



JMR Financial Group, Inc.
STRATEGIC WEALTH MANAGEMENT

May 2, 2004

Bill Rounds
President, Taberna Home Owners Association
224 Mellen Road
New Bern, NC 28562

Dear Bill:

At our last meeting on April 26th, the Finance Committee unanimously recommended that assets held in reserve accounts be moved into higher paying savings accounts. It was my recommendation that we utilize the Orange Savings Account from ING Direct for all separate accounts/communities within Taberna.

The FDIC-insured Orange Savings Account from ING DIRECT pays nearly three times the national money market average. Currently yielding 2%,¹ the Orange Savings Account has no fees, no minimum balance requirements and no service charges. In addition, there is no need to change banks as the accounts link to our current checking accounts.

ING DIRECT is part of ING, one of the world's largest financial institutions with over \$600 billion in assets. ING does business in 65 countries including the United States where it has done business for over 100 years. The Orange Savings Account is secure and FDIC-insured up to \$100,000 per depositor. To open an account, go online to www.ingdirect.com or call their service center at 866-327-4591.

Although I have formally resigned from the finance committee, I believe there still remains a conflict of interest in establishing the accounts through my independent Registered Investment Advisory firm as we clear our business through ING Financial Network, an independent broker-dealer which is an affiliate of ING Group. However, if you have any questions, please feel free to contact our client services associate, Rita Hendrick-Smith or our operations manger, Roberta Collier.

Sincerely,

1323 Commerce Drive

New Bern, NC 28562

252-638-7598

252-635-6739 fax

25A Vreeland Road, Suite 303

Florham Park, NJ 07932

973-966-1580

973-966-0322 fax

www.jmrfinancial.com


James Russo
Financial Advisor

Cc: John Galvanek, Treasurer

¹ Annual Percentage Yield, effective May 1, 2004.

Taberna Homeowners Association
Board of Directors Meeting Minutes
May 6, 2004

Attendees:

Larry Alderson
Marcia Crawford

John Galvanek
Esther Hardin

John Murphy
Joan Peacock

Bill Rounds

OLD BUSINESS:

The minutes from the April 5, 2004 Board of Directors meeting were approved as submitted.

Bill Rounds provided an update on the meeting with families with young children. Representatives of these families will be meeting on May 19th to put together an agenda for a meeting with the HOA Board.

The Architectural Control Committee representatives reviewed the Amendment to Protective Covenants – Taberna that was drawn up by Weyerhaeuser. This amendment covers the restrictions to be placed on the Taberna Way property that Weyerhaeuser wants to sell to Jerry and Vicki Walker. The document satisfactorily addresses the areas of our concerns. Motion made and seconded to accept the Amendment to Protective Covenants as written. Motion passed.

Discussed the meeting with the sub-associations. Abbington Woods appears to have many issues with construction debris, the trash dump behind some homes in Abbington Woods, common grounds upkeep and the contract for homeowner mowing. It was decided to send a memo to the sub-association representatives to let them know that the Board is willing to meet with them to discuss any issues they may have. The representatives would arrange to meet with the board for any discussions they may want.

John Galvanek provided an update on the Sellhorn berm. He had a meeting this morning with the involved parties. The berm will be three feet in height and will be seeded. Construction of the berm is to start next week. After completion, landscaping of the berm and fencing on the Sellhorn properties will be discussed.

Bill Rounds provided an update on the transfer of storm water permits from WREDCO to the HOA. John Murphy has been trying to get in contact with John Moore. Weyerhaeuser will assist us in getting these permits transferred. There was also some discussion on the drainage problems between Biel St and Abbington Woods and in the area by the 9th tee. Weyerhaeuser is working on correcting these problem areas.

Discussed the timeline needed to prepare the budgets for the annual meeting. It was agreed to send a budget out with the annual meeting notice. The notice must be sent out at least 30-days prior to the meeting; annual meeting is scheduled for November 29th and the notice would need to be mailed by October 29th. Budgets would need to be a ready by October 1st. John Galvanek stated that the Finance Committee will take charge of the budget requirements. They would also be able to determine the HOA dues for 2005.

Discussed the status, organization and function of the Crime Watch Committee. The committee could be used as a communication network in the event of a natural disaster. David Lloyd published an article in the Taberna Tribune and also passed out magnets with emergency

contact numbers. To date, there have been no volunteers for additional block captains. White lines at the intersection of Taberna Way and Taberna Circle have been painted. This should aid in drawing driver attention to the fact that this is four-way stop.

NEW BUSINESS:

John Galvanek present the first quarter budget and reviewed the forms with the Board. There are still 2004 HOA dues that have not been paid. Letters were mailed to those individuals/builders requesting payment of their HOA dues. There was discussion on the Tribune fund on how it should be spent. Postage for the Tribune is coming out of the Administrative expenses. The Tribune staff is considering buying a camera for their use. We also reviewed the HOA Reserves requirements. The reserve monies can only be used for major repairs and replacements. It cannot be used to cover operating expenses such as legal fees. If there were a need to pay legal fees, a special assessment would be needed. Mona Kay Sadler also suggested adding a reserve to cover repair and/or replacement of the berms.

Jim Russo wrote a letter of resignation as chair of the Finance Committee. Wayne Maruna has accepted the chair of the Finance Committee. A motion was made, seconded and passed to approve these changes to the chair of the Finance Committee.

Discussion held on a real estate form titled Owners' Association Addendum. John Galvanek received a call inquiring about this form and he worked with Dianne Dunn to locate this form, which is not widely used. John presented us with the "generic" form with completed information. A motion was made, seconded and passed to approve the use of this form, if required by the real estate agent or closing attorney.

Bill Rounds received a complaint about a Rotweiler dog that was running loose on the streets and threatening the neighborhood. He drafted a letter to be sent to the owner of the dog. The bill insert from the New Bern Police Department in our utility bill was very timely. The board decided against sending out this letter and to let the individual homeowners contact the Animal Control Unit as directed in notice from the police department. There are other issues with other dogs and cats being unrestrained and owners not picking up behind their dogs. Bill will support the Animal Control Unit by addressing unrestrained pets in his President's message in the Tribune.

Bill Rounds updated the Board on the status of the deed transfers for the common grounds. Ron McCausland reviewed the records at the City and is working with Weyerhaeuser to resolve any discrepancies.

The next HOA Board meeting is scheduled for Tuesday, June 1st, at 4p.

Respectfully submitted

Marcia Crawford
Secretary

AGENDA
May 6, 2004 Meeting

OPEN ISSUES

- Update on meeting with “youngsters”
- Review of Taberna Way deed proposal
- Meeting with sub-associations – Abbington Woods?
- Update on Sellhorn berm
- Transfer of storm water permits from WREDCO to HOA
- Calendar for dates needed going forward toward year-end

NEW ISSUES

- First Quarter budget review
- Dog complaint letter
- WREDCO deeds transfer
- Next meeting date

OTHER ISSUES

- Suggestions for Tribune column

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