

*The Ridges Property Owners Association
Board of Directors
1/19/08*

The Ridges Property Owners Association Board of Directors met on Saturday, January 19, 2008 at Village Realty. Bob Holloway, Ben Truskoski, John Juzwiak and Fred Bamonte were present. Courtney Fowler was representing Village Realty. Joe Carey and John Criner were present to discuss artificial cedar shake products.

Mr. Holloway called the meeting to order. The Board reviewed the minutes from the Annual Meeting on November 10, 2007 and approved them to submit to the general membership for approval at the next Annual meeting with a few minor corrections. On a motion by Mr. Juzwiak and a second by Mr. Truskoski, the minutes from the September 22, 2007 Board meeting were approved as submitted.

Mr. Holloway introduced Mr. Carey who presented three artificial cedar shake products. Mr. Carey thanked the Board for their time and Mr. Holloway thanked Mr. Carey for his research and effort. Mr. Carey explained the topic was brought up at the Ridges Annual meeting. There was concern on the rising cost of natural cedar shakes. A lot of owners in The Ridges were obtaining estimates for new roofs and since the only roofing material allowed in The Village at Nags Head were natural cedar shakes, the estimates were coming in very high. Mr. Carey had offered to research other products such as faux cedar shake products. Although the artificial shakes may cost more initially, they are likely to have a much longer warranty, potentially making them much more cost-effective. The artificial cedar shake products presented were Tamko, Ecco-Star and DaVinci. Mr. Carey presented a chart he had made comparing the three artificial products with natural cedar shakes. Mr. Carey asked if any of the Ridges Board members were also a part of the Village at Nags Head Architectural Control Committee. Mr. Juzwiak noted he was. Mr. Juzwiak stated he felt aesthetics were the Committee's biggest concern. All of the Board felt the products had come a long way and were pleased with the products. The Board asked Mr. Carey to confirm the wind rating before presenting to the ACC. Mr. Carey explained a sales representative from each company would be attending the ACC meeting and presenting their product. Mr. Juzwiak suggested having a test site done with the artificial cedar shakes in order for everyone to evaluate the appearance. The Board agreed it was a good idea. Possible sites suggested were a golf course pump house or bath house. The Board thanked Mr. Carey for his hard work and effort in researching potential artificial cedar shake products. On a motion by Mr. Bamonte and a second by Mr. Truskoski, the Board will recommend the ACC further study the three products presented, suggest they roof a small sample (golf course pump house) and check on the wind rating and basis of wind test. All agreed.

The Election of Officers took place. On a motion by Mr. Bamonte and a second by Mr. Juzwiak, Bob Holloway was elected President. On a motion by Mr. Holloway and a second by Mr. Juzwiak, Fred Bamonte was elected Vice President. On a motion by Mr. Holloway and a second by Mr. Bamonte, Sammy Belcher was elected Secretary/Treasurer.

Ms. Fowler presented the current financial report. Mr. Holloway asked Ms. Fowler to use more descriptive file names for the financial reports when e-mailing them to the Board because he feels they are confusing. Ms. Fowler noted when converting the financials from Village Realty's software only a certain amount of characters can be used and that is why abbreviations are used. Mr. Holloway asked Ms. Fowler to provide a more detailed Balance Sheet including all assets. He noted the format of the Balance Sheet presented at the Annual Meeting was good and to try and make the monthly statements similar. Mr. Truskoski noted the roads should be listed on the Balance Sheet as assets. Ms. Fowler will check with the Association's accountant. A Board member questioned why the Landscape Contributions were shown as a liability. Mr. Holloway responded the account was set up that way so the Association would not have to pay taxes on that money. That money is not considered income for the Association. Mr. Holloway asked Management to check on the total amount of Landscape Contributions received and how much was spent.

The Board reviewed the Income Statement. Mr. Juzwiak asked why the Association income is more than budgeted. Ms. Fowler explained it was because of late fees. Mr. Holloway noted he would like to see the Income Statement in a different format as well. He would like an expense line item set up relating to account 320, Reserve Interest Income or remove 320 from the Income Statement all together. Ms. Fowler offered to look into.

The Board went over the current Posting Journal. Mr. Holloway and Mr. Juzwiak asked why the posting journal only shows for the month of December. Ms. Fowler explained the bank accounts are reconciled monthly and reports are e-mailed to the Secretary/Treasurer, Sammy Belcher every month. The Board meets quarterly and the current financials are presented to the Board at those meetings. They both asked that a year to date Posting Journal be provided for Board meetings. Mr. Truskoski asked if some bills could be paid electronically to save postage, such as the Dominion Power bill. Ms. Fowler noted they had discussed on-line banking with the Association's bank and would see where things stood. Mr. Truskoski suggested at least setting up automatic bill pay for some vendors.

The Board reviewed the Accounts Receivable Dues Report. The Board expressed turning over the owner of Ridges, lot 1 to the Attorney to begin the foreclosure process. Mr. Holloway asked Ms. Fowler to see where The Village at Nags Head stood on that issue. The Board asked Management to send a pre-lien letter to the other owner in arrears. Mr. Juzwiak questioned why R69's total was unusual. Ms. Fowler noted she would check on the account. Mr. Holloway asked that statements only be sent quarterly and no reminder statements be sent.

Ms. Fowler had e-mailed the quote from RPC Contracting on filling the cracks in the pavement, seal coating the road and the curbing of Fairway Lane for the Board to review. The Board decided to obtain more quotes. Mr. Truskoski gave the Board a list of contractors who may be able to do the work. Mr. Holloway, Mr. Truskoski and Mr.

Juzwiak met with Eugene Sexton of the NC DOT. Mr. Holloway noted Mr. Sexton recommended the Association either fill the cracks in the street or fill the cracks and seal coat the road and use topsoil and seed to repair the shoulder areas. He also suggested crusher-run for the area around the dumpster area. On a motion by Mr. Juzwiak and a second by Mr. Bamonte, Management will request proposals for sealing the cracks in the pavement, seal coating the road, repairing the shoulder in two marked areas on Ridge Lane and repairing the shoulder area at the dumpsters. Ms. Fowler will refer to the list of contractors provided by the Board.

The Board discussed the curbing proposal for Fairway Lane. Mr. Sexton from DOT recommended 8" below grade. Mr. Holloway provided Ms. Fowler with the dimensions of the curbing to present to the different contractors for estimates. On a motion by Mr. Bamonte and a second by Mr. Juzwiak, Management will send the curbing specifications and dimensions to different contractors for estimates.

Mr. Holloway expressed to Ms. Fowler the importance of the website for the Ridges Association. Ms. Fowler will work with Emily Lewis to help create a Ridges link off of The Village at Nags Head website.

Mr. Holloway noted Mike Reed no longer lives in the Ridges and the Association is looking for a new Landscape Committee Chair. He encouraged all Board members to keep their eyes and ears open for volunteers.

The discussion of landscaping around houses and the swale between R19 and R21 will be postponed until the next meeting.

The Board discussed the Spring Newsletter and Mr. Bamonte offered to write the letter. Ms. Fowler suggested they mail the letter with the April statements.

The Board set the rest of the meeting dates for 2008. They are March 29th, June 14th and September 13th all at 8:30 AM.

Items from Directors

Mr. Truskoski noted his concern that illegal immigrants may be employed by contractors the Association employs. He suggested asking the Association's landscaper to provide a statement saying they do not employ illegal immigrants. Mr. Holloway said that the Board should let state and Federal officials address the issue of contractors hiring illegal immigrants. He feels the Association hired a reputable company and it is up to the individual company to do what's right. He feels the Board should not take the position to enforce immigration rules and regulations. The rest of the Board agreed.

Mr. Truskoski asked if the landscaper could include Fairway Lane in the monthly reports and not just Fairway Island. Mr. Truskoski wanted to emphasize to the contractor that their responsibility included the lots along Fairway as well as the island. Mr. Holloway noted Fairway Lane is included in the Fairway Island designation and did not see where it needed to be specifically listed. Mr. Truskoski also expressed some concerns regarding

the Association's landscaper and asked if he could address the company owner directly. Mr. Holloway asked him not to speak with the landscaper directly but to bring his general concerns to the Board and the Board would address them with the contractor through the Property Manager. Ms. Fowler noted it is confusing to vendors when owners get involved with Association contractors. The Board also noted that they ask all owners to contact Management with any problems or concerns with Association contractors rather than speaking directly to the contractor. Ms. Fowler advised Mr. Truskoski to contact her with any concerns that he had regarding his particular lot and she would address them with the Association's landscaper.

The Board brought up Ridges 37 and their concern for the property. The owners have removed all the vegetation and shrubbery from the sides and back of the house. They have trimmed trees and branches off of trees and the debris has been left on the ground. They have also had their remodel job going on for over a year. The Board asked Management to look into sending a letter and also asking the VNH ACC about the violations. Ms. Fowler noted she would look into the matter.

With there being no further business, Mr. Holloway adjourned the meeting.

Respectfully submitted,

Courtney Fowler
Assistant Property Manager