

## 2006 Annual Meeting

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For the second year in a row, there was a standing room only crowd attending our annual meeting. This year's meeting was held on a Saturday morning in response to many of you who indicated to us that you could not attend during the week.

Based on the post meeting surveys and the comments made to the Board Members following the meeting, there is overwhelming support for the community improvement plan that was presented. Twenty five homeowners volunteered to help the Board implement the plan.

The Board was overwhelmed with this type of response and support! The Board put an enormous amount of time and effort into the meeting and we are working towards resolving the concerns of many River Ridge residents. We really appreciate your input and support.

It is also quite clear that regardless of how big or how small the issue is, there are a variety of opinions on the correct solution. Unfortunately at the end of the day, there can only be one solution implemented. The Board will continue to act in a fiscally responsible manner to improve our community under the guidelines of our covenants and for the enjoyment of the homeowners that have chosen to live here. For most, our homes represent our biggest investment. The overall community can positively or negatively affect our investment.

## Next Steps For Community Improvement

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The community is in need of many improvements and repairs that will require funding from our capital reserves. The biggest area of concern from the majority of homeowners is the current condition of our community amenities; pool area, patio area, area around the tennis courts and clubhouse. In addition, the community owns three roads that are also in need of repair. Some of the improvements and needed repairs are obvious and some are not. Unfortunately, there is not enough money in our reserves to fund the needed improvements throughout the entire community.

Based on the feedback from the annual meeting and annual meeting survey, homeowners support borrowing \$300,000 and starting the improvements in 2007. The \$300,000 number is a fiscally conservative number agreed upon jointly by the financial department at Heritage, our bank and the River Ridge HOA Board. The loan will be treated as a line item on our annual budget and will make it unnecessary for the Board to make additional annual homeowner assessments to fund capital improvements.

In order for us to borrow money, it will require homeowner approval. In the month of January you will be receiving more detailed information on the loan process, the capital improvement projects needed and a formal ballot approving the loan. Again, before we can start making the needed improvements throughout the community, we will need to borrow money to get started and you will need to approve us obtaining the loan.



## Homeowner Concerns

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There were two items presented and discussed at the annual meeting that were of major importance to homeowners. First, many homeowners have expressed concern over the poor condition and/or lack of routine maintenance of some homes in River Ridge. It was quite clear from the homeowners present that they support the implementation of fines for Architectural violations as outlined in our community covenants. If you have outstanding violations that have not been corrected, you will receive one more written warning before you are fined. Shortly, the Board will publish the fine procedure as outlined in our covenants.

The second area of concern was the amount of outstanding delinquent monthly dues that is being carried month after month. The Board will continue to work with our Collections Attorney Roy Cobb, in order to reduce the amount of outstanding delinquent dues being carried by the HOA. Unfortunately, the HOA has to bear the up front cost associated with the collection of delinquent dues.

## Calculation of Monthly Association Dues/Assessments

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Several of you have questioned the current method that is used for monthly dues/assessments. As mentioned at the annual meeting, we have not been able to identify the basis for the current method in the covenants. We have asked our legal counsel for their legal opinion on the correct method.

They have advised us that under Article IV, Section 2 of our covenants provides that "annual assessments shall be paid at a uniform rate per Lot in such manner and on such dates as may be fixed by the Board of Directors." The annual assessments shall be paid in monthly installments, due and payable on the first day of each month."

The 2007 budget calls for a 20% increase in monthly dues, only our second increase in about twelve years. No dues will increase more than 20% in 2007. Starting in 2008, everyone will be paying a uniform rate (monthly dues) as outlined in our covenants.

## Results From Annual Meeting Questionnaire

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Below are the results to the questionnaire. . .

**Would you prefer to see dues increased in smaller amounts (5% to 10%) more often or would you prefer to see dues increased in larger amount less often (15% to 20%)?**

48% Smaller and More Often  
52% Larger and Less Often

**Do you believe the HOA Board should fine those homeowners who do not comply with Architectural Control violations?**

100% Yes

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neighborhood news.

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## Results From Annual Meeting Questionnaire, Cont.

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What one thing would you like to see improved within our community?

Clubhouse	35%
Pool Area	20%
Community Landscape	19%
Homeowners Property	11%
Roads	5%
More Socials	4%
Dog Do Throughout Community	2%
Traffic Light At Entrance	2%
Removal Of Parked Cars On One Homeowner's Driveway	2%

How would you prefer we pay for future community wide capital improvements?

- 98% \$300K Bank Loan Payable Within 10 years
- 2% Assess homeowners' equally every other year
- 0% Don't borrow money, don't make any annual assessments, pay as you go.

Do you feel there has been an improvement in the weekly landscape maintenance now that we have changed landscape maintenance companies?

With the exception of one homeowner, everyone says yes.

Would you like to see the Realtor For Sale signs removed from the front of our entrances?

- 75% Yes
- 25% No

If yes, would you like to see permanent more attractive generic signs permanently placed at our entrances?

- 86% Yes
- 14% No

## Annual Meeting Powerpoint Presentation

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For those of you who could not attend the meeting and for those of you who would like to look at the annual meeting presentation again, we have added the presentation to our website. Our website is [riverridgehoa.net](http://riverridgehoa.net). The password for the protected area is oldenibs.

In closing, thank you for taking the time to participate in your community. Once the entire community improvement program was explained, we received overwhelming support. The primary reason given to us for those that don't support our plan is that they do not use the amenities.

The Board will work on a different Annual Meeting Format for next year to better accommodate the crowd, and provide for more homeowner involvement and feedback, yet keeping the meeting as short as possible.

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neighborhood news.

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