

**Southern Village Homeowners Association
Board of Directors Meeting**

101 Market Street, 1st Floor Conference Room
Tuesday, September 18, 2018
6:35pm to 9:55pm

Attendees

SVHOA Board of Directors	Susana Dancy	President
	Jerry VanSant	Treasurer
	Steve White	Secretary
	Nancy Draughon	Member-at-Large
	Susanna Trevino	Member-at-Large
Berkeley Property Management (BPM)	Tony Smith, SVHOA Community Manager	
Petway Mills & Pearson. PA (PM&P)	Phyllis Pearson	
Highgrove Townhome Committee	Spencer Cowan	

Establish Quorum / Call to Order

President Susana Dancy established a quorum and opened the SVHOA BOD meeting at approximately 6:35pm.

Open Comments

There were no additional residents attending the meeting and no open comments.

Approve Minutes of Previous Meeting

The minutes for the August 23, 2018 SVHOA Board Meeting was formally approved for the record by the Board.

Petway Mills & Pearson Audit Review

In 2017 the SVHOA BOD commissioned PM&P to conduct a financial audit of the SVHOA year-end December 31, 2017 financial statements and preparing the tax return for 2018. Phyllis Pearson reviewed the findings of the December 31, 2017 financial statements audit. Copies of the audit are available to SV residents through BPM.

- Audit findings

The audit was classified as an unmodified or clean audit. In novice terms this means there were no significant negative findings and the results were good.

- Additional suggestions or comments

Typical Reserve Engineering Studies are conducted on a frequency of 5 or 10 years. The last SHHOA study was conducted in 2016.

Many HOAs set internal standards that require multiple bids for contracts exceeding a specific dollar amount, as an example \$2,500. The SVHOA BOD previously agreed to adhere to this principle but no specific dollar amount has been documented.

The selection of contract bids should target the more qualified company vs. the lowest bid.

A SVHOA BOD manual on how to or how does the board function would be beneficial to future boards and auditors.

This audit really consists a combination of audits because of the number of sub-associations that make up the Seven SVHOA accounts. These include the SVHOA (including common areas, ponds and street trees), the Courtyard, Highgrove, Townhomes I, Townhomes II and Westend Townhomes, and the Alleyways.

SVHOA financial documents and records should not be posted on the SVHOA we site and available for open public access.

President's report

- 106 Tharrington Drive – ADU update

The HOA president is working with directly with the homeowners title insurance company to come up language for board to consider. The goal is to memorialize the timeline of construction of existing ADU to show that the property is not in violation of the SVHOA covenants and restrictions.

- Path connecting Brookgreen to Parkview Crescent via the pond WP#2 - communication from adjacent owner

The Board had an additional discussion on this topic. The original decision of the board members remained unchanged. The next activity will be to survey and establish the location of the boundary line between the two properties. This will be another decision point.

- NC Symphony funding – 2017 and classification for 2018

The board reviewed the original issue with the 2017 NC Symphony donation of \$2,500. The donation was not made because of a billing mix up with the Market Street Association (MSA) and NC Symphony. The path forward is as follows.

- Pay the 2017 donation commitment of \$2,500 from the current 2018 budget.
 - Restructure our current \$10,000 MSA and \$2,500 NC Symphony donations to \$7,500 MSA and \$5,000 NC Symphony donation. Note, currently \$2,500 from the \$10,000 MSA donation flows directly to the NC Symphony. Require the MSA and NC Symphony to maintain the same level of publicity for sponsorship, as the SVHOA donations in 2018.
- Police substation
 - The MSA and the SVHOA currently donate \$5,000 each to cover the annual \$10,000 cost of the SV CH Police substation. The MSA plans to relocate the substation from the current location to another on Market Street. The board will review the cost vs. benefit of the substation during the budget discussions.

HOA Manager Reports & Recommendations

- ARB - Questions for BPM - What is the status of the “Conditional Approvals” for the June 609Aberdeen and July 804 Highgrove requests? Was the August 602 Highgrove request approved? Where is the yearly-consolidated request list located?
- Townhomes - Maintenance, Repairs, Landscaping
 - Condos - Nothing to report
 - Courtyard - Nothing to report
 - Highgrove - Requirements for fire safety system inspections are increasing in 2019. The ARB has approved a request by several residents to switch to Zoysia grass in their front planting strip. The board will review the covenant requirements for back yard tree maintenance.
 - Townhome I - Nothing to report
 - Townhome li - Nothing to report
 - Westend - Requirements for fire safety system inspections are increasing in 2019
- Alleyways - Routine alley repairs were not discussed. The Alleyway Reserves had no formal estimate for repaving. BPM has received an

estimate for various levels of repaving. This will be discussed as part of the budget process.

- Ponds - This summer there was a Duckweed/Watermeal outbreak on pond WP#1 on Highgrove. It took two treatments over a 4 to 6 week period to correct the problem. All three ponds, WP#1, WP#2 and WP#3 performed well during the Hurricane Florence rains with no reported issues or overflow concerns. During budget discussions we will review the projected timing and cost of the replacement of the Brookgreen pond WP#2 outflow pipe.
- Landscaping - Nothing to report
- Street Trees - Nothing to report
- Recycling Centers & Dog Waste Stations - BPM will follow up with the MSA and Chapel Hill/Orange County to determine if there are any cost savings if they collect the waste and recycling from the SVHOA parks. BPM will also investigate cost savings if we add additional dog-waste cans vs. a biweekly (2X/Wk.) pickup schedule. Note, the cost of 3 waste cans delivered is <\$300.
- Complaints to Management - At past Board meetings BPM has agreed to document all residential complaints including those related to landscaping issues. We appear to still be missing these items. At our next board meeting we should discuss what complaints should not be recorded.

Board Reports, Discussion & Action Items

- Old Business - Path repairs by tennis courts - The current path by the tennis courts is located on the club's property. The SVHOA will discuss with the club sharing the expense for repairing the path damaged by the runoff from the tennis courts.
- Treasurer's Report - Budget framework for 2019 - There was a brief discussion on the budget process and the working sessions scheduled on October 2, 2018 and November 13, 2018. The board shared an example of a 30-year Reserve study with BPM. The board does not believe that the current 6-year study BPM is currently using is adequate for insuring the Reserves are maintained at the proper level. The board would like BPM to provide the board with a 30-year Reserve Study using a similar format, for this year's budget process.

Adjourn

- The meeting adjourned at 9:55pm.