

**Southern Village Homeowners Association
Board of Directors Meeting
600 Market St
Tuesday, July 15th 2014**

Board of Directors: Cindy James Vice President (acting chair)
Arun Kilara Member at Large
Phil Meyer, Treasurer
Bobby Mallik, Secretary

Absent: Rainer Dammers, President

Others: Tony Smith, Berkeley Property Management

Quorum

With quorum established at 6:32pm the meeting started.

Open Comments

No open comments were brought to attention.

April 15th Board of Directors Minutes

The minutes of the April 15 Board of Directors meeting were approved as submitted.

Treasurer's Report

Mr. Meyer's report is as follows:

In the first six months of 2014, the association took in \$178,705, which is about \$5,000 less than budgeted. The shortfall is caused by late payment of annual dues, and it is normal. As of the end of June, we had 22 members still not paid. That is an improvement compared to last year at this time when 36 were unpaid. Expenditures are also under the scheduled budget, by \$13,000, so we have no problem paying our bills. The biggest expense has been park maintenance, where \$11,350 of a \$15,000 budget has been spent. The reserve fund has been growing at the rate of about \$8,000 a year, and it now stands at \$146,323. That puts us on track to have a reserve equal to one year's income in four more years. The townhome groups have their own maintenance budgets, and they are on track to build some surplus this year because last year's exterior painting contract left them with fewer visible repair needs. They are going to need that surplus if the experience of the oldest group, TH 1 (the 16 houses on Westgreen Dr.) is an indication. Based on the 2009 reserve study, we were expecting that roof replacement in 2014 would cost about \$26,000. But an inspection last month by a Raleigh contractor revealed flaws that will lead to a replacement cost in excess of \$60,000. The TH 1 reserve account stands at \$44,220. After consulting with TH 1 owners (I am one), I recommend the following steps to close the gap.

1. Schedule TH 1 roof replacement for 2015
2. Raise TH 1 dues from the current \$110/month to \$125, effective in January 2015
3. Obtain at least two competitive bids

If these actions still leave us with an insufficient reserve, the covenants allow us to levy a special assessment on the owners.

Townhome Committee Report

Roofing issues for TH1 have been identified by Roofwerks. A new roof will be required in the next 12-18 months. Berkeley will work on getting bids and scheduling work in 2015. Next, later this fall West End TH drains (landscaping drains) will be repaired by US Lawns. Finally, the landscaping sprinklers for West End TH initially defective have since been repaired.

Communications Committee Report

Mr. Meyer discussed the proposal to post volunteer activities. Guidelines were written and are currently with the Board President for review. Community website revisions were discussed and are under construction. Monthly updates from the Communications Committee via the list serve were discussed and agreed upon.

ARB

ARB continues to meet each month & to post updates to the community website. Communication of the ARB with the Board was discussed and Mr. Kilura agreed that he is the liaison between the ARB and the Board.

Southern Village Street Trees

Contracts do not exist for trees around single family homes and these trees are maintained by the town of Chapel Hill. The motion has been suggested to have a company do an assessment of trees in the neighborhood around single family homes and to determine the health of those trees. The board voted for Bartlett Tree Company to perform this assessment at a cost to not exceed \$10,000. Note this bill will be paid from the existing tree maintenance account. Cindy James will be the primary Board contact on this project with Bartlett. Once finished the final report will be furnished to the Town of Chapel Hill.

ARB Guidelines

Strip area clarification amendments were voted and approved upon and will be added to the ARB guidelines at the next revision of these. Cindy James will edit the current guidelines to include this new change. Once done she will share with Berkeley so the new guidelines can be posted on the community website. Also, Board agreed the new guidelines would be mailed to all SVHOA residents later this fall.

Other Business

Arlen Park improvements at a price of \$7529 (US Lawns) were voted for and approved.

Next Meeting

The next Board of Directors is set for Wednesday October 21st @ 6:30pm at 600 Market Street.

Adjourn

The meeting adjourned at 7.53pm.