

Board Members

Attended Meeting: Y N

Diane Krebs – President	X	
Jim Wilmoth – Vice President / Pool Liaison	X	
Toni Emehel – Secretary / Social Liaison	X	
Curtis Watson – Treasurer		X
Carolyn Spellman – ARC Liaison	X	

Meeting Agenda

Welcome/Introductions

Election of (3) Board Members

1. Nominations from floor
2. Voting
3. Collection of Ballots

Committee Updates

Election Results

Q & A

Adjourn

Meeting Minutes

Welcome/Introductions

Board President, Diane Krebs opened the meeting with a welcome to residents and introduced board members, who each gave an overview and update on areas in which they serve:

Carolyn Spellman, ARC Review Liaison, who gave residents a detailed description of the ARC Review committee, how it operates and encouraged residents to get involved by volunteering to serve on the committee.

Toni Emehel, Communications, Social Committee Liaison, and Secretary: who gave a brief snapshot of 2007 community events and newsletter communications.

Jim Wilmoth, Vice President, and Pool Committee Liaison: who gave an overview of pool operations, pool maintenance and overall pool activities.

Board Elections

Nominations on the floor:

1. Toni Emehel
2. Carolyn Spellman
3. Jim Wilmoth

Hawthorne representative, Kelly Parker tallied Proxies and declared quorum representation at the meeting based on number of proxies presented and residents present. With three (3) nominations on the floor and only three (3) board positions to fill, it was moved that all nominees be elected to office. The motion was seconded and declared that Toni Emehel, Carolyn Spellman and Jim Wilmoth become board members for the next electoral term. Toni Emehel and Jim Wilmoth shall each serve 2-year terms, while Carolyn Spellman shall serve a 3-year term.

Q&A

1. A resident addressed the board with concerns that HOA dues have not increased since the initial development of the community.

Board Response: *We are in the process of identifying a consulting firm to perform a succession/reserve study to assess the needs of the community and to determine if there is a true need to increase HOA dues in order to properly position the Crossings HOA to handle the future needs of the community.*

2. A resident address the board with concerns that the board does not regularly drive through the community to site covenant violations.

Board response: *As part of our contract with Hawthorne management, a Hawthorne representative (currently, Kelly Parker) drives through the community once a month to take note of any restrictive covenant violations. Kelly reports such violations to the Board and notifies the Board of issuance of a violation notice to the resident. Based on responsive discussions on this issue, it was important to stress that most residents who receive violation notices resolve violation issues in a timely manner.*

Any festering violations are handled through in accordance with the community By-Laws.

3. A resident addressed the board with a desire to see the names of residents and their addresses along with covenant violations and how they were resolved published in the community newsletter.

Board response: *Due to privacy issues this is not feasible. In addition, it is safe to assume that the majority of residents residing in the community would find it an offensive act on behalf of the HOA to publish such information. Taking measures of this nature could also result in a diminished reputation of the community from a resale prospective.*

4. A resident address the board with concerns that in the past, board members harassed residents to the point of resigning positions, both on the board and subcommittees.

Board response: *While we cannot speak to the actions of past board members, this is a new Board of Directors made up of different personalities than in the past. We encourage residents to give the new Board an opportunity to serve the needs of the community as the Board without apprehensions held from past boards of which we were not a part-of.*

5. A resident address the board with concerns that the entire community does not automatically receive a monthly accounting from Hawthorne on HOA financials, reserves and budget.

Board response: *In being good stewards over the community's financial reserves, it would not be financially wise to mail financial reports to 538 residents on a monthly basis. Such costs would reduce the reserves by at least \$700 per month (postage and copies for 538 homes) for mailing a report that only a few are interested in seeing. That is why the report is made available upon request made directly to Hawthorne Management for those who are interested in reviewing the report.*

It was important to note that Hawthorne Management has not received such a request from a resident in the community in years. However, Jim Wilmoth had a copy of the recent financials for the community in which he entertained any questions regarding same. Such questions included:

- How much has been collected in fines resultant from covenant violations?
- What is the current budget? (Which promoted the next questions regarding the Social Committee Budget)
- Why weren't we provided a full copy of the financials for this Annual Meeting?

Board response: Even if we had planned for 100 people to attend the annual meeting tonight, as you can see less than 15 people showed up. So, you multiply the cost of making copies of 100 reports multiplied by .10 cents per copy; it would have been a waste to expend costs in making such copies available. However, anyone desiring to receive a full copy of the financial budget may contact Kelly Parker at Hawthorne Management and she will be happy to send it to you via mail or email.

6. A resident addressed the board with concerns the current budget of \$2500 for community events equates to less than \$5 per home. At that rate, what kind of events can the community really expect? A suggestion was made that if the community is going to have worthwhile events the budget needs to be increased.

Board response: *We have a calendar of exciting events planned for the community this year. Our Easter Celebration event was a big success with the largest turnout ever. We have an island pool party planned at the end of this month and look forward to bringing new and exciting events to the community. This way residents have an opportunity to meet each other and some of the reportedly safety issues we have may resolve themselves, because no longer will we mistake our neighbors child for a “stranger” in the community. The Board does intend to review the Social Committee budget for increase based on the needs of the community.*

7. A resident address the board with concerns that the community is not retaining its property value due to numerous covenant violations. Particularly south and west sides of the community do not appear to be part of the community with the numerous (curbside) restrictive covenant violations that are seen on a frequent basis and the manner in which those areas have deteriorated. There is a concern that the community as a whole has made it to the city’s fragile list for city lifestyle.

Board response: *We have issued more than 347 violation notices thus far this year. It is important to note that most residents immediately respond and resolve issues noted in the violation notice. With regard to property values, Toni Emehel share information on recent property sales in the community, which showed that homes were selling up to more than \$300,000 depending on size and square footage. Based on the data obtained from Carolina Multiple Listing Service it is safe to say that property values are increasing in The Crossings community. Carolyn Spellman ensured residents of the effectiveness of ARC reviews and requests and further encouraged residents to report any violations so that the Board and Hawthorne are aware and can respond accordingly.*

8. A resident address the board with concerns that a neighboring resident decided to paint his/her driveway, which he feels is a violation of the restrictive covenants.

Board response: *It may not be desirable for residents to paint their driveways, however there is no particular covenant restriction that prohibits this act. However, the restrictive covenants do require residents to complete an ARC request form before altering the exterior appearance of their property, including the painting of driveways.*

9. A resident address the board with concerns that a neighboring resident painted his/her house in loud and distasteful colors, which he feels is a violation of the restrictive covenants.

Board response: *The colors selected by the resident may not be desirable, however specific colors are not addressed in the restrictive covenants. It is important to note that the restrictive covenants does require residents to complete an ARC request form before altering the exterior appearance of their property, including changing the color of exterior paint.*

10. A resident address the board with concerns that the HOA has not put any liens on resident's properties in the community for repeated violations of the restrictive covenants.

Board response: *It is important to note that there is a process by which the Board and Hawthorne must abide by before putting a lien on a person's property. There are a number of notices that must be sent, fines can be invoked if there is further non-compliance, then the resident is invited to state his/her case during a hearing before the community Board of Directors and then a decision is made on whether or not to pursue legal action to place a lien on the person's. It is important to note that such liens are usually ignored until the person decides to resale their home.*

11. A resident address the board with concerns that he was not allowed to participate in the street light process for his subdivision.

Board response: *Diane Krebs explained that since no one in the community stepped up to take charge of pursuing the street light project for the community, she took the bull by the horns and made contact with Duke Energy and the City to understand the process and put it in to action.*

Diane explained that with the growth of Charlotte the city is inundated with requests for lighting and the process works slowly. Moss Road is considered a connector street with high vehicle volumes with a proposal to install 250-watt high-pressure sodium fixtures on 20' poles and is divided into phases per development. The city will process only one phase at a time to avoid tying up their resources. Phase I is The Waters which began with the petition of interest completed in October 2006, forwarded to Duke Energy for the lighting plan and returned for final signatures. By June 21st the final selection will be made and forwarded to the city streetlight coordinator. Phase II for The Crossings for Moss Road can begin immediately as signatures for the petition of interest was also completed in October 2006. Warren Turner, City Council representative, confirmed this process and community resident, who has a general knowledge of how things flow from the City of Charlotte's prospective.

Regarding petitions for sub division lights, this will follow the Moss Road petition, a time line that cannot be pinpointed. The lead petitioner, Diane Krebs, will guide the process in the sub divisions once Moss Road is complete. With great appreciation, four residents have stepped forward to volunteer for the sub divisions.

12. A resident address the board with concerns that the mound at the pool looks horrible now that the bushes have been removed. He suggested that a community clean up troop be organized to clean up the mounds and make it more presentable. This would be more cost effective than the \$3,000 that the board spent to have the bushes removed.

Board response: *The \$3,000 spent to have the mound bushwhacked was in immediate response to resident demands for the Board to take immediate action in addressing the safety needs of the community and suspected drug activity in the pool area. So,*

while the cost seems extreme, it was the desired result of more than 80 residents who showed up for the safety meeting that was held in May. A community troop to beautify that area is a good idea and should be pursued by anyone interested in leading up such a project.

13. A resident address the board with concerns that commercial vehicles are entering the community (including tractor trailers) and this is becoming an ongoing problem.

Board response: *Residents were encouraged to make reports to the Charlotte Mecklenburg Police department, either by calling 911 to report these vehicles or by making online reports to www.charmeck.com.*

Meeting adjourned

Next regularly scheduled board meeting is scheduled for July 12, 2007